

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2021

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ___ to ___
Commission file number 001-13619

BROWN & BROWN, INC.

(Exact name of registrant as specified in its charter)

Florida



59-0864469

(State or other jurisdiction of incorporation or organization)

300 North Beach Street,
Daytona Beach, FL
(Address of principal executive offices)

(I.R.S. Employer Identification Number)

32114
(Zip Code)

Registrant's telephone number, including area code: (386) 252-9601

Registrant's Website: www.bbinsurance.com

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
COMMON STOCK, \$0.10 PAR VALUE	BRO	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

Note - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

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

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

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

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

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

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

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

The aggregate market value of the voting common stock held by non-affiliates of the registrant, computed by reference to the price at which the stock was last sold on June 30, 2021 (the last business day of the registrant's most recently completed second fiscal quarter) was \$12,475,231,637.

The number of shares of the Registrant's common stock, \$0.10 par value, outstanding as of February 18, 2022 was 282,215,614.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Brown & Brown, Inc.'s Proxy Statement for the 2022 Annual Meeting of Shareholders are incorporated by reference into Part III of this Report.

Auditor Firm ID: 34

Auditor Name: Deloitte & Touche LLP

Auditor Location: Tampa, Florida, United States of America

BROWN & BROWN, INC.
ANNUAL REPORT ON FORM 10-K
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021
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Disclosure Regarding Forward-Looking Statements

Brown & Brown, Inc., together with its subsidiaries (collectively, “we,” “Brown & Brown” or the “Company”), makes “forward-looking statements” within the “safe harbor” provision of the Private Securities Litigation Reform Act of 1995, as amended, throughout this report and in the documents we incorporate by reference into this report, including those relating to the potential effects of the COVID-19 pandemic (“COVID-19”) on the Company’s business, operations, financial performance and prospects. You can identify these statements by forward-looking words such as “may,” “will,” “should,” “expect,” “anticipate,” “believe,” “intend,” “estimate,” “plan” and “continue” or similar words. We have based these statements on our current expectations about potential future events. Although we believe the expectations expressed in the forward-looking statements included in this Annual Report on Form 10-K and the reports, statements, information and announcements incorporated by reference into this report are based upon reasonable assumptions within the bounds of our knowledge of our business, a number of factors could cause actual results to differ materially from those expressed in any forward-looking statements, whether oral or written, made by us or on our behalf. Many of these factors have previously been identified in filings or statements made by us or on our behalf. Important factors which could cause our actual results to differ, possibly materially from the forward-looking statements in this report include but are not limited to the following items, in addition to those matters described in Part I, Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations”:

- COVID-19 and the resulting governmental and societal responses, the severity and duration of COVID-19 (including through any new variant strains of the underlying virus), the effectiveness of and accessibility to vaccines, the pace and rate at which vaccines are administered, actions taken by governmental authorities in response to COVID-19 and the direct and indirect impact of COVID-19 on the U.S. economy, the global economy and the Company’s business, liquidity, customers, insurance carriers and third parties;
- The effects of inflation;
- The inability to retain or hire qualified employees, as well as the loss of any of our executive officers or other key employees;
- Acquisition-related risks that could negatively affect the success of our growth strategy, including the possibility that we may not be able to successfully identify suitable acquisition candidates, complete acquisitions, integrate acquired businesses into our operations, and expand into new markets;
- A cybersecurity attack or any other interruption in information technology and/or data security and/or outsourcing relationships;
- The requirement for additional resources and time to adequately respond to dynamics resulting from rapid technological change;
- The loss of or significant change to any of our insurance company relationships, which could result in additional expense, loss of market share or material decrease in our profit-sharing contingent commissions, guaranteed supplemental commissions or incentive commissions;
- Adverse economic conditions, natural disasters, or regulatory changes in states where we have a concentration of our business;
- The inability to maintain our culture or a change in management, management philosophy or our business strategy;
- Risks facing us in our Services segment, including our third-party claims administration operations, that are distinct from those we face in our insurance intermediary operations;
- The limitations of our system of disclosure and internal controls and procedures in preventing errors or fraud, or in informing management of all material information in a timely manner;
- The significant control certain existing shareholders have over the Company;
- Risks related to our international operations, which result in additional risks and require more management time and expense than our domestic operations to achieve or maintain profitability;
- Changes in data privacy and protection laws and regulations or any failure to comply with such laws and regulations;
- Improper disclosure of confidential information;
- The potential adverse effect of certain actual or potential claims, regulatory actions or proceedings on our businesses, results of operations, financial condition or liquidity;
- Uncertainty in our business practices and compensation arrangements due to potential changes in regulations;
- Regulatory changes that could reduce our profitability or growth by increasing compliance costs, technology compliance, restricting the products or services we may sell, the markets we may enter, the methods by which we may sell our products and services, or the prices we may charge for our services and the form of compensation we may accept from our customers, carriers and third-parties;

- A decrease in demand for liability insurance as a result of tort reform legislation;
- Our failure to comply with any covenants contained in our debt agreements;
- The possibility that covenants in our debt agreements could prevent us from engaging in certain potentially beneficial activities;
- Changes in the U.S.-based credit markets that might adversely affect our business, results of operations and financial condition;
- Risks associated with the current interest rate environment, and to the extent we use debt to finance our investments, changes in interest rates will affect our cost of capital and net investment income;
- Disintermediation within the insurance industry, including increased competition from insurance companies, technology companies and the financial services industry, as well as the shift away from traditional insurance markets;
- Changes in current U.S. or global economic conditions;
- Effects related to pandemics, epidemics or outbreaks of infectious diseases;
- Conditions that result in reduced insurer capacity;
- Quarterly and annual variations in our commissions that result from the timing of policy renewals and the net effect of new and lost business production;
- Intangible asset risk, including the possibility that our goodwill may become impaired in the future;
- Other risks and uncertainties as may be detailed from time to time in our public announcements and Securities and Exchange Commission (“SEC”) filings; and
- Other factors that the Company may not have currently identified or quantified.

Assumptions as to any of the foregoing, and all statements, are not based upon historical fact, but rather reflect our current expectations concerning future results and events. Forward-looking statements that we make or that are made by others on our behalf are based upon a knowledge of our business and the environment in which we operate, but because of the factors listed above, among others, actual results may differ from those in the forward-looking statements. Consequently, these cautionary statements qualify all of the forward-looking statements we make herein. We cannot assure you that the results or developments anticipated by us will be realized or, even if substantially realized, will result in the expected consequences for us or affect us, our business or our operations in the way we expect. We caution readers not to place undue reliance on these forward-looking statements. All forward-looking statements made herein are made only as of the date of this filing, the Company does not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or of which the Company hereafter becomes aware.

PART I

ITEM 1. Business.

General

Brown & Brown is a diversified insurance agency, wholesale brokerage, insurance programs and service organization with origins dating from 1939 and is headquartered in Daytona Beach, Florida. The Company markets and sells insurance products and services, primarily in the property, casualty and employee benefits areas. We provide our customers with quality, non-investment insurance contracts, as well as other targeted, customized risk management products and services. We primarily operate as an agent or broker and therefore do not assume underwriting risks. An exception is the activity in The Wright Insurance Group, LLC ("Wright"), in which we operate a write-your-own flood insurance carrier, Wright National Flood Insurance Company ("WNFIC"). WNFIC's underwriting business consists of policies written pursuant to the National Flood Insurance Program ("NFIP"), the program administered by the Federal Emergency Management Agency ("FEMA"), excess flood and private flood policies which are fully reinsured, thereby substantially eliminating WNFIC's exposure to underwriting risk, as these policies are backed by either FEMA or a reinsurance carrier with an AM Best Company rating of "A" or better. We also operate a capitalized captive insurance facility (the "Captive") for the purpose of having additional capacity on a quota sharing basis, currently focused on property insurance for earthquake and wind exposed properties underwritten by certain managing general agents. The Captive buys reinsurance, limiting, but not eliminating the Company's exposure to underwriting losses.

The Company is compensated for its services primarily by commissions paid by insurance companies and to a lesser extent, by fees paid directly by customers for certain services. Commission revenues are usually a percentage of the premium paid by the insured and generally depend upon the type of insurance, the particular insurance company and the nature of the services provided by us. In some limited cases, we share commissions with other agents or brokers who have acted jointly with us in a transaction and we recognize commissions net of any commissions paid to other intermediaries. We may also receive from an insurance company a "profit-sharing contingent commission," which is a profit-sharing commission based primarily on underwriting results. Fee revenues are generated by: (i) our Services segment, which provides insurance-related services, including third-party claims administration and comprehensive medical utilization management services in both the workers' compensation and all-lines liability arenas, as well as Medicare Set-aside services, Social Security disability and Medicare benefits advocacy services, and other claims adjusting services, (ii) our National Programs and Wholesale Brokerage segments, which earn fees primarily for the issuing of insurance policies on behalf of insurance carriers, and (iii) our Retail segment for fees received in lieu of commissions. The amount of our revenues from commissions and fees is a function of several factors, including continued new business production, retention of existing customers, acquisitions and fluctuations in insurance premium rates and "insurable exposure units," which are units that insurance companies use to measure or express insurance exposed to risk (such as property values, sales and payroll levels) to determine what premium to charge the insured. Insurance companies establish these premium rates based upon many factors, including loss experience, risk profile and reinsurance rates paid by such insurance companies, none of which we control.

As of December 31, 2021, our activities were conducted in 331 domestic locations in 44 states, and 20 international locations in Canada, Ireland, the United Kingdom, Bermuda and the Cayman Islands.

Segment Information

Our business is divided into four reportable segments: (i) the Retail segment, (ii) the National Programs segment, (iii) the Wholesale Brokerage segment and (iv) the Services segment. The Retail segment provides a broad range of insurance products and services to commercial, public and quasi-public entities, and to professional and individual customers, as well as non-insurance warranty services and products through our automobile dealer services ("F&I") businesses. The National Programs segment, which acts as a managing general agent ("MGA"), provides professional liability and related package products for certain professionals, a range of insurance products for individuals, flood coverage, and targeted products and services designated for specific industries, trade groups, governmental entities and market niches, all of which are delivered through a nationwide network of independent agents, including Brown & Brown retail agents. The Wholesale Brokerage segment markets and sells excess and surplus commercial and personal lines insurance, primarily through independent agents and brokers, as well as Brown & Brown retail agents. The Services segment provides insurance-related services, including third-party claims administration and adjusting services, comprehensive medical utilization management services in both the workers' compensation and all-lines liability arenas, as well as Medicare Set-aside services and Social Security disability benefits advocacy services.

The following table summarizes (i) the commissions and fees generated by each of our reportable operating segments for 2021, 2020, and 2019 and (ii) the percentage of our total commissions and fees represented by each segment for each such period:

<i>(in thousands, except percentages)</i>	<u>2021</u>	<u>%</u>	<u>2020</u>	<u>%</u>	<u>2019</u>	<u>%</u>
Retail segment	\$ 1,766,667	58.0 %	\$ 1,471,352	56.5 %	\$ 1,366,016	57.3 %
National Programs segment	701,108	23.0 %	609,842	23.4 %	516,915	21.7 %
Wholesale Brokerage segment	402,635	13.2 %	352,161	13.5 %	309,426	13.0 %
Services segment	178,857	5.9 %	174,012	6.7 %	193,641	8.1 %
Other	(1,745)	(0.1)%	(1,259)	(0.1)%	(1,261)	(0.1)%
Total	<u>\$ 3,047,522</u>	100.0 %	<u>\$ 2,606,108</u>	100.0 %	<u>\$ 2,384,737</u>	100.0 %

The majority of our operations are in the United States. In addition, we operate retail operations based in Ireland, Bermuda and the Cayman Islands, a wholesale brokerage operation based in England and a managing general agent operation in Canada. These operations generated \$78.0 million, \$35.1 million and \$17.7 million of revenues for the years ended December 31, 2021, 2020 and 2019, respectively. We do not have any material foreign long-lived assets.

See Note 16 to the Consolidated Financial Statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for additional segment financial data relating to our business.

Retail segment

The Retail segment provides a broad range of insurance products and services to commercial, public and quasi-public, professional and individual insured customers, and non-insurance services and products through our automobile dealer services (“F&I”) businesses. Significant lines of coverage and capabilities are:

Property & Casualty	Employee Benefits	Personal Insurance
Property	Benefit Design & Delivery	Homeowners
Casualty	Financial Strategy & Analytics	Automobile
Workers' Compensation	Regulatory & Legislative Strategy	Personal Excess Liability
Surety	Technology Services	Flood and Excess Liability
Aviation	Population Health & Well-Being	Flood and Excess Flood
Private Equity/Mergers & Acquisitions	Strategic Non-Medical Solutions	Specialized Coverages
Executive Liability	Voluntary Benefits	Group Excess
Cyber Risk	Pharmacy Benefits	
Multinational	Private Equity/Mergers & Acquisitions	Specialties
Analytics & Modeling	International Benefits	Dealer Services
Risk Services	Employer Stop Loss	Specialty Risk Solutions
Alternative Risk/Captives		Tribal Nations
Specialty Risk Solutions		Total Rewards & Compensation
Trade Credit		

No material part of our retail business is attributable to a single customer or a few customers. During 2021, commissions and fees from our largest single Retail segment customer represented 0.5% of the Retail segment’s total commissions and fees.

As of December 31, 2021, our Retail segment employed 6,301 employees. Our Retail segment has physical locations in 42 states and Ireland, Bermuda and the Cayman Islands. In connection with selling and marketing of insurance coverages, we provide a broad range of related services to our customers, such as risk management strategies, loss control surveys and analysis, consultation in connection with placing insurance coverages and claims processing.

National Programs segment

As of December 31, 2021, our National Programs segment employed 2,842 employees. The National Programs segment specializes in the development and management of insurance program business, often designed for niche, underserved markets. Our largest National Programs segment customer represented approximately 7.6% of the segment’s total commissions and fees. We offer program management expertise for insurance carrier partners across numerous lines of business, which can be grouped into five broad categories as detailed below:

Professional programs. Professional liability and related package insurance products are tailored to the needs of professionals in the following areas: dentistry, legal, eyecare, insurance, financial, physicians and real estate title professionals. Professional liability programs also offer supplementary insurance-related products to include weddings, events, medical facilities and cyber liability.

Personal Lines programs. Personal lines programs offer a variety of insurance products to personal lines consumers including homeowners and personal property policies; residential earthquake; as well as private passenger automobile and motorcycle coverage.

Commercial Lines programs. Commercial programs serve a broad segment of industries with our Core Commercial offering. Specific industries and market niches are served by our specialty programs including automotive aftermarket, professional and amateur sports, motor sports, special events and the entertainment industry; commercial transportation and trucking; forestry; manufactured housing; and workers' compensation.

Public Entity programs. Public entity programs range from providing fully insured programs to establishing risk retention insurance pools, and excess and facultative specific coverages, including administration of various insurance trusts for cities, counties, municipalities, school boards, special taxing districts and quasi-governmental agencies.

Specialty programs. Specialty programs include flood insurance, commercial difference-in-conditions (earthquake), all-risk commercial property, collateralized risk, coastal property programs including wind, lender-placed solutions, sovereign native-American nations and parcel insurance.

Wholesale Brokerage segment

As of December 31, 2021, our Wholesale Brokerage segment employed 1,594 employees. Our Wholesale Brokerage segment markets and sells excess and surplus commercial insurance products and services to retail insurance agencies (including Brown & Brown retail offices). The Wholesale Brokerage segment represent various U.S. and U.K. surplus lines insurance companies. Additionally, certain offices are also Lloyd's of London correspondents. The Wholesale Brokerage segment also represents admitted insurance companies for purposes of affording access to such companies for smaller agencies that otherwise do not have access to large insurance company representation. Excess and surplus insurance products encompass many insurance coverages, including personal lines, homeowners, yachts, jewelry, commercial property and casualty, commercial automobile, garage, restaurant, builder's risk and inland marine lines. Difficult-to-insure general liability and products liability coverages are a specialty, as is excess workers' compensation coverage. Wholesale brokers solicit business through mailings and direct contact with retail agency representatives. During 2021, commissions and fees from our largest Wholesale Brokerage segment customer represented approximately 1.4% of the Wholesale Brokerage segment's total commissions and fees.

Services segment

As of December 31, 2021, our Services segment employed 974 employees and provided a wide range of insurance-related services.

Below are brief descriptions of the capabilities within the Services segment.

Social Security Advocacy. Social Security advocacy assists individuals throughout the United States who are seeking to establish eligibility for coverage under the federal Social Security Disability program and provides health plan selection and enrollment assistance for Medicare beneficiaries. We work closely with employer sponsored group life, disability and health plan participants to assist disabled individuals in receiving the education, advocacy and benefit coordination assistance necessary to achieve the fastest possible benefit approvals. In addition, we provide second injury fund recovery services to the workers' compensation insurance market.

Claims Administration. Claims administration provides third-party administration ("TPA") services for commercial and personal property and casualty, medical, vocational, and professional liability insurance markets on a nationwide basis, providing claims adjusting, administration, subrogation, litigation and data management, claims investigations services, claim investigations, and audit services to insurance companies, self-insureds, public municipalities, insurance brokers and corporate entities. We source claims activity from various Arrowhead programs in our National Programs segment, as well as from third parties.

Medicare Secondary Payer compliance and Medicare Set-Aside. Medicare secondary payer compliance and Medicare set-aside provides statutory compliance services, conditional payment negotiation and resolution, structured settlements/annuity funding, professional administration and a post-settlement durable medical equipment and pharmacy program administration.

Self-Insured Trust Administration. Self-insured trust administration provides TPA services for government entities and self-funded or fully-insured workers' compensation and liability plans and trusts including claims administration and a dedicated subrogation recovery department.

Workers' Compensation and Liability Plan Administration. Workers' compensation and liability plan administration provides claims administration, cost containment consulting services for secondary disability and subrogation recoveries, certified and non-certified medical management programs, access to medical networks, case management, utilization review services and risk management services such as loss control.

In 2021, our five largest contracts represented approximately 19.4% of fees revenues in our Services segment.

Competition

The insurance intermediary business is highly competitive, and numerous firms actively compete with us for customers and insurance markets. Competition in the insurance business is largely based upon innovation, knowledge, understanding of terms and conditions of coverage, quality of service and price. A number of firms and banks with substantially greater resources and market presence compete with us.

A number of insurance companies directly sell insurance, primarily to individuals or small enterprises, and do not pay commissions to third-party agents and brokers. In addition, the internet and startup technology companies continue to be a source for direct placement of personal lines or small business insurance. We have our own technology capabilities to also serve single-line and small businesses. While it is difficult to quantify the impact on our business from individuals or small businesses purchasing insurance over the internet, we believe this risk would generally be isolated to personal lines customers with single-line coverage, or small businesses that do not have a complex insurance program, which represent a small portion of our overall Retail or National Programs segments.

Regulation, Licensing and Agency Contracts

We and/or our designated employees must be licensed to act as agents, brokers, intermediaries or third-party administrators by regulatory authorities in the locations in which we conduct business. Regulations and licensing laws vary by individual state and international location and are often complex.

The applicable licensing laws and regulations in all states and international jurisdictions are subject to amendment or reinterpretation by regulatory authorities, which in most cases have broad discretion as to the granting, revocation, suspension and renewal of licenses. We endeavor to monitor the licensing status of our employees, but the possibility exists that we and/or our employees could be excluded or temporarily suspended from carrying on some or all of our activities in a particular jurisdiction in addition to being subjected to fines.

Human Capital

At December 31, 2021, the Company had 12,023 employees. We have agreements with our sales employees and certain other employees that include provisions: (i) that protect our confidential information and trade secrets, (ii) that restrict their ability post-employment to solicit the business of our customers, and (iii) prevent them from hiring of our employees for a period of time after separation from employment with us. The enforceability of such agreements varies from state to state depending upon applicable law and factual circumstances. The majority of our employment relationships are at-will and terminable by either party at any time; however, the covenants regarding confidential information and non-solicitation of our customers and employees generally extend for a period of at least two years after cessation of employment.

None of our employees are subject to a collective bargaining agreement and we consider our relations with our employees to be good.

Our Guiding Principles

The cornerstones of our organization's guiding principles are people, performance, service and innovation. We believe in doing what is best for our customers, communities, teammates, carrier partners and shareholders—always. We understand that every successful team thrives on the diversity of talent, thought, experience, character and work ethic. Our ability to continue to serve our customers and communities is dependent on the effective recruitment and enhancement of the most qualified teammates. We are an equal opportunity employer built on meritocracy, meaning our people have the opportunity to rise according to their merits and individual initiative.

Culture

At Brown & Brown, we have a culture built on integrity, innovation, superior capabilities, discipline and meritocracy. We are committed to doing what is best for our customers, which drives our sales results and is a crucial component in our Company's strategy. As a lean, highly competitive, decentralized growth and profit-oriented sales and service organization, we think of ourselves as a team, so we have teammates—not employees—and leaders—not managers. Our teammates are our greatest resource, and by challenging, empowering and rewarding them, our teams are driven to achieve extraordinary results.

Nearly a quarter of our Company is owned by our teammates, which we believe cultivates a unique ownership culture. We strive to provide multiple opportunities for teammates to share in the ownership of Brown & Brown and to create personal wealth, including through our employee stock purchase program, our 401(k) plan, and long-term equity grants. We estimate that more than 60% of our teammates own stock in our Company, establishing an ownership mindset that influences how we operate, including how we invest in our business and the work we do for our customers.

Our Team

At Brown & Brown, our goal is to provide our teammates with careers, not just jobs, which is why a vast majority of our teammates are full-time teammates. In addition, we also employ regular part-time teammates and seasonal/temporary teammates.

Full-time teammates work at least a 30-hour workweek for an indefinite period of time and are generally eligible for all employment benefits provided by the Company. Part-time teammates work less than a 30-hour workweek for an indefinite period of time; depending on the average hours worked per week, they may be eligible for limited employment benefits as specified in terms of the particular employment benefit plan or policy. Seasonal/temporary teammates are hired as an interim replacement to temporarily supplement our workforce or assist in completing a specific project, other than those supplied under contract by an outside agency; employment assignments in this category are typically of limited duration.

Teammate Recruitment, Education and Development

Our Company focuses on recruiting and developing the most capable teammates with diverse backgrounds and experiences. We actively recruit at all offices and levels of our organization. We have seen high success when building our team with recent college graduates, mid-level professionals with experience outside the insurance industry and seasoned insurance professionals who desire to elevate their careers. Leveraging our strong relationships with several key colleges and universities, we are committed to recruiting and developing talent through our college intern program. In addition to individual recruitment, we focus on building our team by completing high-quality acquisitions. In 2021, we grew our team by approximately 635 new teammates through the acquisition of 19 companies that we believe fit culturally and make sense financially.

We believe that supporting and encouraging continued education will help to ensure that we remain at the forefront of developing trends in an ever-changing industry. We are committed to investing heavily in our teammate education and development through Brown & Brown University ("BBU"), the Brown & Brown Education Assistance Program and our Peer Partnership Program.

Brown & Brown University: BBU is one of the pillars of our educational program and helps set us apart from our competitors. Through a rigorous internal training program, BBU offers comprehensive sales, technical, academic and leadership skill-building courses for new producers, office leaders and teammates throughout our organization.

The **Brown & Brown Education Assistance Program** provides tuition reimbursement and student loan repayment assistance to our teammates, as well as scholarship opportunities for teammates' dependent children entering college through the National Merit Brown & Brown Scholarship. In 2021, the Company was proud to award 10 students with \$5,000 annual scholarships for four years.

Our **Peer Partnership Program** was established during the COVID-19 pandemic to help teammates connect with others from across the organization. Partners were hand-selected based on their preferences and partnership goals using data collected from participating teammates, including work function, tenure, hobbies and interests. The program encourages making new and expanding existing networks, experiencing our culture through different perspectives and learning more about our Company, other locations and teams.

Teammate Benefits

Brown & Brown offers a wide variety of benefits—from medical and dental coverage, to short-term and long-term disability, to life insurance and 401(k) plan—through the Teammate Benefits program, as we believe the overall well-being of our teammates and their families comes first. We believe our competitive benefits help to set us apart in recruiting and retaining high-quality talent.

In 2021, there were no widespread layoffs or pay reductions as a result of the pandemic. Instead, our Company's leadership has remained committed to preserving its talented teammates and focusing on engagement and results produced during these extraordinary times. Our Company has encouraged flexible work arrangements to accommodate the evolving future of the work landscape and the needs of our teammates. Additionally, teammates affected by the COVID-19 pandemic have had the opportunity to apply for financial assistance through our Brown & Brown Disaster Relief Foundation.

Teammate Engagement

To better understand our Company's strengths and growth opportunities, we gather anonymous feedback from the entire Brown & Brown team on at least an annual basis. We are committed to actively listening and amplifying our teammates' well-being, satisfaction and engagement at work, and are proud that, this year, 92% of our teammates say Brown & Brown is a Great Place to Work®.

We believe these results stem from our commitment to putting the health and well-being of our teammates and their families first and instilling a culture in which teammates have the opportunity to rise according to their merits. By valuing and supporting these priorities as an organization, we believe our Company will continue to be driven by positive, engaged and productive teams, and retain the most talented teammates.

Diversity, Inclusion and Belonging

We believe that having a team diverse in thought, experience, skill and work ethic results in teammate empowerment. An empowered team is what helps to positively impact our customer service and community involvement. As part of our strategy, we continue to evolve and

build out our Diversity, Inclusion and Belonging ("DIB") task force, which was established in 2020 and is composed of eight teammates and leaders with different backgrounds, work experiences and skill sets. The mission of the task force is to collect ideas, thoughts and stories that will help develop a strategic framework promoting diversity, inclusion and belonging across our teams. The task force is overseen and guided by our chief people officer and general counsel.

Our DIB task force spent the last year evaluating our Company's current strengths and opportunities for development by initiating teammate surveys, listening sessions, group focus sessions and training modalities, including a course focused on understanding and managing unconscious bias that was assigned to all teammates as a learning opportunity. In 2021, the task force appointed a DIB Leader who serves as a dedicated resource for the team, and established a DIB motto—The Power to Be Yourself—which was created and voted upon by our teammates.

Our Company will continue to encourage teammate feedback while further cultivating an inclusive environment that reinforces a sense of belonging for our teammates. In addition, our DIB task force has established various Teammate Resource Groups ("TRG"s), teammate-led groups founded around one identity. Each TRG will meet internally, empower one another, host events, and is expected to make recommendations on how our Company can improve policies, impact recruitment and continue to be a strong part of the community. As a way to offer teammates flexibility to observe any day during the year to recognize their culture or heritage, in 2021, our task force introduced an additional floating holiday known as Culture Day.

Brown & Brown does not tolerate discrimination in any form concerning any aspect of employment. The Company has an established policy that recruitment, hiring, transfers, promotions, terminations, compensation and benefits practices be without regard to race, color, religion, absence of religious affiliation, national origin, ethnicity, age, disability, perception of disability, sex, sexual orientation, gender identity/expression, gender orientation, marital status, service in our armed forces, veteran status in our armed forces, political activity or political party affiliation. In addition, the Company tracks the representation of women and underrepresented racial and ethnic minorities because we know diversity helps us build better teams and improve our customer experience. Our gender and minority data are presented periodically to our board of directors. We are proud of our efforts in this area to date and continue to strive to diversify our workforce further and strengthen our culture.

Teammate Health and Safety

The safety and well-being of all Brown & Brown teammates and customers are of utmost importance. Throughout 2021, we continued to navigate the COVID-19 pandemic by carefully executing our business continuity plan and prioritizing the health and well-being of our teammates and the welfare of our customers, carrier partners and shareholders. The Brown & Brown team demonstrated resiliency in a time of uncertainty, and through "The Power of WE," has navigated this uncharted territory with minimal interruption to our business. We know we must remain prepared to deal with the ever-evolving COVID-19 pandemic, as well as any future pandemics. Our response has formed the basis for preparedness if another dangerous and contagious disease should arise.

Our COVID-19 task force continues to address the situation and implement plans for communicating to our teammates and stakeholders, providing beneficial resources to teammates and keeping health and safety top of mind. Throughout 2021, our task force met regularly to discuss strategic decisions and other issues related to the pandemic, including following local, state and federal regulations. Periodically, we surveyed teammates to identify areas of concern and improvement in our response plan and determine vaccination status and views. Below is a summary of specific policies, procedures and efforts taken in response to the COVID-19 pandemic in 2021.

Hybrid Workforce Models

Since March 2020 when the Company quickly implemented a telecommuting protocol in response to COVID-19, remote work has provided an important layer of safety when and where necessary. As health conditions improved, and safety measures expanded to maintain safe work environments, hybrid workforce models have been embraced by some teams and continue to help maintain flexibility within our workforce. Hybrid Workforce Models help reduce headcount working in an office.

Return to the Workplace

We continue to maintain a formal return-to-the-workplace ("RTTW") program with the goal of ensuring the safety of our teammates and customers as we operate our physical locations in accordance with Centers for Disease Control and Prevention and local health department guidelines. As part of this program, we deliver the following measures:

- A regularly updated RTTW guide for our leaders and teammates;
- Leadership webinars on workforce management;
- A dedicated leadership mailbox and tool kit for leaders to submit and track our offices' progression plans;
- A national office cleaning and sanitation program for all locations;
- A COVID-19 command center;

- Automation of data analysis related to COVID-19 tracking, community spread, and tracking of reported cases among our teammates; and
- Self-reporting standards.

Long-Term Implications of the Pandemic

Our Company's leadership team has considered the possibility that the current pandemic or another pandemic could last for an extended period of time measured in years rather than months. The primary risk associated with this possibility centers around the economic consequences to our customers. We believe this risk is at least partially mitigated by our decision to maintain a diverse geographic footprint, with more than 350 locations that serves a broad customer base across many different industry sectors.

We regularly re-evaluate the long-term impact of the pandemic on our infrastructure. As part of our focus on delivering profitable growth over the long term, we are creating a roadmap that accounts for the future of work, including alternatives to our traditional office model, including permanent "work anywhere" arrangements for certain teammates, office hoteling and smaller workspaces. Depending on the approach that we take to future workspace planning, infrastructure costs may decrease, but may be offset by increases in technology to support off-site teammates.

Vaccine Response

Although we are not mandating vaccinations for teammates, we have strongly encouraged and educated our teams on the benefits vaccination for their health and safety, and the health and safety of their families, teammates, customers and carrier partners. If teammates decided to receive the vaccine, we provided flexibility to receive the vaccine during work hours and to take care of side effects, if present. In addition, we have strategically solicited anonymous surveys to combat vaccine hesitancy and show the results of teammates who have received the vaccine with no issues.

Teammate Health and Well-being

Brown & Brown's top priority is the total well-being of our teammates. Total well-being at Brown & Brown means physical, emotional, social and financial health and wellness. We know that healthy teammates provide better support to their families, communities and customers, which results in our continued success as a Company. We encourage teammates to stay active, maintain a healthy work-life balance, volunteer in their local communities and prioritize their mental and physical health. This includes regular communication with teammates about the pandemic's impacts and, when necessary, biweekly headlines and information focused on physical, mental and financial wellness. In addition, our chief executive officer has continued to release biweekly video updates to connect with all of our teammates and encourage the importance of health and well-being.

In 2021, we announced the creation of a Mental Health Allies group, which consists of a group of teammate volunteers that are ready to serve as points of contact for our mental health resources, as well as a support system for our teammates. Allies complete Mental Health First Aid Training offered by National Council for Behavioral Health. These teammates are available to listen impartially, without judgment, and support teammates while also raising awareness around the importance of mental health and wellness. Mental Health Allies are not diagnosticians or emergency providers, but rather conduits who may assist teammates find the appropriate resources in a time of need.

We continue to engage our team of employed health care professionals to provide critical and timely guidance on the physiological and psychological implications of COVID-19. We also provide access to public COVID-19 resources through our website portal to benefit individuals and businesses coping with challenges resulting from the pandemic. Our Operation Remote Work ("ORW") initiative—launched in 2020 to provide support and resources for our new way of working—continues to connect teammates throughout our Company and provides an opportunity to listen and engage with others through internal live streams with teammates. Through this initiative, we provide many resources to help teammates and leaders overcome challenges related to both work and home life.

To assist those who have found themselves in financial hardships due to the pandemic, we continue to provide deeply discounted services and products through our Brown & Brown Savings Center to both teammates and the public.

Across all Brown & Brown locations, we intend to provide a safe environment for teammates and office visitors. The Company has formal workplace safety guidelines that apply to all of our teammates and facilities, with some offices establishing even more specific procedures for conduct. These guidelines cover, among other things, hazardous and unsafe work areas and conditions, cellphone usage, travel, attire, communication protocols for closures and emergencies and our workers' compensation benefits.

In 2021, the Company had no work-related fatalities and 24 injuries or occupational diseases, as determined based on the number of claims made under our workers' compensation policy, excluding claims that were closed and for which no payment was made.

Our new campus in Daytona Beach, Florida, completed in 2021, was designed with teammates in mind. Open floorplans encourage regular movement and interaction among our teammates, promoting a productive, collaborative work environment. Offices and workstations are equipped with ergonomic furniture and sit-stand desks, intentionally selected to support teammates' physical health.

Additionally, the Company has a formal policy against violence in the workplace. This policy prohibits any form of weapon from being carried or maintained in our Company's offices and prohibits teammates from making threats or engaging in violent activities. Under our policy, any teammate who believes they have been a victim of violence, threats of violence, intimidating conduct or has heard jokes or offensive comments about a violent occurrence must report such actions immediately to their team leader or another member of our Company's leadership team. In addition, any teammate who believes they or another teammate may be in imminent danger of violence must notify local law enforcement officials immediately.

Mental Health

From the top down, we regularly promote the importance of prioritizing mental health. Our chief executive officer regularly addresses his passion for maintaining a positive mental health state in his communications with our teammates. Our Company encourages individuals to engage in activities that promote good mental health and, when needed, to seek out help from friends, teammates, family and medical professionals.

Many of the services readily available to Brown & Brown teammates are bundled under the Company's Employee Assistance Program. These include no-cost, confidential support services such as access to mental health counselors, a 24/7 crisis hotline, coaching, wellness activities, a library of videos on demand and more. Additionally, the company's crisis hotline offers *Advocate for Me*, a service that provides one-on-one consultation with mental well-being case navigators, therapists and psychiatrists, alongside other programs, like *Mindfulness Meditation*.

In addition to connecting teammates throughout the Company, our OWR includes interactive webinars led by on-staff board-certified psychiatrist, to discuss mental and physical well-being topics. We have also continued our *Small Bites* sessions that enable teammates to connect with guest speakers from inside and outside of our company on a wide range of business and personal interest topics.

Available Information

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and its rules and regulations. The Exchange Act requires us to file reports, proxy statements and other information with the SEC. We make available free of charge on our website, at www.bbinsurance.com, our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act and the rules promulgated thereunder, as soon as reasonably practicable after electronically filing or furnishing such material to the SEC. These documents are posted on our website at www.bbinsurance.com and may be accessed by selecting the "Investor Relations" link and then the "SEC Filings" link.

The SEC maintains a website that contains reports, proxy statements and other information regarding issuers that file electronically with the SEC. These materials may be obtained electronically by accessing the SEC's website at www.sec.gov.

The charters of the Audit, Compensation and Nominating/Governance Committees of our board of directors as well as our Corporate Governance Principles, Code of Business Conduct and Ethics and Code of Ethics-CEO and Senior Financial Officers (including any amendments to, or waivers of any provision of any of these charters, principles or codes) are also available on our website or upon request. Requests for copies of any of these documents should be directed in writing to: Corporate Secretary, Brown & Brown, Inc., 300 North Beach Street, Daytona Beach, Florida 32114 or by telephone to (386)-252-9601.

Information About Our Executive Officers

Set forth below is certain information concerning our executive officers as of February 22, 2022. All officers hold office for one-year terms or until their successors are elected and qualified.

J. Hyatt Brown	Chairman of the board	84
J. Powell Brown	President, chief executive officer	54
P. Barrett Brown	Executive vice president; president – Retail segment	49
Stephen M. Boyd	Executive vice president; president - Wholesale Brokerage segment	48
Julie L. Turpin	Executive vice president, chief people officer	51
Robert W. Lloyd	Executive vice president; secretary and general counsel	57
K. Gray Nester II	Executive vice president, chief information officer	46
J. Scott Penny	Executive vice president; chief acquisitions officer	55
Chris L. Walker	Executive vice president; president - National Programs segment	64
R. Andrew Watts	Executive vice president; chief financial officer and treasurer	53

J. Hyatt Brown. Mr. Brown was our chief executive officer from 1993 to 2009 and our president from 1993 to December 2002, and served as president and chief executive officer of our predecessor corporation from 1961 to 1993. He was a member of the Florida House of Representatives from 1972 to 1980, and speaker of the house from 1978 to 1980. Mr. Brown served on the board of directors of International Speedway Corporation, a publicly held company, until 2019. Mr. Brown is a member of the board of trustees of Stetson University, of which he is a past chairman, and the Florida Council of 100. Mr. Hyatt Brown's sons, J. Powell Brown and P. Barrett Brown, are employed by us as

president and chief executive officer, and as executive vice president and president – Retail segment, respectively. His son, J. Powell Brown, has served as a director since October 2007.

J. Powell Brown. Mr. Brown was named chief executive officer in July 2009. He has been our president since January 2007 and was appointed to be a director in October 2007. Prior to 2007, he served as one of our regional executive vice presidents since 2002. Mr. Brown was previously responsible for overseeing certain or all parts of all of our segments over the years, and worked in various capacities throughout the Company since joining us in 1995. Mr. Brown has served on the board of directors of WestRock Company (formerly RockTenn Company), a publicly held company, since January 2010. He is the son of our chairman of the board, J. Hyatt Brown, and brother of our executive vice president and president – Retail segment, P. Barrett Brown.

P. Barrett Brown. Mr. Brown was appointed as an executive vice president and the president of our Retail segment in January 2020. He previously served as a senior vice president from 2014 until January 2020 and as a regional president in the Retail segment from September 2015 until January 2020. Mr. Brown joined the Company in 2000 and has served in various roles, including as the profit center leader and an account executive in our Tampa, Florida retail office, as the profit center leader and an account executive in our Orange, California retail office, and as an account executive in our Phoenix, Arizona retail office. He has also overseen certain aspects of “Brown & Brown University,” a training program offering technical and sales courses for new producers, office leaders, and other groups within the organization. He is the son of our chairman of the board, J. Hyatt Brown, and brother of our president and chief executive officer, J. Powell Brown.

Stephen M. Boyd. Mr. Boyd was appointed as an executive vice president and the president of our Wholesale Brokerage segment in January 2021. Mr. Boyd became a senior vice president of the Company in May 2015 and from October 2019 until January 2021, served as our senior vice president of technology, innovation and digital strategy. Between July 2013 and October 2019, he served as president and chief operating officer of Arrowhead General Insurance Agency, Inc. (Arrowhead), one of our subsidiaries. Mr. Boyd joined Arrowhead in 1995 and has served in various roles, including as president of Arrowhead’s Commercial division and Arrowhead’s chief information officer.

Julie L. Turpin. Ms. Turpin was appointed as an executive vice president in May 2021. She became our chief people officer and a senior vice president in March 2020. From August 2012 until March 2020, Ms. Turpin served in various roles at Brown & Brown Absence Service Group (formerly The Advocate Group), one of our subsidiaries, from August 2012 until March 2020, including as its chief executive officer from January 2014 until March 2020, its chief operating officer from August 2013 until January 2014, and its vice president of operations from August 2012 until August 2013. Before joining Brown & Brown Absence Service Group in August 2012, Ms. Turpin served as the chief operating officer of GCG Risk Management Consultants LLC, an insurance brokerage firm she co-founded in Bannockburn, Illinois, from February 2009 until March 2012. She has previously held operational leadership positions with Marsh U.S.A., Inc., Forrest Company Realty, Inc., and NRG Energy, Inc.

Robert W. Lloyd. Mr. Lloyd has served as our general counsel since 2009 and as executive vice president and corporate secretary since 2014. He previously served as vice president from 2006 to 2014, chief litigation officer from 2006 until 2009 and as assistant general counsel from 2001 until 2006. Prior to that, he worked as sales manager and marketing manager, respectively, in our Daytona Beach, Florida retail office. While working in a sales role, Mr. Lloyd qualified for the Company’s top producer honors (Tangle B) in 2001. He has also earned his Chartered Property Casualty Underwriter (CPCU) and Certified Insurance Counselor (CIC) designations. Before joining us, Mr. Lloyd practiced law and served as outside counsel to the Company with the law firm of Cobb & Cole, P.A. in Daytona Beach, Florida. Mr. Lloyd is a Rotarian; a member of the board of trustees of Daytona State College, immediate past chairman of the Daytona Beach Regional Chamber of Commerce; a member of the Florida Chamber board of governors, secretary and director of the Council on Aging of Volusia County; a member of the national board of directors of the University of Florida Foundation; vice president of the Dr. Mary McLeod Bethune Statuary Fund Inc.; and a member of the advisory board of the Central Florida Council - Boy Scouts of America.

K. Gray Nester II. Mr. Nester was appointed as an executive vice president in October 2021. He became our chief information officer and a senior vice president in February 2021. From December 2019 until February 2021, Mr. Nester served as the chief information officer for our Retail segment. Prior to that, he held a variety of information technology roles as a senior vice president of BB&T Insurance Services from February 2010 until December 2019, including business information officer, IT group services manager, and IT services manager. From February 2004 until February 2010, Mr. Nester was an MIS director for BB&T with responsibility for the information technology needs of various BB&T business lines during that time. He previously served as an information technology director for Fox-Everett.

J. Scott Penny. Mr. Penny has been our chief acquisitions officer since 2011, and he serves as director and as an executive officer for several of our subsidiaries. He served as a regional president from 2010 to 2014 and regional executive vice president from 2002 to July 2010. From 1999 until January 2003, Mr. Penny served as profit center leader of our Indianapolis, Indiana retail office. Prior to that, Mr. Penny served as profit center leader of our Jacksonville, Florida retail office from 1997 to 1999. From 1989 to 1997, Mr. Penny was employed as an account executive and marketing representative in our Daytona Beach, Florida office.

Chris L. Walker. Mr. Walker was appointed president of our National Programs segment in 2014. He served as regional executive vice president from 2012 to 2014. Mr. Walker is responsible for our National Programs segment. He has also served as chief executive officer of Arrowhead since 2012. He has been involved with Arrowhead’s business development strategies, product expansion, acquisitions and the overall operations and infrastructure since joining the organization in 2003. Prior to that, he served as vice chairman of Aon Re. Mr. Walker’s insurance career began with the reinsurance intermediary E.W. Blanch Co., where he ultimately served as chairman and CEO of E.W. Blanch Holdings. He previously served as chairman of the Brokers and Reinsurance Markets Association.

R. Andrew Watts. Mr. Watts joined the Company as executive vice president and treasurer in February 2014, and was appointed chief financial officer effective March 4, 2014. Prior to joining the Company, he had served as global head of customer administration for Thomson

Reuters since 2011, and from 2008 to 2011, he acted as chief financial officer for multiple segments within the Financial and Risk division of Thomson Reuters. Prior to 2001, Mr. Watts was the chief financial officer and co-founder of Textera, an internet startup company, and worked as a senior manager with PricewaterhouseCoopers for nine years. Mr. Watts earned a Public Accountancy (CPA) license from Illinois and holds a Bachelor of Science degree from Illinois State University. Since June 2018, he has served as a director of New Planet Energy Development, LLC, a privately held green energy company, and since January 2020, he has served on the board of trustees of the Museum of Arts & Sciences, Inc., a not-for-profit corporation in Daytona Beach, Florida. He was previously the chairman of the board for SurfFlight Theatre from January 2013 through February 2014 and served on that board from July 2012 until February 2014. He was previously the chairman of the board for Make-A-Wish Foundation of New Jersey from 2005 through 2007 and served on that board from 2000 through 2007.

ITEM 1A. Risk Factors.

Our business, financial condition, results of operations and cash flows are subject to, and could be materially adversely affected by, various risks and uncertainties, including, without limitation, those set forth below, any one of which could cause our actual results to vary materially from recent results or our anticipated future results. We present these risk factors grouped by category, and the risks factors contained in each respective category are presented in order of their relative priority to us.

Risks Related to the COVID-19 Pandemic

THE COVID-19 PANDEMIC AND THE RESULTING GOVERNMENTAL AND SOCIETAL RESPONSES, THE SEVERITY AND DURATION OF COVID-19 (INCLUDING THROUGH ANY NEW VARIANT STRAINS OF THE UNDERLYING VIRUS), THE EFFECTIVENESS AND ACCESSIBILITY TO VACCINES, THE PACE AND RATE AT WHICH VACCINES ARE ADMINISTERED, ACTIONS TAKEN BY GOVERNMENTAL AUTHORITIES IN RESPONSE TO COVID-19, AND THE DIRECT AND INDIRECT IMPACT OF COVID-19 ON THE U.S. ECONOMY AND THE GLOBAL ECONOMY, MAY MATERIALLY AND ADVERSELY AFFECT THE COMPANY'S BUSINESS, LIQUIDITY, CUSTOMERS, INSURANCE CARRIERS AND THIRD PARTIES.

In December 2019, a novel strain of coronavirus, COVID-19, surfaced. Since then, COVID-19 has spread across the world, and has been declared a pandemic by the World Health Organization. The global outbreak of COVID-19 continues to rapidly evolve. The COVID-19 pandemic has created significant volatility, uncertainty and economic disruption, which could further adversely affect our business and may materially and adversely affect our financial condition, results of operations and cash flows. The extent to which COVID-19 impacts our business will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the ultimate geographic spread and severity of COVID-19; the duration of the pandemic; the effectiveness and roll-out of vaccinations against COVID-19; society's willingness to receive the vaccinations; business closures, travel restrictions, social distancing and other actions taken to contain and treat COVID-19; the effectiveness of actions taken to contain and treat the virus; the impact of the pandemic on economic activity; the timing and effectiveness of government stimulus programs; the extent and duration of the effect on customer demand and buying patterns; and any impairment in value of our tangible or intangible assets which could be recorded as a result of weaker economic conditions. In addition, if the pandemic continues to create disruptions or turmoil in the credit or financial markets, or impacts our credit ratings, it could adversely affect our ability to access capital on favorable terms and continue to meet our liquidity needs, all of which are highly uncertain and cannot be predicted.

As the COVID-19 pandemic and any associated protective or preventative measures continue to spread in the United States and around the world, we may experience disruptions to our business, including:

- our customers choosing to limit purchases of insurance and services due to declining business conditions, our customers ceasing their business operations on a temporary or permanent basis, and a reduction in our customers' insurable exposure units, all of which would impact our ability to generate commission revenue and other revenue;
- a delay in cash payments to us from customers or carrier partners due to COVID-19, which could negatively impact our financial condition;
- travel restrictions and quarantines leading to a lack of in-person meetings, which would hinder our ability to establish relationships or originate new business;
- alternative working arrangements, including employees working remotely, which could negatively impact our business should such arrangements remain for an extended period of time; and
- failure of third parties upon which we rely to meet their obligations to us, or significant disruptions in their ability to meet those obligations in a timely manner, which may be caused by their own financial or operational difficulties.

We cannot predict the impact that COVID-19 will have on our customers, insurance carriers, suppliers and other third-party contractors, and each of their financial conditions; however, any material effect on these parties could adversely impact us. Even after the COVID-19 outbreak has subsided, we may experience materially adverse impacts to our business as a result of the virus' global economic impact. Further, COVID-19 may affect our operating and financial results in a manner that is not presently known to us or that we currently do not consider as presenting significant risks to our operations.

Additionally, should any key employees become ill from the coronavirus and unable to work, the attention of the management team could be diverted.

These and other disruptions related to COVID-19 could materially and adversely affect our business, financial condition, results of operations and cash flows. Further, the potential effects of COVID-19 also could impact and, in some cases, magnify many of our risk factors described in this Annual Report on Form 10-K. However, as the COVID-19 situation is unprecedented and continuously evolving, the potential impacts to our risk factors remain uncertain. Additionally, any potential effects of COVID-19 may lag behind the developments related to the COVID-19 pandemic.

Risks Related to Our Business

SIGNIFICANT INFLATION COULD ADVERSELY AFFECT OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

Inflation can adversely affect us by increasing our costs, including salary costs. Significant inflation is often accompanied by higher interest rates. Any significant increases in inflation and interest rates could have material adverse effect on our business, results of operations and financial condition.

OUR INABILITY TO RETAIN OR HIRE QUALIFIED EMPLOYEES, AS WELL AS THE LOSS OF ANY OF OUR EXECUTIVE OFFICERS OR OTHER KEY EMPLOYEES, COULD NEGATIVELY IMPACT OUR ABILITY TO RETAIN EXISTING BUSINESS AND GENERATE NEW BUSINESS.

Our success depends on our ability to attract and retain skilled and experienced personnel. There is significant competition from within the insurance industry and from businesses outside the industry for exceptional employees, especially in key positions. If we are not able to successfully attract, retain and motivate our employees, our business, financial results and reputation could be materially and adversely affected.

Losing employees who manage or support substantial customer relationships or possess substantial experience or expertise could adversely affect our ability to secure and complete customer engagements, which would adversely affect our results of operations. Also, if any of our key employees were to join an existing competitor or form a competing company, some of our customers could choose to use the services of that competitor instead of our services. While our key employees are generally prohibited by contract from soliciting our employees and customers for a two-year period following separation from employment with us, they are not prohibited from competing with us.

In addition, we could be adversely affected if we fail to adequately plan for the succession of our senior leaders and key executives. The succession plans and employment arrangements we have in place with certain key executives do not guarantee that the services of these executives will continue to be available to us. The loss of our senior leaders or other key employees, or our inability to continue to identify, recruit and retain such personnel, could materially and adversely affect our business, results of operations and financial condition.

OUR GROWTH STRATEGY DEPENDS, IN PART, ON THE ACQUISITION OF OTHER INSURANCE INTERMEDIARIES, WHICH MAY NOT BE AVAILABLE ON ACCEPTABLE TERMS IN THE FUTURE OR WHICH, IF CONSUMMATED, MAY NOT BE ADVANTAGEOUS TO US.

Our growth strategy partially includes the acquisition of other insurance intermediaries. Our ability to successfully identify suitable acquisition candidates, complete acquisitions, integrate acquired businesses into our operations, and expand into new markets requires us to implement and continuously improve our operations and our financial and management information systems. Integrated, acquired businesses may not achieve levels of revenues or profitability comparable to our existing operations, or otherwise perform as expected. In addition, we compete for acquisition and expansion opportunities with firms and banks that may have substantially greater resources than we do. Acquisitions also involve a number of risks, such as diversion of management's attention; difficulties in the integration of acquired operations and retention of employees; increase in expenses and working capital requirements, which could reduce our return on invested capital; entry into unfamiliar markets or lines of business; unanticipated problems or legal liabilities; estimation of the acquisition earn-out payables; and tax and accounting issues, some or all of which could have a material adverse effect on our results of operations, financial condition and cash flows. Post-acquisition deterioration of operating performance could also result in lower or negative earnings contribution and/or goodwill impairment charges.

A CYBERSECURITY ATTACK, OR ANY OTHER INTERRUPTION IN INFORMATION TECHNOLOGY AND/OR DATA SECURITY AND/OR OUTSOURCING RELATIONSHIPS, COULD ADVERSELY AFFECT OUR BUSINESS, FINANCIAL CONDITION AND REPUTATION.

We rely on information technology and third-party vendors to provide effective and efficient service to our customers, process claims, and timely and accurately report information to carriers and which often involves secure processing of confidential sensitive, proprietary and other types of information. Cybersecurity breaches of any of the systems we rely on may result from circumvention of security systems, denial-of-service attacks or other cyber-attacks, hacking, “phishing” attacks, computer viruses, ransomware, malware, employee or insider error, malfeasance, social engineering, physical breaches or other actions, any of which could expose us to data loss, monetary and reputational damages and significant increases in compliance costs. An interruption of our access to, or an inability to access, our information technology, telecommunications or other systems could significantly impair our ability to perform such functions on a timely basis. If sustained or repeated, such a business interruption, system failure or service denial could result in a deterioration of our ability to write and process new and renewal business, provide customer service, pay claims in a timely manner or perform other necessary business functions. We have from time to time experienced cybersecurity incidents, such as malware infections, phishing campaigns and vulnerability exploit attempts, which to date have not had a material impact on our business.

Additionally, we are an acquisitive organization and the process of integrating the information systems of the businesses we acquire is complex and exposes us to additional risk as we might not adequately identify weaknesses in the targets’ information systems, which could expose us to unexpected liabilities or make our own systems more vulnerable to attack. In the future, any material breaches of cybersecurity, or media reports of the same, even if untrue, could cause us to experience reputational harm, loss of customers and revenue, loss of proprietary data, regulatory actions and scrutiny, sanctions or other statutory penalties, litigation, liability for failure to safeguard customers’ information or financial losses. Such losses may not be insured against or not fully covered through insurance we maintain.

We cannot entirely eliminate all risk of improper access to private information, and the cost and operational consequences of implementing, maintaining and enhancing further system protections measures could increase significantly as cybersecurity threats increase. As these threats evolve, cybersecurity incidents will be more difficult to detect, defend against and remediate. Any of the foregoing may have a material adverse effect on our business, financial condition and reputation.

RAPID TECHNOLOGICAL CHANGE MAY REQUIRE ADDITIONAL RESOURCES AND TIME TO ADEQUATELY RESPOND TO DYNAMICS, WHICH MAY ADVERSELY AFFECT OUR BUSINESS AND OPERATING RESULTS.

Frequent technological changes, new products and services and evolving industry standards are influencing the insurance business. The internet, for example, is increasingly used to securely transmit benefits and related information to customers and to facilitate business-to-business information exchange and transactions.

We are continuously taking steps to upgrade and expand our information systems capabilities, including how we electronically interact with our customers and insurance carriers. Maintaining, protecting and enhancing these capabilities to keep pace with evolving industry and regulatory standards, and changing customer preferences, requires an ongoing commitment of significant resources. If the information we rely upon to run our businesses was found to be inaccurate or unreliable or if we fail to effectively maintain our information systems and data integrity, we could experience operational disruptions, regulatory or other legal problems, increases in operating expenses, loss of existing customers, difficulty in attracting new customers, or suffer other adverse consequences.

Our technological development projects may not deliver the benefits we expect once they are completed or may be replaced or become obsolete more quickly than expected, which could result in the accelerated recognition of expenses. If we do not effectively and efficiently manage and upgrade our technology portfolio regularly, or if the costs of doing so are higher than we expect, our ability to provide competitive services to new and existing customers in a cost-effective manner and our ability to implement our strategic initiatives could be adversely impacted.

WE DERIVE A SIGNIFICANT PORTION OF OUR COMMISSION REVENUES FROM A LIMITED NUMBER OF INSURANCE COMPANIES, THE LOSS OF WHICH COULD RESULT IN ADDITIONAL EXPENSE AND LOSS OF MARKET SHARE OR A MATERIAL DECREASE IN OUR PROFIT-SHARING CONTINGENT COMMISSIONS, GUARANTEED SUPPLEMENTAL COMMISSIONS OR INCENTIVE COMMISSIONS.

For the year ended December 31, 2021, 2020, and 2019, no more than 5.0% of our total core commissions was derived from insurance policies underwritten by one insurance company. Should this insurance company seek to terminate its arrangements with us or to otherwise decrease the number of insurance policies underwritten for us, we believe that other insurance companies are available to underwrite the business, although some additional expense and loss of market share could result.

BECAUSE A SIGNIFICANT PORTION OF OUR BUSINESSES ARE CONCENTRATED IN FLORIDA, CALIFORNIA, MASSACHUSETTS, GEORGIA, NEW YORK, AND MICHIGAN, ADVERSE ECONOMIC CONDITIONS, NATURAL DISASTERS, OR REGULATORY CHANGES IN THESE STATES COULD ADVERSELY AFFECT OUR FINANCIAL CONDITION.

A significant portion of our businesses are concentrated in Florida, California, Massachusetts, Georgia, New York, and Michigan, where for the year ended December 31, 2021, we derived approximately 18%, 11%, 8%, 7%, 7%, and 6% of our annual revenue, respectively. We believe the current regulatory environment for insurance intermediaries in these states is no more restrictive than in other states. The insurance business in the U.S. is primarily a state-regulated industry, and therefore, state legislatures may enact laws that adversely affect the insurance industry. Because our business is concentrated in the states identified above, we face greater exposure to unfavorable changes in regulatory conditions in those states than insurance intermediaries whose operations are more diversified through a greater number of states. In addition, the occurrence of adverse economic conditions, natural or other disasters, or other circumstances specific to or otherwise significantly impacting these states could adversely affect our financial condition, results of operations and cash flows. We are susceptible to losses and interruptions caused by hurricanes (particularly in Florida, where we have 52 offices and our headquarters, as well as in Texas, where we have 25 offices), earthquakes (including in California, where we have 31 offices), power shortages, telecommunications failures, water shortages, floods, fire, extreme weather conditions, geopolitical events such as terrorist acts and other natural or human-made disasters. Our insurance coverage with respect to natural disasters is limited and is subject to deductibles and coverage limits. Such coverage may not be adequate or may not continue to be available at commercially reasonable rates and terms.

OUR CORPORATE CULTURE HAS CONTRIBUTED TO OUR SUCCESS, AND IF WE CANNOT MAINTAIN THIS CULTURE, OR IF WE EXPERIENCE A CHANGE IN MANAGEMENT, MANAGEMENT PHILOSOPHY, OR BUSINESS STRATEGY, OUR BUSINESS MAY BE HARMED.

We believe that a significant contributor to our success has been our corporate culture as a lean, highly competitive, decentralized growth and profit-oriented sales and service organization. As we grow, including from the integration of employees and businesses acquired in connection with previous or future acquisitions, we may find it difficult to maintain important aspects of our corporate culture, which could negatively affect our profitability and/or our ability to retain and recruit people of the highest integrity and quality who are essential to our future success. We may face pressure to change our culture as we grow, particularly if we experience difficulties in attracting competent employees who are willing to embrace our culture. In addition, as our organization grows and we are required to implement more complex organizational structures, or if we experience a change in management, management philosophy or business strategy, we may find it increasingly difficult to maintain the beneficial aspects of our corporate culture, such as our decentralized sales and service operating model, which could negatively impact our future success.

WE FACE A VARIETY OF RISKS IN OUR SERVICES SEGMENT, INCLUDING OUR THIRD-PARTY CLAIMS ADMINISTRATION OPERATIONS, THAT ARE DISTINCT FROM THOSE WE FACE IN OUR INSURANCE INTERMEDIARY OPERATIONS.

Our Services segment, including our third-party claims administration operations, face a variety of risks distinct from those faced by our insurance intermediary operations, including the risks that:

- The favorable trend among both insurance companies and self-insured entities toward outsourcing various types of claims administration and risk management services may reverse or slow, causing our revenues or revenue growth to decline;
- Concentration of large amounts of revenue with certain customers may result in greater exposure to the potential negative effects of lost business due to changes in management of such customers or for other reasons;
- Contracting terms will become less favorable or the margins on our services may decrease due to increased competition, regulatory constraints or other developments;
- Our revenue is impacted by claims volumes, which are dependent upon a number of factors and difficult to forecast accurately;
- Economic weakness or a slowdown in economic activity could lead to a reduction in the number of claims we process;
- The U.S. Federal government modifies, discontinues, or otherwise limits our ability to derive revenues from the Social Security disability benefits program, Medicare, or any other program or type of coverage from which our business derives revenue;
- We may be unable to develop further efficiencies in our claims-handling business and may be unable to obtain or retain certain customers if we fail to make adequate improvements in technology or operations; and
- Insurance companies or certain large self-insured entities may create in-house servicing capabilities that compete with our services.

If any of these risks materialize, our results of operations and financial condition could be adversely affected.

DUE TO INHERENT LIMITATIONS, OUR SYSTEM OF DISCLOSURE AND INTERNAL CONTROLS AND PROCEDURES MAY NOT BE SUCCESSFUL IN PREVENTING ALL ERRORS OR FRAUD, OR IN INFORMING MANAGEMENT OF ALL MATERIAL INFORMATION IN A TIMELY MANNER.

Our management, including our chief executive officer and chief financial officer, does not expect that our disclosure controls and internal controls and procedures will prevent all error and fraud. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur simply because of error or mistake. Additionally, controls can be circumvented by individual acts of some persons, by collusion of two or more people, or by management override of a control.

There can be no assurance that the design of any of our systems of controls will succeed in achieving its stated goals under all potential future conditions.

CERTAIN OF OUR EXISTING SHAREHOLDERS HAVE SIGNIFICANT CONTROL OF THE COMPANY.

At December 31, 2021, our executive officers, directors and certain of their family members collectively beneficially owned approximately 16.6% of our outstanding common stock, of which J. Hyatt Brown, our chairman of the board, and his sons, J. Powell Brown, our president and chief executive officer, and P. Barrett Brown, our executive vice president and the president of our Retail segment, beneficially owned approximately 15.8%. As a result, our executive officers, directors and certain of their family members have significant influence over (i) the election of our board of directors, (ii) the approval or disapproval of any other matters requiring shareholder approval and (iii) our affairs and policies.

WE HAVE OPERATIONS INTERNATIONALLY, WHICH MAY RESULT IN A NUMBER OF ADDITIONAL RISKS AND REQUIRE MORE MANAGEMENT TIME AND EXPENSE THAN OUR DOMESTIC OPERATIONS TO ACHIEVE OR MAINTAIN PROFITABILITY.

We have operations in Bermuda, Canada, Cayman Islands, Ireland and the United Kingdom. In the future, we intend to continue to consider additional international expansion opportunities. Our international operations may be subject to a number of risks, including:

- Difficulties in staffing and managing foreign operations;
- Less flexible employee relationships, which may make it difficult and expensive to terminate employees and which limits our ability to prohibit employees from competing with us after their employment ceases;
- Political and economic instability (including acts of terrorism and outbreaks of war);
- Coordinating our communications and logistics across geographic distances and multiple time zones;
- Unexpected changes in regulatory requirements and laws;
- Adverse trade policies, and adverse changes to any of the policies of either the U.S. or any of the foreign jurisdictions in which we operate;
- Adverse changes in tax rates;
- Variations in foreign currency exchange rates;
- Legal or political constraints on our ability to maintain or increase prices;
- Governmental restrictions on the transfer of funds to or from us, including to or from our operations outside the United States;
- Burdens of complying with, and the risk of employees or third parties acting on our behalf violating, anti-corruption laws in foreign countries; and
- Burdens of complying with a wide variety of labor practices and foreign laws, including those relating to export and import duties, environmental policies and privacy issues.

Risks Related to Legal, Compliance and Regulatory Matters

CHANGES IN DATA PRIVACY AND PROTECTION LAWS AND REGULATIONS, OR ANY FAILURE TO COMPLY WITH SUCH LAWS AND REGULATIONS, COULD ADVERSELY AFFECT OUR BUSINESS AND FINANCIAL RESULTS.

We are subject to a variety of continuously evolving and developing laws and regulations globally regarding privacy, data protection and data security, including those related to the collection, storage, retention, handling, use, processing, disclosure, transfer and security of personal data. Significant uncertainty exists as privacy and data protection laws may be interpreted and applied differently from country to country and may create inconsistent or conflicting requirements. These laws apply to transfers of information among our affiliates, as well as to transactions we enter into with third-party vendors. For example, the European Union adopted a comprehensive General Data Privacy Regulation (“GDPR”) in May 2016, which replaced the former EU Data Protection Directive and related country-specific legislation. The GDPR became

fully effective in May 2018 and requires companies to satisfy new requirements regarding the handling of personal and sensitive data, including its processing, protection and the ability of persons whose data is stored to correct or delete such data about themselves. Failure to comply with GDPR requirements could result in penalties of up to 4% of worldwide revenue. Complying with the enhanced obligations imposed by the GDPR may result in significant costs to our business and require us to revise certain of our business practices. Additionally, a judgement by the Court of Justice of the European Union on Schrems II has made cross border data transfers to organizations outside of the European Economic Area more onerous and uncertain. In addition, legislators and regulators in the U.S. have enacted and are proposing new and more robust privacy and cybersecurity laws and regulations in light of the recent broad-based cyber-attacks at a number of companies, including but not limited to the New York State Department of Financial Services Cybersecurity Requirements for Financial Services Companies and the California Consumer Privacy Act of 2018. Some states provide right of action for data breaches or for collection of certain categories of personal information without consent, which may result in increased litigation.

These and similar initiatives around the world could increase the cost of developing, implementing or securing our servers and require us to allocate more resources to improved technologies, adding to our IT and compliance costs. In addition, enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations continue to increase. The enactment of more restrictive laws, rules, regulations or future enforcement actions or investigations could impact us through increased costs or restrictions on our business, and noncompliance could result in regulatory penalties and significant legal liability.

IMPROPER DISCLOSURE OF CONFIDENTIAL INFORMATION COULD NEGATIVELY IMPACT OUR BUSINESS.

We are responsible for maintaining the security and privacy of our customers' confidential and proprietary information and the personal data of their employees. We have put in place administrative, physical, procedures and technological safeguards designed to protect the security and privacy of this information; however, we cannot guarantee that this information will not be improperly disclosed or accessed. Disclosure of this information could harm our reputation and subject us to liability under our contracts and laws that protect personal data, resulting in increased costs or loss of revenues.

OUR BUSINESS, RESULTS OF OPERATIONS, FINANCIAL CONDITION AND LIQUIDITY MAY BE MATERIALLY ADVERSELY AFFECTED BY CERTAIN ACTUAL AND POTENTIAL CLAIMS, REGULATORY ACTIONS AND PROCEEDINGS.

We are subject to various actual and potential claims, regulatory actions and other proceedings, including those relating to alleged errors and omissions in connection with the placement or servicing of insurance and/or the provision of services in the ordinary course of business, of which we cannot, and likely will not be able to, predict the outcome with certainty. Because we often assist customers with matters involving substantial amounts of money, including the placement of insurance and the handling of related claims that customers may assert, errors and omissions claims against us may arise alleging potential liability for all or part of the amounts in question. Also, the failure of an insurer with whom we place business could result in errors and omissions claims against us by our customers, which could adversely affect our results of operations and financial condition. Claimants may seek large damage awards, and these claims may involve potentially significant legal costs, including punitive damages. Such claims, lawsuits and other proceedings could, for example, include claims for damages based upon allegations that our employees or sub-agents failed to procure coverage, report claims on behalf of customers, provide insurance companies with complete and accurate information relating to the risks being insured or appropriately apply funds that we hold for our customers on a fiduciary basis. In addition, given the long-tail nature of professional liability claims, errors and omissions matters can relate to matters dating back many years.

Our business, results of operations, financial condition and liquidity may be adversely affected if, in the future, our insurance coverage proves to be inadequate or unavailable, or if there is an increase in liabilities for which we self-insure. Our ability to obtain professional indemnity insurance in the amounts and with the deductibles we desire in the future may be adversely impacted by general developments in the market for such insurance or our own claims experience. In addition, regardless of monetary costs, these matters could have a material adverse effect on our reputation and cause harm to our carrier, customer or employee relationships, or divert employees and management resources.

OUR BUSINESS PRACTICES AND COMPENSATION ARRANGEMENTS ARE SUBJECT TO UNCERTAINTY DUE TO POTENTIAL CHANGES IN REGULATIONS.

The business practices and compensation arrangements of the insurance intermediary industry, including our practices and arrangements, are subject to uncertainty due to investigations by various governmental authorities. Certain of our offices are parties to profit-sharing contingent commission agreements with certain insurance companies, including agreements providing for potential payment of revenue-sharing commissions by insurance companies based primarily on the overall profitability of the aggregate business written with those insurance companies and/or additional factors such as retention ratios and the overall volume of business that an office or offices place with those insurance companies. Additionally, some of our offices are parties to supplemental commission agreements with certain insurance companies, which provide for commission rates in excess of standard commission rates to be applied to specific lines of business, such as group health business, and which are based primarily on the overall volume of business that such office or offices placed with those insurance companies. Various state legislatures may adopt new laws addressing contingent commission arrangements, including laws prohibiting such arrangements, and addressing disclosure of such arrangements to insureds. Various state departments of insurance may also adopt new regulations addressing these matters which could adversely affect our results of operations.

WE COMPETE IN A HIGHLY REGULATED INDUSTRY, WHICH MAY RESULT IN INCREASED EXPENSES OR RESTRICTIONS ON OUR OPERATIONS.

We conduct business in each of the 50 states of the United States of America and are subject to comprehensive regulation and supervision by government agencies in each of those states. The primary purpose of such regulation and supervision is to provide safeguards for policyholders rather than to protect the interests of our shareholders, and it is difficult to anticipate how changes in such regulation would be implemented and enforced. As a result, such regulation and supervision could reduce our profitability or growth by increasing compliance costs, technology compliance, restricting the products or services we may sell, the markets we may enter, the methods by which we may sell our products and services, or the prices we may charge for our services and the form of compensation we may accept from our customers, carriers and third parties. The laws of the various state jurisdictions establish supervisory agencies with broad administrative powers with respect to, among other things, licensing of entities to transact business, licensing of agents, admittance of assets, regulating premium rates, approving policy forms, regulating unfair trade and claims practices, determining technology and data protection requirements, establishing reserve requirements and solvency standards, requiring participation in guarantee funds and shared market mechanisms, and restricting payment of dividends. Also, in response to perceived excessive cost or inadequacy of available insurance, states have from time to time created state insurance funds and assigned risk pools, which compete directly, on a subsidized basis, with private insurance providers. We act as agents and brokers for such state insurance funds and assigned risk pools in California and New York as well as certain other states. These state funds and pools could choose to reduce the sales or brokerage commissions we receive. Any such reductions, in a state in which we have substantial operations could affect the profitability of our operations in such state or cause us to change our marketing focus. Further, state insurance regulators and the National Association of Insurance Commissioners continually reexamine existing laws and regulations, and such reexamination may result in the enactment of insurance-related laws and regulations, or the issuance of interpretations thereof that adversely affect our business. Certain federal financial services modernization legislation could lead to additional federal regulation of the insurance industry in the coming years, which could result in increased expenses or restrictions on our operations. Other legislative developments that could adversely affect us include: changes in our business compensation model as a result of regulatory developments (for example, the Affordable Care Act); and federal and state governments establishing programs to provide health insurance or, in certain cases, property insurance in catastrophe-prone areas or other alternative market types of coverage that compete with or completely replace, insurance products offered by insurance carriers. Also, as climate change issues become more prevalent, the U.S. and foreign governments are beginning to respond to these issues. This increasing governmental focus on climate change may result in new environmental regulations that may negatively affect us and our customers. This could cause us to incur additional direct costs in complying with any new environmental regulations, as well as increased indirect costs resulting from our customers incurring additional compliance costs that get passed on to us. These costs may adversely impact our results of operations and financial condition.

PROPOSED TORT REFORM LEGISLATION, IF ENACTED, COULD DECREASE DEMAND FOR LIABILITY INSURANCE, THEREBY REDUCING OUR COMMISSION REVENUES.

Legislation concerning tort reform has been considered, from time to time, in the United States Congress and in several state legislatures. Among the provisions considered in such legislation have been limitations on damage awards, including punitive damages, and various restrictions applicable to class action lawsuits. Enactment of these or similar provisions by Congress, or by states in which we sell insurance, could reduce the demand for liability insurance policies or lead to a decrease in policy limits of such policies sold, thereby reducing our commission revenues.

Risks Related to Our Indebtedness and Financing

IF WE FAIL TO COMPLY WITH THE COVENANTS CONTAINED IN CERTAIN OF OUR AGREEMENTS, OUR LIQUIDITY, RESULTS OF OPERATIONS AND FINANCIAL CONDITION MAY BE ADVERSELY AFFECTED.

At December 31, 2021, we believe we were in compliance with the financial covenants and other limitations contained in each of the credit agreements that govern our debt. However, failure to comply with material provisions of our covenants in these agreements or other credit or similar agreements to which we may become a party could result in a default, rendering them unavailable to us and causing a material adverse effect on our liquidity, results of operations and financial condition. In the event of certain defaults, the lenders thereunder would not be required to lend any additional amounts to or purchase any additional notes from us and could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be due and payable. If the indebtedness under these agreements or our other indebtedness, were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full.

CERTAIN OF OUR AGREEMENTS CONTAIN VARIOUS COVENANTS THAT LIMIT THE DISCRETION OF OUR MANAGEMENT IN OPERATING OUR BUSINESS AND COULD PREVENT US FROM ENGAGING IN CERTAIN POTENTIALLY BENEFICIAL ACTIVITIES.

The restrictive covenants in our debt agreements may impact how we operate our business and prevent us from engaging in certain potentially beneficial activities. In particular, among other covenants, our debt agreements require us to maintain a minimum ratio of Consolidated EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted for certain transaction-related items (“Consolidated EBITDA”), to consolidated interest expense and a maximum ratio of consolidated net indebtedness to Consolidated EBITDA. Our compliance with these covenants could limit management’s discretion in operating our business and could prevent us from engaging in certain potentially beneficial activities.

OUR BUSINESS, AND THEREFORE OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION, MAY BE ADVERSELY AFFECTED BY FURTHER CHANGES IN THE U.S. CREDIT MARKETS.

The failure of any lender under our revolving credit facility (which matures in 2026) could adversely affect our ability to borrow on that facility, which over time could negatively impact our ability to consummate significant acquisitions or make other significant capital expenditures. Tightening conditions in the credit markets in future years could adversely affect the availability and terms of future borrowings or renewals or refinancing.

We also have a significant amount of trade accounts receivable from some insurance companies with which we place insurance. If those insurance companies were to experience liquidity problems or other financial difficulties, we could encounter delays or defaults in payments owed to us, which could have a significant adverse impact on our financial condition and results of operations.

WE ARE SUBJECT TO RISKS ASSOCIATED WITH THE CURRENT INTEREST RATE ENVIRONMENT AND TO THE EXTENT WE USE DEBT TO FINANCE OUR INVESTMENTS, CHANGES IN INTEREST RATES WILL AFFECT OUR COST OF CAPITAL AND NET INVESTMENT INCOME.

As of July 2017, the UK Financial Conduct Authority (“FCA”) has urged banks and institutions to discontinue their use of the London Interbank Offered Rate (“LIBOR”) benchmark rate for floating rate debt, and other financial instruments tied to the rate after 2021. To help with the transition, the Federal Reserve Board and New York Fed have commissioned the Alternative Reference Rates Committee (“ARRC”), composed of a diverse set of private-sector entities that have an important presence in markets affected by USD LIBOR and a wide array of official-sector entities, including banking and financial sector regulators, as ex-officio members. The ARRC has recommended the Secured Overnight Financing Rate (“SOFR”) as the best alternative rate to LIBOR post discontinuance and has proposed a transition plan and timeline designed to encourage the adoption of SOFR from LIBOR. On March 5, 2021, the ICE Benchmark Administration, which administers LIBOR, and the FCA announced that all LIBOR settings will either cease to be provided by any administrator, or no longer be representative immediately after December 31, 2021, for all non-U.S. dollar LIBOR settings and one-week and two-month U.S. dollar LIBOR settings, and immediately after June 30, 2023 for the remaining U.S. dollar LIBOR settings.

As of December 31, 2021, the Company’s primary exposures are debt instruments referencing LIBOR-based rates which include the Second Amended and Restated Credit Agreement (the “Second Amended and Restated Credit Agreement”) term loan balance of \$246.9 million outstanding and matures in October 2026, as well as the term loan credit agreement (the “Term Loan Credit Agreement”) which had an outstanding balance of \$240.0 million and matures in December 2023. As such, any potential effect of any such event on our cost of capital, interest rate exposure and net investment income cannot yet be determined. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market value for or value of any LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to us and could have a material adverse effect on our business, financial condition and results of operations.

The Company is currently evaluating the transition from LIBOR as an interest rate benchmark to other potential alternative reference rates, including, but not limited to, SOFR. Currently, it is anticipated that the new benchmark for our USD borrowings will be SOFR. The shift to SOFR from LIBOR is complex and may adversely affect our business, financial condition, results of operations, liquidity and cash flows.

Risks Related to Our Industry

OUR CURRENT MARKET SHARE MAY DECREASE AS A RESULT OF DISINTERMEDIATION WITHIN THE INSURANCE INDUSTRY, INCLUDING INCREASED COMPETITION FROM INSURANCE COMPANIES, TECHNOLOGY COMPANIES AND THE FINANCIAL SERVICES INDUSTRY, AS WELL AS THE SHIFT AWAY FROM TRADITIONAL INSURANCE MARKETS.

The insurance intermediary business is highly competitive and we actively compete with numerous firms for customers and insurance companies, many of which have relationships with insurance companies or have a significant presence in niche insurance markets that may give them an advantage over us. Other competitive concerns may include the quality of our products and services, our pricing and the ability of some of our customers to self-insure and the entrance of technology companies into the insurance intermediary business. A number of insurance companies are engaged in the direct sale of insurance, primarily to individuals, and do not pay commissions to agents and brokers. In addition, and to the extent that banks, securities firms, private equity funds and insurance companies affiliate, the financial services industry may experience further consolidation, and we therefore may experience increased competition from insurance companies and the financial services industry, as a growing number of larger financial institutions increasingly, and aggressively, offer a wider variety of financial services, including insurance intermediary services.

In addition, there has been an increase in alternative insurance markets, such as self-insurance, captives, risk retention groups and non-insurance capital markets, and we cannot be certain that such alternative markets will provide the same level of insurance coverage or profitability as traditional insurance markets.

CHANGES IN CURRENT U.S. OR GLOBAL ECONOMIC CONDITIONS MAY ADVERSELY AFFECT OUR BUSINESS.

If economic conditions were to worsen, a number of negative effects on our business could result, including declines in insurable exposure units, declines in insurance premium rates, the financial insolvency of insurance companies, or the reduced ability of customers to pay. Also, if general economic conditions are poor, some of our customers may cease operations completely or be acquired by other companies, which could have an adverse effect on our results of operations and financial condition. If these customers are affected by poor economic conditions, but yet remain in existence, they may face liquidity problems or other financial difficulties that could result in delays or defaults in payments owed to us, which could have a significant adverse impact on our consolidated financial condition and results of operations. Any of these effects could decrease our net revenues and profitability.

OUR BUSINESS, AND THEREFORE OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION, MAY BE ADVERSELY AFFECTED BY CONDITIONS THAT RESULT IN REDUCED INSURER CAPACITY.

Our results of operations depend on the continued capacity of insurance carriers to underwrite risk and provide coverage, which depends in turn on those insurance companies' ability to procure reinsurance. Capacity could also be reduced by insurance companies failing or withdrawing from writing certain coverages that we offer to our customers. We have no control over these matters. To the extent that reinsurance becomes less widely available or significantly more expensive, we may not be able to procure the amount or types of coverage that our customers desire and the coverage we are able to procure for our customers may be more expensive or limited.

QUARTERLY AND ANNUAL VARIATIONS IN OUR COMMISSIONS THAT RESULT FROM THE TIMING OF POLICY RENEWALS AND THE NET EFFECT OF NEW AND LOST BUSINESS PRODUCTION MAY HAVE UNEXPECTED EFFECTS ON OUR RESULTS OF OPERATIONS.

Our commission income (including profit-sharing contingent commissions and supplemental commissions) can vary quarterly or annually due to the timing of policy renewals and the net effect of new and lost business production. We do not control the factors that cause these variations. Specifically, customers' demand for insurance products can influence the timing of renewals, new business and lost business (which includes policies that are not renewed), and cancellations. In addition, we rely on insurance companies for the payment of certain commissions. Because these payments are processed internally by these insurance companies, we may not receive a payment that is otherwise expected from a particular insurance company in a particular quarter or year until after the end of that period, which can adversely affect our ability to forecast these revenues and therefore budget for significant future expenditures. Quarterly and annual fluctuations in revenues based upon increases and decreases associated with the timing of new business, policy renewals and payments from insurance companies may adversely affect our financial condition, results of operations and cash flows.

Profit-sharing contingent commissions are special revenue-sharing commissions paid by insurance companies based primarily upon the profitability, and to a lesser extent may have provisions for volume and/or growth of the business placed with such companies generally during the prior year. Over the last three years these commissions generally have been in the range of 3.0% to 3.5% of our previous year's total core commissions and fees. Due to, among other things, potentially poor macroeconomic conditions, the inherent uncertainty of loss in our industry and changes in underwriting criteria due in part to the high loss ratios experienced by insurance companies, we cannot predict the payment of these profit-sharing contingent commissions. Further, we have no control over the ability of insurance companies to estimate loss reserves, which affects our ability to make profit-sharing calculations. Supplemental commissions are paid by insurance companies based upon the volume of business that we place with them and are generally paid over the course of the year. Any decrease in their payment to us could adversely affect our results of operations, profitability and our financial condition.

WE ARE EXPOSED TO INTANGIBLE ASSET RISK; SPECIFICALLY, OUR GOODWILL MAY BECOME IMPAIRED IN THE FUTURE.

As of the date of the filing of our Annual Report on Form 10-K for the 2021 fiscal year, we have \$4.7 billion of goodwill recorded on our Consolidated Balance Sheets. We perform a goodwill impairment test on an annual basis and whenever events or changes in circumstances indicate that the carrying value of our goodwill may not be recoverable from estimated future cash flows. We completed our most recent evaluation of impairment for goodwill as of November 30, 2021 and determined that the fair value of goodwill exceeded the carrying value of such assets. A significant and sustained decline in our stock price and market capitalization, a significant decline in our expected future cash flows, a significant adverse change in the business climate or slower growth rates could result in the need to perform an additional impairment analysis before the next annual goodwill impairment test. If determined that a future write-down of our goodwill is necessary, the appropriate adjustment would be recorded which could result in material charges that are adverse to our operating results and financial position. See Note 1-“Summary of Significant Accounting Policies” and Note 4-“Goodwill” to the Consolidated Financial Statements and “Management’s Report on Internal Control Over Financial Reporting.”

Additionally, the carrying value of amortizable intangible assets attributable to each business or asset group comprising the Company is periodically reviewed by management to determine if there are events or changes in circumstances that would indicate that its carrying amount may not be recoverable. Accordingly, if there are any such circumstances that occur during the year, we assess the carrying value of our amortizable intangible assets by considering the estimated future undiscounted cash flows generated by the corresponding business or asset group. Any impairment identified through this assessment may require that the carrying value of related amortizable intangible assets be adjusted.

There have been no impairments recorded to either goodwill or amortizable intangibles for the years ended December 31, 2021, 2020 and 2019.

ITEM 1B. Unresolved Staff Comments.

None.

ITEM 2. Properties.

We own our executive offices, which are located at 300 North Beach Street, Daytona Beach, Florida 32114, as well as certain other office buildings in the Daytona Beach area. We lease offices at each of our other 351 locations. Our operating leases expire on various dates and generally contain renewal options and rent escalation clauses based upon increases in the lessors’ operating expenses and other charges. We expect that most leases will be renewed or replaced upon expiration. We believe that our facilities are suitable and adequate for present purposes, and that the productive capacity in such facilities is substantially being utilized, taking into consideration the impact of the COVID-19 pandemic and the needs of a more remote workforce. From time to time, we may have unused space and seek to sublet such space to third parties, depending on the demand for office space in the locations involved which could be impacted by certain of our employees working remotely from our offices. In the future, we may need to purchase, build or lease additional facilities to meet the requirements projected in our long-term business plan. See Note 15 to the Consolidated Financial Statements for additional information on our lease commitments.

ITEM 3. Legal Proceedings.

We are subject to numerous litigation claims that arise in the ordinary course of business. We do not believe any of these are, or are likely to become, material to our business.

ITEM 4. Mine Safety Disclosures.

Not applicable.

PART II

ITEM 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is listed on the New York Stock Exchange (“NYSE”) under the symbol “BRO”.

On February 18, 2022, there were 282,215,614 shares of our common stock outstanding, held by approximately 1,512 shareholders of record.

Sales of Unregistered Securities

In connection with certain acquisitions, the Company issued 106,586 shares of Company common stock on February 2, 2021 and 78,176 shares of Company common stock on December 1, 2021, to the owners of the businesses acquired. The issuances were made in reliance upon the following exemptions or exclusions from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”): Section 4(a)(2) of the Securities Act and Regulation D promulgated under the Securities Act and the recipients of the shares represented that they were accredited investors and/or sophisticated investors.

Issuer Purchases of Equity Securities

Under the authorizations from the Company’s board of directors, shares may be purchased from time to time, at the Company’s discretion and subject to the availability of stock, market conditions, the trading price of the stock, alternative uses for capital, the Company’s financial performance and other potential factors. These purchases may be carried out through open market purchases, block trades, accelerated share repurchase plans of up to \$100.0 million each (unless otherwise approved by the board of directors), negotiated private transactions or pursuant to any trading plan that may be adopted in accordance with Rule 10b5-1 of the Exchange Act. On July 18, 2014, the Company’s board of directors authorized the repurchase of up to \$200.0 million of its shares of common stock, and on July 20, 2015, the Company’s board of directors authorized the repurchase of up to an additional \$400.0 million of the Company’s outstanding common stock. On May 1, 2019, the board of directors approved an additional repurchase authorization amount of \$372.5 million to bring the total available share repurchase authorization at that time to approximately \$500.0 million.

During 2021, the Company repurchased 1,811,853 shares at an average price of \$45.57 for a total cost of \$82.6 million under the current share repurchase authorization. At December 31, 2021, the remaining amount authorized by our board of directors for share repurchases was \$323.6 million. Under the authorized repurchase programs, the Company has repurchased approximately 18.5 million shares for an aggregate cost of approximately \$673.9 million between 2014 and 2021.

The following table presents information with respect to our purchases of our common stock during the three months ended December 31, 2021.

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
October 1, 2021 to October 31, 2021	2,722	\$ 60.92	—	\$ 323,622,993
November 1, 2021 to November 30, 2021	—	—	—	323,622,993
December 1, 2021 to December 31, 2021	339	68.03	—	323,622,993
Total	3,061	\$ 61.70	—	\$ 323,622,993

(1) Of the shares reported in this column, no shares were purchased in open market transactions and all shares reported in this column are attributable to shares withheld for taxes in connection with the vesting of restricted shares awarded under our Performance Stock Plan and 2010 Stock Incentive Plan.

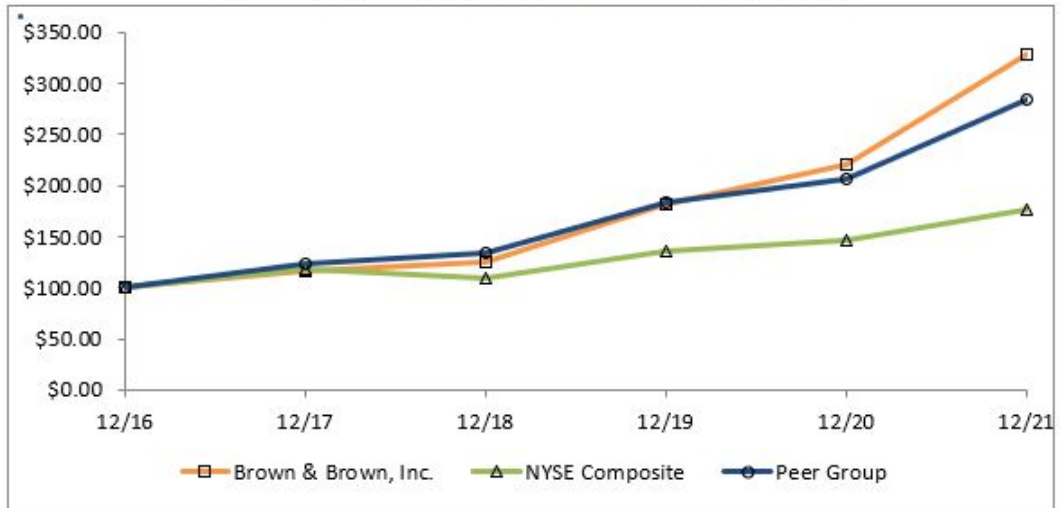
Performance Graph

The following graph is a comparison of five-year cumulative total shareholder returns for our common stock as compared with the cumulative total shareholder return for the NYSE Composite Index, and a group of peer insurance broker and agency companies (Aon plc, Arthur J. Gallagher & Co, Marsh & McLennan Companies, and Willis Towers Watson Public Limited Company). The returns of each company have been weighted according to such companies’ respective stock market capitalizations as of December 31, 2016 for the purposes of arriving at a peer group average. The total return calculations are based upon an assumed \$100 investment on December 31, 2016, with all dividends reinvested.

	12/16	12/17	12/18	12/19	12/20	12/21
Brown & Brown, Inc.	100.00	116.15	125.78	181.96	220.27	328.87
NYSE Composite	100.00	118.90	108.45	136.38	146.05	176.45
Peer Group	100.00	123.56	133.21	184.04	206.45	283.30

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Brown & Brown, Inc., the NYSE Composite Index, and Peer Group



*100 invested on 12/31/16 in stock or index, including reinvestment of dividends.

Fiscal year ending December 31

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

General

Company Overview

The following discussion should be read in conjunction with our Consolidated Financial Statements and the related Notes to those Financial Statements included elsewhere in this Annual Report on Form 10-K. In addition, please see “Information Regarding Non-GAAP Measures” below, regarding important information on non-GAAP financial measures contained in our discussion and analysis.

We are a diversified insurance agency, wholesale brokerage, insurance programs and services organization headquartered in Daytona Beach, Florida. As an insurance intermediary, our principal sources of revenue are commissions paid by insurance companies and, to a lesser extent, fees paid directly by customers. Commission revenues generally represent a percentage of the premium paid by an insured and are affected by fluctuations in both premium rate levels charged by insurance companies and the insureds’ underlying “insurable exposure units,” which are units that insurance companies use to measure or express insurance exposed to risk (such as property values, sales or payroll levels) to determine what premium to charge the insured. Insurance companies establish these premium rates based upon many factors, including loss experience, risk profile and reinsurance rates paid by such insurance companies, none of which we control. We also operate a capitalized captive insurance facility (the “Captive”) for the purpose of having additional capacity to sell property insurance for earthquake and wind exposed properties. The Captive buys reinsurance, limiting, but not eliminating the Company’s exposure to underwriting losses and revenues are recognized as net retained earned premiums over the associated policy periods.

We have increased revenues every year from 1993 to 2021, with the exception of 2009, when our revenues declined 1.0%. Our revenues grew from \$95.6 million in 1993 to \$3.1 billion in 2021, reflecting a compound annual growth rate of 13.2%. In the same 28-year period, we increased net income from \$8.1 million to \$587.1 million in 2021, a compound annual growth rate of 16.5%.

The volume of business from new and existing customers, fluctuations in insurable exposure units, changes in premium rate levels, changes in general economic and competitive conditions, a health pandemic, and the occurrence of catastrophic weather events all affect our revenues. For example, level rates of inflation or a general decline in economic activity could limit increases in the values of insurable exposure units. Conversely, increasing costs of litigation settlements and awards could cause some customers to seek higher levels of insurance coverage. Historically, we have grown our revenues as a result of our focus on net new business and acquisitions. We foster a strong, decentralized sales and service culture which enables responsiveness to changing business conditions and drives accountability for results.

The term “Organic Revenue,” a non-GAAP measure, is our core commissions and fees less: (i) the core commissions and fees earned for the first 12 months by newly-acquired operations; (ii) divested business (core commissions and fees generated from offices, books of business or niches sold or terminated during the comparable period); and (iii) the period over period impact of foreign currency translation, which is calculated by applying current year foreign exchange rates to the same period in the prior year. The term “core commissions and fees” excludes profit-sharing contingent commissions and guaranteed supplemental commissions, and therefore represents the revenues earned directly from specific insurance policies sold, and specific fee-based services rendered. “Organic Revenue” is reported in this manner in order to express the current year’s core commissions and fees on a comparable basis with the prior year’s core commissions and fees. The resulting net change reflects the aggregate changes attributable to: (i) net new and lost accounts; (ii) net changes in our customers’ exposure units; (iii) net changes in insurance premium rates or the commission rate paid to us by our carrier partners; and (iv) the net change in fees paid to us by our customers. Organic Revenue is reported in “Results of Operations” and in “Results of Operations - Segment Information” of this Annual Report on Form 10-K. In connection with the Captive, we will recognize revenue starting in 2022 on a net retained earned premiums basis in a manner consistent with core commissions and fees. Beginning in 2022 we will no longer exclude guaranteed supplemental commissions from core commissions and fees and therefore they will be a component of Organic Revenue. We anticipate presenting certain prior periods accordingly so that the calculation of Organic Revenue compares both periods on the same basis. Guaranteed supplemental commissions are a small and increasingly more stable source of revenue that are highly correlated to core commissions, so excluding them provides no meaningful incremental value in evaluating our revenue performance.

We also earn “profit-sharing contingent commissions,” which are commissions based primarily on underwriting results, but which may also reflect considerations for volume, growth and/or retention. These commissions, which are included in our commissions and fees in the Consolidated Statement of Income, are accrued throughout the year based on actual premiums written and are primarily received in the first and second quarters of each subsequent year, based upon the aforementioned considerations for the prior year(s). Over the last three years, profit-sharing contingent commissions have averaged approximately 3.0% of commissions and fees revenue.

Certain insurance companies offer guaranteed fixed-base agreements, referred to as “Guaranteed Supplemental Commissions” (“GSCs”) in lieu of profit-sharing contingent commissions. GSCs are accrued throughout the year based on actual premiums written. Over the last three years, GSCs have averaged less than 1.0% of commissions and fees revenue.

Combined, our profit-sharing contingent commissions and GSCs for the year ended December 31, 2021 increased by \$14.1 million over 2020. This increase was the result of recent acquisitions and qualifying for certain profit-sharing contingent commissions and GSCs in 2021 that we did not qualify for in the prior year.

Fee revenues primarily relate to services other than securing coverage for our customers, as well as fees negotiated in lieu of commissions, and are recognized as performance obligations are satisfied. Fee revenues are generated by: (i) our Services segment, which provides insurance-related services, including third-party claims administration and comprehensive medical utilization management services in both the workers’ compensation and all-lines liability arenas, as well as Medicare Set-aside services, Social Security disability and Medicare

benefits advocacy services, and claims adjusting services; (ii) our National Programs and Wholesale Brokerage segments, which earn fees primarily for the issuance of insurance policies on behalf of insurance companies; and (iii) our Retail segment in our large-account customer base, where we primarily earn fees for securing insurance for our customers, and in our automobile dealer services (“F&I”) businesses where we primarily earn fees for assisting our customers with creating and selling warranty and service risk management programs. Fee revenues as a percentage of our total commissions and fees, represented 27.4% in 2021 and 26.1% in 2020.

For the years ended December 31, 2021 and 2020, our commissions and fees growth rate was 16.9% and 9.3%, respectively, and our consolidated Organic Revenue growth rate was 10.4% and 3.8%, respectively.

Investment income consists primarily of interest earnings on operating cash, and where permitted, on premiums and advance premiums collected and held in a fiduciary capacity before being remitted to insurance companies. Our policy is to invest available funds in high-quality, short-term fixed income investment securities. Investment income also includes gains and losses realized from the sale of investments. Other income primarily reflects legal settlements and other miscellaneous revenues.

Income before income taxes for the year ended December 31, 2021 increased by \$138.7 million over 2020, as a result of net new business, acquisitions we completed since 2020, and management of our expense base, partially offset by an increase in the change in estimated acquisition earn-out payables.

Information Regarding Non-GAAP Measures

In the discussion and analysis of our results of operations, in addition to reporting financial results in accordance with generally accepted accounting principles (“GAAP”), we provide references to the following non-GAAP financial measures as defined in Regulation G of SEC rules: Organic Revenue, Organic Revenue growth, EBITDAC and EBITDAC Margin. EBITDAC is defined as income before interest, income taxes, depreciation, amortization, and the change in estimated acquisition earn-out payables (“EBITDAC”). EBITDAC Margin is defined as EBITDAC divided by total revenues. We view these non-GAAP financial measures as important indicators when assessing and evaluating our performance on a consolidated basis and for each of our segments because they allow us to determine a more comparable, but non-GAAP, measurement of revenue growth and operating performance that is associated with the revenue sources that were a part of our business in both the current and prior year. We believe that Organic Revenue provides a meaningful representation of our operating performance and view Organic Revenue growth as an important indicator when assessing and evaluating the performance of our four segments. Organic Revenue can be expressed as a dollar amount or a percentage rate when describing Organic Revenue growth. We use Organic Revenue growth in determining incentive cash compensation and as a performance measure in our equity incentive grants for our executive officers and other key employees. We use EBITDAC Margin for incentive cash compensation determinations for our executive officers. We view EBITDAC and EBITDAC Margin as important indicators of operating performance, because they allow us to determine more comparable, but non-GAAP, measurements of our operating margins in a meaningful and consistent manner by removing the significant non-cash items of depreciation, amortization, and the change in estimated acquisition earn-out payables, as well as interest expense and taxes, which are reflective of investment and financing activities, not operating performance.

These measures are not in accordance with, or an alternative to the GAAP information provided in this Annual Report on Form 10-K. We present such non-GAAP supplemental financial information because we believe such information is of interest to the investment community and because we believe they provide additional meaningful methods of evaluating certain aspects of our operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis. We believe these non-GAAP financial measures improve the comparability of results between periods by eliminating the impact of certain items that have a high degree of variability. Our industry peers may provide similar supplemental non-GAAP information with respect to one or more of these measures, although they may not use the same or comparable terminology and may not make identical adjustments. This supplemental financial information should be considered in addition to, not in lieu of, our Consolidated Financial Statements.

Tabular reconciliations of this supplemental non-GAAP financial information to our most comparable GAAP information are contained in this Annual Report on Form 10-K under “Results of Operation - Segment Information.”

Acquisitions

Part of our business strategy is to attract high-quality insurance intermediaries and service organizations to join our operations. From 1993 through the fourth quarter of 2021, we acquired 580 insurance intermediary operations.

Critical Accounting Policies

Our Consolidated Financial Statements are prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We continually evaluate our estimates, which are based upon a combination of historical experience and assumptions that we believe to be reasonable under the circumstances. These estimates form the basis for our judgments about the recognition of revenues, expenses, carrying values of our assets and liabilities, of which values are not readily apparent from other sources. Actual results may differ from these estimates.

We believe that of our significant accounting and reporting policies, the more critical policies include our accounting for revenue recognition, business combinations and purchase price allocations, intangible asset impairments, non-cash stock-based compensation and reserves for litigation. In particular, the accounting for these areas requires significant use of judgment to be made by management. Different assumptions in the application of these policies could result in material changes in our consolidated financial position or consolidated results of operations.

Revenue Recognition

The majority of our revenue is commissions derived from our performance as agents and brokers, acting on behalf of insurance carriers to sell products to customers that are seeking to transfer risk, and conversely, acting on behalf of those customers in negotiating with insurance carriers seeking to acquire risk in exchange for premiums. In the majority of these arrangements, our performance obligation is complete upon the effective date of the bound policy, as such, that is when the associated revenue is recognized. In some arrangements, where we are compensated through commissions, we also perform other services for our customer beyond binding of coverage. In those arrangements we apportion the commission between binding of coverage and other services based on their relative fair value and recognize the associated revenue as those performance obligations are satisfied. Where the Company's performance obligations have been completed, but the final amount of compensation is unknown due to variable factors, we estimate the amount of such compensation. We refine those estimates upon our receipt of additional information or final settlement, whichever occurs first.

To a lesser extent, the Company earns revenues in the form of fees. Like commissions, fees paid to us in lieu of commission, are recognized upon the effective date of the bound policy. When we are paid a fee for service, however, the associated revenue is recognized over a period of time that coincides with when the customer simultaneously receives and consumes the benefit of our work, which characterizes most of our claims processing arrangements and various services performed in our property and casualty, and employee benefits practices. Other fees are typically recognized upon the completion of the delivery of the agreed-upon services to the customer.

To a much lesser extent, the Company will earn revenues starting in 2022 in the form of net retained earned premiums in connection with the Captive, in which the majority of underwriting risk is reinsured and a small portion is retained by the Company. These premiums are reported net of the ceded premiums for reinsurance and recognized evenly over the associated policy periods.

Management determines a policy cancellation reserve based upon historical cancellation experience adjusted in accordance with known circumstances.

Please see Note 2 "Revenues" in the "Notes to Consolidated Financial Statements" for additional information regarding the nature and timing of our revenues.

Business Combinations and Purchase Price Allocations

We have acquired significant intangible assets through acquisitions of businesses. These assets generally consist of purchased customer accounts, non-compete agreements, and the excess of purchase prices over the fair value of identifiable net assets acquired (goodwill). The determination of estimated useful lives and the allocation of purchase price to intangible assets requires significant judgment and affects the amount of future amortization and possible impairment charges.

In connection with acquisitions, we record the estimated value of the net tangible assets purchased and the value of the identifiable intangible assets purchased, which typically consist of purchased customer accounts and non-compete agreements. Purchased customer accounts include the right to represent insureds or claimants supported by the physical records and files obtained from acquired businesses that contain information about insurance policies, customers and other matters essential to policy renewals or delivery of services. Their value primarily represents the present value of the underlying cash flows expected to be received over the estimated future duration of the acquired customer relationships. The valuation of purchased customer accounts involves significant estimates and assumptions concerning matters such as cancellation frequency, expenses and discount rates. Any change in these assumptions could affect the carrying value of purchased customer accounts. Non-compete agreements are valued based upon their duration and any unique features of the particular agreements. Purchased customer accounts and non-compete agreements are amortized on a straight-line basis over the related estimated lives and contract periods, which typically range from 3 to 15 years. The excess of the purchase price of an acquisition over the fair value of the identifiable tangible and intangible assets is assigned to goodwill and is not amortized.

The recorded purchase prices for all acquisitions include an estimation of the fair value of liabilities associated with any potential earn-out provisions, where an earn-out is part of the negotiated transaction. Subsequent changes in the fair value of earn-out obligations are recorded in the Consolidated Statement of Income as a result of updated expectations for the performance of the associated business.

The fair value of earn-out obligations is based upon the present value of the expected future payments to be made to the sellers of the acquired businesses in accordance with the provisions contained in the respective purchase agreements. In determining fair value, the acquired business's future performance is estimated using financial projections developed by management for the acquired business, and this estimate reflects market participant assumptions regarding revenue growth and/or profitability. The expected future payments are estimated based on the earn-out formula and performance targets specified in each purchase agreement compared to the associated financial projections. These estimates are then discounted to a present value using a risk-adjusted rate that takes into consideration the likelihood that the forecast earn-out payments will be made.

Intangible Assets Impairment

Goodwill is subject to at least an annual assessment for impairment, measured by a fair-value-based test. Amortizable intangible assets are amortized over their useful lives and are subject to an impairment review based upon an estimate of the undiscounted future cash flows resulting from the use of the assets. To determine if there is potential impairment of goodwill, we compare the fair value of each reporting unit with its carrying value. The Company may elect to first perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If the Company does not perform a qualitative assessment, or if it is determined that it is more likely than not that the fair value of a reporting unit exceeds its carrying amount, the Company will calculate the fair value of the reporting unit. If the fair value of the reporting unit is less than its carrying value, an impairment loss would be recorded to the extent that the fair value of the goodwill within the reporting unit is less than its carrying value. Fair value is estimated based upon multiples of EBITDAC, or on a discounted cash flow basis.

Management assesses the recoverability of our goodwill and our amortizable intangibles and other long-lived assets annually and whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. Any of the following factors, if present, may trigger an impairment review: (i) a significant underperformance relative to historical or projected future operating results, (ii) a significant negative industry or economic trend, and (iii) a significant decline in our market capitalization. If the recoverability of these assets is unlikely because of the existence of one or more of the above-referenced factors, an impairment analysis is performed. Management must make assumptions regarding estimated future cash flows and other factors to determine the fair value of these assets. If these estimates or related assumptions change in the future, we may be required to revise the assessment and, if appropriate, record an impairment charge. We completed our most recent evaluation of impairment for goodwill as of November 30, 2021 and determined that the fair value of goodwill exceeded the carrying value of such assets. Additionally, there have been no impairments recorded for amortizable intangible assets for the years ended December 31, 2021 and 2020.

Non-Cash Stock-Based Compensation

We grant non-vested stock awards to our employees, with the related compensation expense recognized in the financial statements over the associated service period based upon the grant-date fair value of those awards. During the performance measurement period, we review the probable outcome of the performance conditions associated with our performance awards and align the expense accruals with the expected performance outcome.

During the first quarter of 2021, the performance conditions for approximately 1.2 million shares of the Company's common stock granted under the Company's 2010 SIP and approximately 22,000 shares of the Company's common stock granted under the Company's 2019 SIP were determined by the Compensation Committee to have been satisfied relative to performance-based grants issued in 2018 and 2020. These grants had a performance measurement period that concluded on December 31, 2020. The vesting condition for these grants requires continuous employment for a period of up to five years from the 2018 grant date and four years from the 2020 grant date in order for the awarded shares to become fully vested and nonforfeitable. As a result of the awarding of these shares, the grantees will be eligible to receive payments of dividends and exercise voting privileges after the awarding date, and the awarded shares will be included as issued and outstanding common stock shares and included in the calculation of basic and diluted net income per share.

During the first quarter of 2022, the performance conditions for approximately 1.3 million shares of the Company's common stock granted under the Company's 2010 SIP and approximately 22,000 shares of the Company's common stock granted under the Company's 2019 SIP were determined by the Compensation Committee to have been satisfied relative to performance-based grants issued in 2019 and 2021. These grants had a performance measurement period that concluded on December 31, 2021. The vesting condition for these grants requires continuous employment for a period of up to five years from the 2019 grant date and four years from the 2021 grant date in order for the awarded shares to become fully vested and nonforfeitable. As a result of the awarding of these shares, the grantees will be eligible to receive payments of dividends and exercise voting privileges after the awarding date, and the awarded shares will be included as issued and outstanding common stock shares and included in the calculation of basic and diluted net income per share.

Litigation and Claims

We are subject to numerous litigation claims that arise in the ordinary course of business. If it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is estimable, an accrual for the costs to resolve these claims is recorded in accrued expenses in the accompanying Consolidated Financial Statements. Professional fees related to these claims are included in other operating expenses in the accompanying Consolidated Statement of Income as incurred. Management, with the assistance of in-house and outside counsel, determines whether it is probable that a liability has been incurred and estimates the amount of loss based upon analysis of individual issues. New developments or changes in settlement strategy in dealing with these matters may significantly affect the required reserves and affect our net income.

RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

The following discussion and analysis regarding results of operations and liquidity and capital resources should be considered in conjunction with the accompanying Consolidated Financial Statements and related Notes. For a comparison of our results of operations and liquidity and capital resources for the years ended December 31, 2020 and 2019, please see Part II, Item 7 of our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 23, 2021.

Financial information relating to our Consolidated Financial Results is as follows:

<i>(in thousands, except percentages)</i>	2021	% Change	2020
REVENUES			
Core commissions and fees	\$ 2,946,291	17.0 %	\$ 2,518,980
Profit-sharing contingent commissions	82,226	15.9 %	70,934
Guaranteed supplemental commissions	19,005	17.4 %	16,194
Investment income	1,099	(60.9)%	2,811
Other income, net	2,777	(37.7)%	4,456
Total revenues	3,051,398	16.8 %	2,613,375
EXPENSES			
Employee compensation and benefits	1,636,911	14.0 %	1,436,377
Other operating expenses	402,941	10.1 %	365,973
(Gain)/loss on disposal	(9,605)	NMF	(2,388)
Amortization	119,593	10.2 %	108,523
Depreciation	33,309	26.8 %	26,276
Interest	64,981	10.2 %	58,973
Change in estimated acquisition earn-out payables	40,445	NMF	(4,458)
Total expenses	2,288,575	15.0 %	1,989,276
Income before income taxes	762,823	22.2 %	624,099
Income taxes	175,719	22.4 %	143,616
NET INCOME	\$ 587,104	22.2 %	\$ 480,483
Income Before Income Taxes Margin ⁽¹⁾	25.0 %		23.9 %
EBITDAC ⁽²⁾	\$ 1,021,151	25.5 %	\$ 813,413
EBITDAC Margin ⁽²⁾	33.5 %		31.1 %
Organic Revenue growth rate ⁽²⁾	10.4 %		3.8 %
Employee compensation and benefits relative to total revenues	53.6 %		55.0 %
Other operating expenses relative to total revenues	13.2 %		14.0 %
Capital expenditures	\$ 45,045	(36.3)%	\$ 70,700
Total assets at December 31	\$ 9,795,443	9.2 %	\$ 8,966,492

(1) "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

NMF = Not a meaningful figure

Commissions and Fees

Commissions and fees, including profit-sharing contingent commissions and GSCs for 2021, increased \$441.4 million to \$3,047.5 million, or 16.9% over 2020. Core commissions and fees in 2021 increased \$427.3 million, composed of (i) \$261.3 million of net new and renewal business, which reflects an Organic Revenue growth rate of 10.4%; (ii) \$170.1 million from acquisitions that had no comparable revenues in the same period of 2020; (iii) a positive impact from foreign currency translation of \$1.2 million; and (iv) an offsetting decrease of \$5.3 million related to commissions and fees revenue from business divested in the preceding 12 months. Profit-sharing contingent commissions and GSCs for 2021 increased by \$14.1 million, or 16.2%, compared to the same period in 2020. This increase was the result of recent acquisitions and qualifying for certain profit-sharing contingent commissions and GSCs in 2021 that we did not qualify for in the prior year.

Investment Income

Investment income decreased to \$1.1 million in 2021, compared with \$2.8 million in 2020. The decrease was primarily due to lower interest rates as compared to the prior year.

Other Income, Net

Other income for 2021 was \$2.7 million, compared with \$4.5 million in 2020. Other income consists primarily of legal settlements and other miscellaneous income.

Employee Compensation and Benefits

Employee compensation and benefits expense as a percentage of total revenues was 53.6% for the year ended December 31, 2021 as compared to 55.0% for the year ended December 31, 2020, and increased 14.0%, or \$200.5 million. This increase included \$70.7 million of compensation costs related to stand-alone acquisitions that had no comparable costs in the same period of 2020. Therefore, employee compensation and benefits expense attributable to those offices that existed in the same time periods of 2021 and 2020 increased by \$129.8 million or 9.2%. This underlying employee compensation and benefits expense increase was primarily related to: (i) an increase in staff salaries attributable to salary inflation; (ii) an increase in accrued performance bonuses; and (iii) an increase in producer compensation associated with revenue growth.

Other Operating Expenses

Other operating expenses represented 13.2% of total revenues for 2021 as compared to 14.0% for the year ended December 31, 2020. Other operating expenses for 2021 increased \$37.0 million, or 10.1%, from the same period of 2020 growing slower than revenues. The net increase included: (i) \$40.2 million of other operating expenses related to stand-alone acquisitions that had no comparable costs in the same period of 2020; (ii) increased data processing costs as we invest in our business to drive future growth; (iii) slightly higher variable operating expenses, including travel and entertainment and meeting-related expenses; partially offset by (iv) non-recurring legal costs and the write-off recorded in 2020 of certain receivables in one of our programs where it was determined the collectability was in doubt and which did not recur in 2021.

Gain or Loss on Disposal

The Company recognized net gains on disposals of \$9.6 million in 2021 and \$2.4 million in 2020. The change in the net gain on disposal was due to activity associated with sales of businesses or portions of businesses. Although we are not in the business of selling customer accounts, we periodically sell an office or a book of business (one or more customer accounts) that we believe does not produce reasonable margins or demonstrate a potential for growth, or because doing so is in the Company's best interest.

Amortization

Amortization expense for 2021 increased \$11.1 million to \$119.6 million, or 10.2% over 2020. This increase reflects the amortization of new intangibles from businesses acquired within the past 12 months, partially offset by certain intangible assets becoming fully amortized.

Depreciation

Depreciation expense for 2021 increased \$7.0 million to \$33.3 million, or 26.8% over 2020. Changes in depreciation expense reflect the addition of fixed assets resulting from business initiatives, net additions of fixed assets resulting from businesses acquired in the past 12 months, partially offset by fixed assets which became fully depreciated.

Interest Expense

Interest expense for 2021 increased \$6.0 million to \$65.0 million, or 10.2%, from 2020. The increase is due to higher average debt balances from increased borrowings associated with the issuance of bonds in September 2020, partially offset by the decrease in interest rates associated with our floating rate debt balances.

Change in Estimated Acquisition Earn-Out Payables

Accounting Standards Codification ("ASC") Topic 805-Business Combinations is the authoritative guidance requiring an acquirer to recognize 100% of the fair value of acquired assets, including goodwill and assumed liabilities (with only limited exceptions) upon initially obtaining control of an acquired entity. Additionally, the fair value of contingent consideration arrangements (such as earn-out purchase price arrangements) at the acquisition date must be included in the purchase price consideration. The recorded purchase price for acquisitions includes an estimation of the fair value of liabilities associated with any potential earn-out provisions. Subsequent changes in these earn-out obligations are required to be recorded in the Consolidated Statement of Income when incurred or reasonably estimated. Estimations of potential earn-out obligations are typically based upon future earnings of the acquired operations or entities, usually for periods ranging from one to three years.

The net charge or credit to the Consolidated Statement of Income for the period is the combination of the net change in the estimated acquisition earn-out payables balance, and the interest expense imputed on the outstanding balance of the estimated acquisition earn-out payables.

As of December 31, 2021, the fair values of the estimated acquisition earn-out payables were reevaluated and measured at fair value on a recurring basis using unobservable inputs (Level 3) as defined in ASC 820-Fair Value Measurement. The resulting net changes, as well as the interest expense accretion on the estimated acquisition earn-out payables, for the years ended December 31, 2021 and 2020 were as follows:

<i>(in thousands)</i>	2021	2020
Change in fair value of estimated acquisition earn-out payables	\$ 34,209	\$ (11,814)
Interest expense accretion	6,236	7,356
Net change in earnings from estimated acquisition earn-out payables	<u>\$ 40,445</u>	<u>\$ (4,458)</u>

For the years ended December 31, 2021 and 2020, the fair value of estimated earn-out payables was reevaluated and increased by \$34.2 million for 2021 and decreased by \$11.8 million for 2020, which are charges and credits respectively, net of interest expense accretion, to the Consolidated Statement of Income for 2021 and 2020.

As of December 31, 2021, the estimated acquisition earn-out payables equaled \$291.0 million, of which \$78.4 million was recorded as accounts payable and \$212.6 million was recorded as other non-current liabilities. As of December 31, 2020, the estimated acquisition earn-out payables equaled \$258.9 million, of which \$79.2 million was recorded as accounts payable and \$179.7 million was recorded as other non-current liabilities.

Income Taxes

The effective tax rate on income from operations was 23.0% in 2021 and 2020.

RESULTS OF OPERATIONS — SEGMENT INFORMATION

As discussed in Note 16 “Segment Information” of the Notes to Consolidated Financial Statements, we operate four reportable segments: Retail, National Programs, Wholesale Brokerage and Services. On a segmented basis, changes in amortization, depreciation and interest expenses generally result from activity associated with acquisitions. Likewise, other revenues in each segment reflects net gains primarily from legal settlements and miscellaneous income. As such, in evaluating the operational efficiency of a segment, management focuses on the Organic Revenue growth rate and EBITDAC margin.

The reconciliation of total commissions and fees included in the Consolidated Statements of Income to Organic Revenue, a non-GAAP financial measure, including by segment, and the growth rates for Organic Revenue for the year ended December 31, 2021 are as follows:

2021 <i>(in thousands, except percentages)</i>	Retail ⁽¹⁾		National Programs		Wholesale Brokerage		Services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Commissions and fees	\$ 1,764,922	\$ 1,470,093	\$ 701,108	\$ 609,842	\$ 402,635	\$ 352,161	\$ 178,857	\$ 174,012	\$ 3,047,522	\$ 2,606,108
Total change	\$ 294,829		\$ 91,266		\$ 50,474		\$ 4,845		\$ 441,414	
Total growth %	20.1 %		15.0 %		14.3 %		2.8 %		16.9 %	
Profit-sharing contingent commissions	(38,895)	(35,785)	(35,259)	(27,278)	(8,072)	(7,871)	—	—	(82,226)	(70,934)
GSCs	(16,452)	(15,128)	(1,619)	238	(934)	(1,304)	—	—	(19,005)	(16,194)
Core commissions and fees	\$ 1,709,575	\$ 1,419,180	\$ 664,230	\$ 582,802	\$ 393,629	\$ 342,986	\$ 178,857	\$ 174,012	\$ 2,946,291	\$ 2,518,980
Acquisitions	(138,968)	—	(8,151)	—	(22,998)	—	—	—	(170,117)	—
Dispositions	—	(4,403)	—	(478)	—	—	—	(364)	—	(5,245)
Foreign currency translation	—	—	—	1,161	—	—	—	—	—	1,161
Organic Revenue ⁽²⁾	\$ 1,570,607	\$ 1,414,777	\$ 656,079	\$ 583,485	\$ 370,631	\$ 342,986	\$ 178,857	\$ 173,648	\$ 2,776,174	\$ 2,514,896
Organic Revenue growth ⁽²⁾	\$ 155,830		\$ 72,594		\$ 27,645		\$ 5,209		\$ 261,278	
Organic Revenue growth rate ⁽²⁾	11.0 %		12.4 %		8.1 %		3.0 %		10.4 %	

(1) The Retail segment includes commissions and fees reported in the “Other” column of the Segment Information table in Note 16 of the Notes to the Consolidated Financial Statements, which includes corporate and consolidation items.

(2) A non-GAAP financial measure.

The reconciliation of total commissions and fees included in the Consolidated Statements of Income to Organic Revenue, a non-GAAP financial measure, including by segment, and the growth rates for Organic Revenue for the year ended December 31, 2020, by segment, are as follows:

2020 (in thousands, except percentages)	Retail ⁽¹⁾		National Programs		Wholesale Brokerage		Services		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Commissions and fees	\$ 1,470,093	\$ 1,364,755	\$ 609,842	\$ 516,915	\$ 352,161	\$ 309,426	\$ 174,012	\$ 193,641	\$ 2,606,108	\$ 2,384,737
Total change	\$ 105,338		\$ 92,927		\$ 42,735		\$ (19,629)		\$ 221,371	
Total growth %	7.7 %		18.0 %		13.8 %		(10.1) %		9.3 %	
Profit-sharing contingent commissions	(35,785)	(34,150)	(27,278)	(17,517)	(7,871)	(7,499)	—	—	(70,934)	(59,166)
GSCs	(15,128)	(11,056)	238	(10,566)	(1,304)	(1,443)	—	—	(16,194)	(23,065)
Core commissions and fees	\$ 1,419,180	\$ 1,319,549	\$ 582,802	\$ 488,832	\$ 342,986	\$ 300,484	\$ 174,012	\$ 193,641	\$ 2,518,980	\$ 2,302,506
Acquisitions	(79,580)	—	(34,173)	—	(25,861)	—	(1,484)	—	(141,098)	—
Dispositions	—	(11,772)	—	(377)	—	—	—	—	—	(12,149)
Foreign currency translation	—	—	—	—	—	—	—	—	—	—
Organic Revenue ⁽²⁾	\$ 1,339,600	\$ 1,307,777	\$ 548,629	\$ 488,455	\$ 317,125	\$ 300,484	\$ 172,528	\$ 193,641	\$ 2,377,882	\$ 2,290,357
Organic Revenue growth ⁽²⁾	\$ 31,823		\$ 60,174		\$ 16,641		\$ (21,113)		\$ 87,525	
Organic Revenue growth rate ⁽²⁾	2.4 %		12.3 %		5.5 %		(10.9) %		3.8 %	

(1) The Retail segment includes commissions and fees reported in the “Other” column of the Segment Information table in Note 16 of the Notes to the Consolidated Financial Statements, which includes corporate and consolidation items.

(2) A non-GAAP financial measure.

The reconciliation of income before incomes taxes, included in the Consolidated Statement of Income, to EBITDAC, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, for the year ended December 31, 2021, is as follows:

(in thousands)	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Income before income taxes	\$ 334,377	\$ 242,334	\$ 94,845	\$ 28,257	\$ 63,010	\$ 762,823
Income Before Income Taxes Margin ⁽²⁾	18.9 %	34.5 %	23.5 %	15.8 %	NMF	25.0 %
Amortization	77,810	27,357	9,150	5,276	—	119,593
Depreciation	11,194	9,839	2,646	1,484	8,146	33,309
Interest	91,425	11,381	15,990	2,899	(56,714)	64,981
Change in estimated acquisition earn-out payables	40,778	(7,652)	7,319	—	—	40,445
EBITDAC ⁽²⁾	\$ 555,584	\$ 283,259	\$ 129,950	\$ 37,916	\$ 14,442	\$ 1,021,151
EBITDAC Margin ⁽²⁾	31.4 %	40.4 %	32.2 %	21.2 %	NMF	33.5 %

(1) “Income Before Income Taxes Margin” is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

NMF = Not a meaningful figure

The reconciliation of income before incomes taxes, included in the Consolidated Statement of Income, to EBITDAC, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, for the year ended December 31, 2020, is as follows:

<i>(in thousands)</i>	<u>Retail</u>	<u>National Programs</u>	<u>Wholesale Brokerage</u>	<u>Services</u>	<u>Other</u>	<u>Total</u>
Income before income taxes	\$ 262,245	\$ 182,892	\$ 93,593	\$ 27,994	\$ 57,375	\$ 624,099
Income Before Income Taxes Margin ⁽²⁾	17.8 %	30.0 %	26.5 %	16.1 %	NMF	23.9 %
Amortization	67,315	27,166	8,481	5,561	—	108,523
Depreciation	9,071	8,658	1,948	1,424	5,175	26,276
Interest	85,968	20,597	10,281	4,142	(62,015)	58,973
Change in estimated acquisition earn-out payables	8,689	(10,484)	422	(3,085)	—	(4,458)
EBITDAC ⁽²⁾	\$ 433,288	\$ 228,829	\$ 114,725	\$ 36,036	\$ 535	\$ 813,413
EBITDAC Margin ⁽²⁾	29.4 %	37.5 %	32.5 %	20.7 %	NMF	31.1 %

(1) "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

NMF = Not a meaningful figure

Retail Segment

The Retail segment provides a broad range of insurance products and services to commercial, public and quasi-public, professional and individual insured customers, and non-insurance risk-mitigating products through our automobile dealer services (“F&I”) businesses. Approximately 76.4% of the Retail segment’s commissions and fees revenue is commission based.

Financial information relating to our Retail segment for the 12 months ended December 31, 2021 and 2020 is as follows:

<i>(in thousands, except percentages)</i>	2021	% Change	2020
REVENUES			
Core commissions and fees	\$ 1,711,320	20.5 %	\$ 1,420,439
Profit-sharing contingent commissions	38,895	8.7 %	35,785
Guaranteed supplemental commissions	16,452	8.8 %	15,128
Investment income	278	70.6 %	163
Other income, net	993	(20.6)%	1,251
Total revenues	<u>1,767,938</u>	<u>20.0 %</u>	<u>1,472,766</u>
EXPENSES			
Employee compensation and benefits	949,351	15.7 %	820,368
Other operating expenses	268,126	21.1 %	221,496
(Gain)/loss on disposal	(5,123)	114.7 %	(2,386)
Amortization	77,810	15.6 %	67,315
Depreciation	11,194	23.4 %	9,071
Interest	91,425	6.3 %	85,968
Change in estimated acquisition earn-out payables	40,778	NMF	8,689
Total expenses	<u>1,433,561</u>	<u>18.4 %</u>	<u>1,210,521</u>
Income before income taxes	<u>\$ 334,377</u>	<u>27.5 %</u>	<u>\$ 262,245</u>
Income Before Income Taxes Margin ⁽¹⁾	18.9 %		17.8 %
EBITDAC ⁽²⁾	555,584	28.2 %	433,288
EBITDAC Margin ⁽²⁾	31.4 %		29.4 %
Organic Revenue growth rate ⁽²⁾	11.0 %		2.4 %
Employee compensation and benefits relative to total revenues	53.7 %		55.7 %
Other operating expenses relative to total revenues	15.2 %		15.0 %
Capital expenditures	\$ 8,093	(38.6)%	\$ 13,175
Total assets at December 31 ⁽³⁾	\$ 5,040,706	(28.9)%	\$ 7,093,627

(1) “Income Before Income Taxes Margin” is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

(3) As of December 31, 2021, the Company settled the historical accumulation of the cash outlays paid by Corporate reducing the total assets at the segment level with no effect on the consolidated company

NMF = Not a meaningful figure

The Retail segment’s total revenues in 2021 increased 20.0%, or \$295.2 million, over the same period in 2020, to \$1,767.9 million. The \$290.9 million increase in core commissions and fees was driven by the following: (i) \$156.3 million related to net new and renewal business; (ii) approximately \$139.0 million related to the core commissions and fees from acquisitions that had no comparable revenues in the same period of 2020; offset by (iii) a decrease of \$4.4 million related to commissions and fees from businesses or books of business divested in 2020 and 2021. Profit-sharing contingent commissions and GSCs in 2021 increased 8.7%, or \$4.4 million, over 2020, to \$55.3 million primarily from acquisitions completed in 2020 and 2021. The Retail segment’s growth rate for total commissions and fees was 20.1% and the Organic Revenue growth rate was 11.0% for 2021. The Organic Revenue growth rate was driven by net new business written during the preceding 12 months and growth on renewals of existing customers. Renewal business was impacted by rate increases in most lines of business and some modest expansion of exposure units.

Income before income taxes for 2021 increased 27.5%, or \$72.1 million, over the same period in 2020, to \$334.4 million. The primary factors driving this increase were: (i) the net increase in revenue as described above, offset by (ii) a 15.7%, or \$129.0 million, increase in employee compensation and benefits, due primarily to the year-on-year impact of salary inflation and additional employees to support revenue growth and acquisitions, (iii) operating expenses which increased by \$46.6 million, or 21.1%, due to increased professional services to support our customers and acquisitions; (iv) an increase in the change in estimated acquisition earn-out payables of \$32.1 million, to \$40.8 million; and (v) a combined increase in amortization, depreciation and intercompany interest expense of \$18.1 million resulting from our acquisition activity over the past 12 months.

EBITDAC for 2021 increased 28.2%, or \$122.3 million, from the same period in 2020, to \$555.6 million. EBITDAC Margin for 2021 increased to 31.4% from 29.4% in the same period in 2020. EBITDAC Margin was impacted by (i) the leveraging of our expense base, (ii) higher profit-sharing contingent commissions and GSCs; partially offset by, (iii) increased non-stock cash compensation costs.

National Programs Segment

The National Programs segment manages over 40 programs supported by approximately 100 well-capitalized carrier partners. In most cases, the insurance carriers that support the programs have delegated underwriting and, in many instances, claims-handling authority to our programs operations. These programs are generally distributed through a nationwide network of independent agents and Brown & Brown retail agents, and offer targeted products and services designed for specific industries, trade groups, professions, public entities and market niches. The National Programs segment operations can be grouped into five broad categories: Professional programs, Personal Lines programs, Commercial programs, Public Entity-Related programs and Specialty programs. Approximately 75.2% of the National Programs segment's commissions and fees revenue is commission based.

Financial information relating to our National Programs segment for the 12 months ended December 31, 2021 and 2020 is as follows:

<i>(in thousands, except percentages)</i>	2021	% Change	2020
REVENUES			
Core commissions and fees	\$ 664,230	14.0 %	\$ 582,802
Profit-sharing contingent commissions	35,259	29.3 %	27,278
Guaranteed supplemental commissions	1,619	NMF	(238)
Investment income	550	(27.2)%	756
Other income, net	192	NMF	42
Total revenues	<u>701,850</u>	14.9 %	<u>610,640</u>
EXPENSES			
Employee compensation and benefits	294,713	13.3 %	260,141
Other operating expenses	128,368	5.5 %	121,670
(Gain)/loss on disposal	(4,490)	NMF	—
Amortization	27,357	0.7 %	27,166
Depreciation	9,839	13.6 %	8,658
Interest	11,381	(44.7)%	20,597
Change in estimated acquisition earn-out payables	(7,652)	(27.0)%	(10,484)
Total expenses	<u>459,516</u>	7.4 %	<u>427,748</u>
Income before income taxes	<u>\$ 242,334</u>	32.5 %	<u>\$ 182,892</u>
Income Before Income Taxes Margin ⁽¹⁾	34.5 %		30.0 %
EBITDAC ⁽²⁾	283,259	23.8 %	228,829
EBITDAC Margin ⁽²⁾	40.4 %		37.5 %
Organic Revenue growth rate ⁽²⁾	12.4 %		12.3 %
Employee compensation and benefits relative to total revenues	42.0 %		42.6 %
Other operating expenses relative to total revenues	18.3 %		19.9 %
Capital expenditures	\$ 13,467	86.8 %	\$ 7,208
Total assets at December 31 ⁽³⁾	\$ 2,943,006	(16.2)%	\$ 3,510,983

(1) "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

(3) As of December 31, 2021, the Company settled the historical accumulation of the cash outlays paid by Corporate reducing the total assets at the segment level with no effect on the consolidated company

NMF = Not a meaningful figure

The National Programs segment's total revenue for 2021 increased 14.9%, or \$91.2 million, as compared to the same period in 2020, to \$701.9 million. The \$81.4 million increase in core commissions and fees revenue was driven by: (i) \$72.6 million related to net new and renewal business; (ii) approximately \$8.2 million related to the core commissions and fees revenue from acquisitions that had no comparable revenues in 2020; (iii) a positive impact from foreign currency translation of \$1.2 million; offset by (iv) a decrease of \$0.5 million related to commissions and fees revenue from business divested in the preceding 12 months.

The National Programs segment's growth rate for total commissions and fees was 15.0% and the Organic Revenue growth rate was 12.4% for 2021. The total commissions and fees growth was due to strong Organic Revenue growth across many of our programs along with new acquisitions. The Organic Revenue growth was driven by new business, good retention, exposure unit expansion and rate increases across many programs.

Income before income taxes for 2021 increased 32.5%, or \$59.4 million, from the same period in 2020, to \$242.3 million. The increase was the result of: (i) strong total revenue growth; (ii) lower intercompany interest expense; (iii) a gain on sale of one of our businesses; partially offset by; (iv) an increase in estimated acquisition earn-out payables.

EBITDAC for 2021 increased 23.8%, or \$54.4 million, from the same period in 2020, to \$283.3 million. EBITDAC Margin for 2021 increased to 40.4% due to (i) Organic Revenue growth and scaling of a number of our programs; (ii) higher contingent commissions, and (iii) a gain on the sale of one of our businesses.

Wholesale Brokerage Segment

The Wholesale Brokerage segment markets and sells excess and surplus commercial and personal lines insurance, primarily through independent agents and brokers, including Brown & Brown retail agents. Approximately 83.3% of the Wholesale Brokerage segment's commissions and fees revenue is commission based.

Financial information relating to our Wholesale Brokerage segment for the 12 months ended December 31, 2021 and 2020 is as follows:

<i>(in thousands, except percentages)</i>	2021	% Change	2020
REVENUES			
Core commissions and fees	\$ 393,629	14.8 %	\$ 342,986
Profit-sharing contingent commissions	8,072	2.6 %	7,871
Guaranteed supplemental commissions	934	(28.4) %	1,304
Investment income	155	(15.8) %	184
Other income, net	627	38.7 %	452
Total revenues	403,417	14.3 %	352,797
EXPENSES			
Employee compensation and benefits	212,781	15.4 %	184,429
Other operating expenses	60,686	13.1 %	53,643
(Gain)/loss on disposal	—	—	—
Amortization	9,150	7.9 %	8,481
Depreciation	2,646	35.8 %	1,948
Interest	15,990	55.5 %	10,281
Change in estimated acquisition earn-out payables	7,319	NMF	422
Total expenses	308,572	19.0 %	259,204
Income before income taxes	\$ 94,845	1.3 %	\$ 93,593
Income Before Income Taxes Margin ⁽¹⁾	23.5 %		26.5 %
EBITDAC ⁽²⁾	129,950	13.3 %	114,725
EBITDAC Margin ⁽²⁾	32.2 %		32.5 %
Organic Revenue growth rate ⁽²⁾	8.1 %		5.5 %
Employee compensation and benefits relative to total revenues	52.7 %		52.3 %
Other operating expenses relative to total revenues	15.0 %		15.2 %
Capital expenditures	\$ 1,612	(51.5) %	\$ 3,324
Total assets at December 31 ⁽³⁾	\$ 1,154,373	(35.6) %	\$ 1,791,717

(1) "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

(3) As of December 31, 2021, the Company settled the historical accumulation of the cash outlays paid by Corporate reducing the total assets at the segment level with no effect on the consolidated company

NMF = Not a meaningful figure

The Wholesale Brokerage segment's total revenues for 2021 increased 14.3%, or \$50.6 million, over 2020, to \$403.4 million. The \$50.6 million increase in core commissions and fees was driven by the following: (i) \$27.6 million related to net new and renewal business and; (ii) \$23.0 million related to the core commissions and fees from acquisitions that had no comparable revenues in 2020. Profit-sharing contingent commissions and GSCs for 2021 decreased \$0.2 million compared to 2020, to \$9.0 million. The Wholesale Brokerage segment's growth rate for total commissions and fees was 14.3%, and the Organic Revenue growth rate was 8.1% for 2021. The Organic Revenue growth rate was driven by net new business, as well as increased rates seen across most lines of business, which was partially offset by shrinking capacity in the catastrophe exposed personal lines market.

Income before income taxes for 2021 increased 1.3%, or \$1.3 million, over 2020, to \$94.8 million, primarily due to the following: (i) the net increase in total revenues as described above, which was offset by; (ii) an increase in amortization expense; (iii) an increase in intercompany interest expense; (iv) an increase in employee compensation and benefits of \$28.3 million, related to additional employees from acquisitions completed in the past 12 months and net additions to support increased transaction volumes, compensation increases for existing employees, and additional non-cash stock-based compensation expense; and (v) a net \$7.0 million increase in other operating expenses, primarily acquisition related.

EBITDAC for 2021 increased 13.3%, or \$15.2 million, from the same period in 2020, to \$129.9 million. EBITDAC Margin for 2021 decreased to 32.2% from 32.5% in the same period in 2020. The decrease in EBITDAC Margin was primarily driven by; (i) increased employee compensation based on the composition of revenue growth and non-cash stock-based compensation costs, in addition to; (ii) a variable expense normalization which was partially offset by; (iii) revenue growth as described above.

Services Segment

The Services segment provides insurance-related services, including third-party claims administration and comprehensive medical utilization management services in both the workers' compensation and all-lines liability arenas. The Services segment also provides Medicare Set-aside account services, Social Security disability and Medicare benefits advocacy services, and claims adjusting services.

Unlike the other segments, nearly all of the Services segment's revenue is generated from fees which are not significantly affected by fluctuations in general insurance premiums.

Financial information relating to our Services segment for the 12 months ended December 31, 2021 and 2020 is as follows:

<i>(in thousands, except percentages)</i>	2021	% Change	2020
REVENUES			
Core commissions and fees	\$ 178,857	2.8 %	\$ 174,012
Profit-sharing contingent commissions	—	—	—
Guaranteed supplemental commissions	—	—	—
Investment income	3	—	—
Other income, net	—	—	—
Total revenues	<u>178,860</u>	2.8 %	<u>174,012</u>
EXPENSES			
Employee compensation and benefits	89,723	1.1 %	88,787
Other operating expenses	51,212	4.1 %	49,191
(Gain)/loss on disposal	9	—	(2)
Amortization	5,276	(5.1)%	5,561
Depreciation	1,484	4.2 %	1,424
Interest	2,899	(30.0)%	4,142
Change in estimated acquisition earn-out payables	—	(100.0)%	(3,085)
Total expenses	<u>150,603</u>	3.1 %	<u>146,018</u>
Income before income taxes	<u>\$ 28,257</u>	0.9 %	<u>\$ 27,994</u>
Income Before Income Taxes Margin ⁽¹⁾	15.8 %		16.1 %
EBITDAC ⁽²⁾	37,916	5.2 %	36,036
EBITDAC Margin ⁽²⁾	21.2 %		20.7 %
Organic Revenue growth rate ⁽²⁾	3.0 %		(10.9)%
Employee compensation and benefits relative to total revenues	50.2 %		51.0 %
Other operating expenses relative to total revenues	28.6 %		28.3 %
Capital expenditures	\$ 1,609	13.0 %	\$ 1,424
Total assets at December 31 ⁽³⁾	<u>\$ 299,185</u>	(37.7)%	<u>\$ 480,440</u>

(1) "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenues

(2) A non-GAAP financial measure

(3) As of December 31, 2021, the Company settled the historical accumulation of the cash outlays paid by Corporate reducing the total assets at the segment level with no effect on the consolidated company

NMF = Not a meaningful figure

The Services segment's total revenues for 2021 increased 2.8%, or \$4.8 million, from 2020, to \$178.9 million. The \$4.8 million increase in core commissions and fees, was driven by; (i) specialized claims handling in our advisory business; (ii) expansion of existing programs; (iii) partially offset by continued pressure in our advocacy space (iii) and reduction in workers' compensation severity claims. Total commissions and fees increased 2.8%, and Organic Revenue increased 3.0% in 2021, both as compared to 2020.

Income before income taxes for 2021 increased 0.9%, or \$0.3 million, from 2020, to \$28.3 million due to a combination of: (i) lower intercompany interest; (ii) drivers of EBITDAC described below and; (iii) partially offset by the earn-out liability credit recorded in prior year.

EBITDAC for 2021 increased 5.2%, or \$1.9 million, from the same period in 2020, to \$37.9 million. EBITDAC Margin for 2021 increased to 21.2% from 20.7% in the same period in 2020. The increase in EBITDAC and EBITDAC Margin were driven primarily by leveraging our expense base with higher Organic Revenue growth and lower variable expenses in response to COVID-19.

Other

As discussed in Note 16 of the Notes to Consolidated Financial Statements, the "Other" column in the Segment Information table includes any income and expenses not allocated to reportable segments, and corporate-related items, including the intercompany interest expense charges to reporting segments.

LIQUIDITY AND CAPITAL RESOURCES

The Company seeks to maintain a conservative balance sheet and liquidity profile. Our capital requirements to operate as an insurance intermediary are low and we have been able to grow and invest in our business principally through cash that has been generated from operations. We have the ability to utilize our revolving credit facility, which as of December 31, 2021 provided access to up to \$800.0 million in available cash. We believe that we have access to additional funds, if needed, through the capital markets or private placements to obtain further debt financing under the current market conditions. The Company believes that its existing cash, cash equivalents, short-term investment portfolio and funds generated from operations, together with the funds available under the revolving credit facility, will be sufficient to satisfy our normal liquidity needs, including principal payments on our long-term debt, for at least the next 12 months.

The revolving credit facility contains an expansion for up to an additional \$500.0 million of borrowing capacity, subject to the approval of participating lenders. In addition, under the term loan credit agreement, the unsecured term loan in the initial amount of \$300.0 million may be increased by up to \$150.0 million, subject to the approval of participating lenders. Including the expansion options under all existing credit agreements, the Company has access to up to \$1.5 billion of incremental borrowing capacity as of December 31, 2021.

Our cash and cash equivalents of \$887.0 million at December 31, 2021, of which \$245.6 million was held in a fiduciary capacity, reflected an increase of \$69.6 million from the \$817.4 million balance at December 31, 2020. During 2021, \$942.5 million of cash was generated from operating activities, representing an increase of 30.6%. During this period, \$366.8 million of cash was used for new acquisitions, \$89.1 million was used for acquisition earn-out payments, \$45.0 million was used to purchase additional fixed assets, \$107.2 million was used for payment of dividends, \$82.6 million was used for share repurchases and \$73.1 million was used to pay outstanding principal balances owed on long-term debt.

We hold approximately \$66.4 million in cash outside of the U.S., which we currently have no plans to repatriate in the near future.

Our cash and cash equivalents of \$817.4 million at December 31, 2020, of which \$211.9 million was held in a fiduciary capacity, reflected an increase of \$275.2 million from the \$542.2 million balance at December 31, 2019. During 2020, \$721.6 million of cash was generated from operating activities, representing an increase of 6.4%. During this period, \$694.8 million of cash was used for new acquisitions, \$29.5 million was used for acquisition earn-out payments, \$70.7 million was used to purchase additional fixed assets, \$100.6 million was used for payment of dividends, \$55.1 million was used for share repurchases and \$55.0 million was used to pay outstanding principal balances owed on long-term debt.

Our ratio of current assets to current liabilities (the "current ratio") was 1.25 and 1.26 for December 31, 2021 and December 31, 2020, respectively.

Contractual Cash Obligations

As of December 31, 2021, our contractual cash obligations were as follows:

(in thousands)	Payments Due by Period				
	Total	Less Than 1 Year	1-3 Years	4-5 Years	After 5 Years
Long-term debt	\$ 2,036,875	\$ 42,500	\$ 750,625	\$ 193,750	\$ 1,050,000
Other liabilities ⁽¹⁾	178,299	38,816	18,621	11,237	109,625
Operating leases ⁽²⁾	260,801	49,529	87,355	58,928	64,989
Interest obligations	349,233	61,157	111,940	71,391	104,745
Unrecognized tax benefits	917	—	917	—	—
Maximum future acquisition contingency payments ⁽³⁾	484,815	116,033	368,782	—	—
Total contractual cash obligations ⁽⁴⁾	\$ 3,310,940	\$ 308,035	\$ 1,338,240	\$ 335,306	\$ 1,329,359

- (1) Includes the current portion of other long-term liabilities, and approximately \$15.6 million of remaining deferred employer-only payroll tax payments related to the CARES Act which are expected to be paid in December 2022. The Company paid the first installment of \$15.6 million in December 2021.
- (2) Includes \$18.8 million of future lease commitments expected to commence in 2022.
- (3) Includes \$291.0 million of current and non-current estimated earn-out payables. \$25.0 million of this balance is not subject to any further contingency as a result of the Amendment dated as of July 27, 2020 by and among the Company, The Hays Group, Inc., and certain of its affiliates, to the Asset Purchase Agreement, dated as of October 22, 2018.
- (4) Does not include approximately \$28.9 million of current liability for a dividend of \$0.1025 per share approved by the board of directors on January 20, 2022.

Debt

Total debt at December 31, 2021 was \$2,022.9 million net of unamortized discount and debt issuance costs, which was an decrease of \$73.0 million compared to December 31, 2020. The decrease includes: (i) the repayment of the principal balance of \$73.1 million for scheduled principal amortization balances related to our various existing floating rate debt term notes; (ii) an additional \$2.7 million including debt issuance costs related to the Company's refinanced credit facility, the Second Amended and Restated Credit Agreement (as defined below), on

October 27, 2021; offset by (iii) net of the amortization of discounted debt related to our various unsecured Senior Notes, and debt issuance cost amortization of \$2.8 million.

On October 27, 2021, the Company entered into an amended and restated credit agreement (the "Second Amended and Restated Credit Agreement") with the lenders named therein, JPMorgan Chase Bank, N.A. as administrative agent, Bank of America, N.A., Truist Bank and BMO Harris Bank N.A. as co-syndication agents, and U.S. Bank National Association, Fifth Third Bank, National Association, Wells Fargo Bank, National Association, PNC Bank, National Association, Morgan Stanley Senior Funding, Inc. and Citizens Bank, N.A. as co-documentation agents. The Second Amended and Restated Credit Agreement amended and restated the credit agreement dated April 17, 2014, among certain of such parties, as amended by that certain amended and restated credit agreement dated June 28, 2017 (the "Original Credit Agreement"). The Second Amended and Restated Credit Agreement, among other certain terms, extended the maturity of the revolving credit facility of \$800.0 million and unsecured term loans associated with the agreement of \$250.0 million to October 27, 2026. At the time of the renewal, the Company added an additional \$2.7 million in debt issuance costs related to the transaction. The Company carried forward \$0.6 million of existing debt issuance costs related to the previous credit facility agreements while expensing \$0.1 million in debt issuance costs due to certain lenders exiting the renewed facility agreement.

During the 12 months ended December 31, 2021, the Company has repaid \$30.0 million of principal related to the amended and restated credit agreement term loan through quarterly scheduled amortized principal payments each equaling \$10.0 million on March 31, 2021, June 30, 2021, September 30, 2021 and on October 27, 2021 in conjunction with the closing of the Second Amended and Restated Credit Agreement, the Company repaid an additional \$10.0 million of outstanding principal related to the term loan under the amended and restated credit agreement. On December 31, 2021, the Company repaid \$3.1 million under the Second Amended and Restated Credit Agreement as part of a scheduled amortized principal payment/ The Second Amended and Restated Credit Agreement term loan had an outstanding balance of \$246.9 million as of December 31, 2021. The Company's next scheduled amortized principal payment is due March 31, 2022 and is equal to \$3.1 million.

During the 12 months ended December 31, 2021, the Company has repaid \$30.0 million of principal related to the term loan credit agreement through quarterly scheduled amortized principal payments each equaling \$7.5 million on March 31, 2021, June 30, 2021, September 30, 2021 and December 31, 2021. The term loan credit agreement had an outstanding balance of \$240.0 million as of December 31, 2021. The Company's next scheduled amortized principal payment is due March 31, 2021 and is equal to \$7.5 million.

Total debt at December 31, 2020 was \$2,095.9 million net of unamortized discount and debt issuance costs, which was an increase of \$540.6 million compared to December 31, 2019. The increase includes: (i) incremental borrowings of \$700.0 million related to the Company's 2.375% Senior Notes due 2031 issued on September 24, 2020; (ii) net of the amortization of discounted debt related to our various unsecured Senior Notes, and debt issuance cost amortization of \$2.3 million; offset by (iii) the repayment of the principal balance of \$55.0 million for scheduled principal amortization balances related to our various existing floating rate debt term notes; (iv) the net repayment of \$100.0 million under the revolving credit facility; and (v) an additional \$6.7 million including debt issuance costs and the portion of discount applied to the proceeds issued under the incremental borrowings related to the Company's 2.375% Senior Notes due 2031 issued on September 24, 2020.

On September 24, 2020, the Company completed the issuance of \$700.0 million aggregate principal amount of the Company's 2.375% Senior Notes due 2031. The Senior Notes were given investment grade ratings of BBB- stable outlook and Baa3 positive outlook. The notes are subject to certain covenant restrictions, which are customary for credit rated obligations. At the time of funding, the proceeds were offered at a discount of the original note amount, which also excluded an underwriting fee discount. The net proceeds received from the issuance were used to repay a portion of the outstanding balance of \$200.0 million on the revolving credit facility, to pay a portion of the purchase price in connection with the acquisitions of LP Insurance Services, LLP and CKP Insurance, LLC and for other general corporate purposes. As of December 31, 2020, there was an outstanding debt balance of \$700.0 million exclusive of the associated discount balance.

During the 12 months ended December 31, 2020, the Company has repaid \$40.0 million of principal related to the amended and restated credit agreement term loan through quarterly scheduled amortized principal payments each equaling \$10.0 million on March 31, 2020, June 30, 2020, September 30, 2020 and December 31, 2020. The amended and restated credit agreement term loan had an outstanding balance of \$290.0 million as of December 31, 2020. The Company's next scheduled amortized principal payment is due March 31, 2021 and is equal to \$10.0 million.

During the 12 months ended December 31, 2020, the Company has repaid \$15.0 million of principal related to the term loan credit agreement through quarterly scheduled amortized principal payments each equaling \$3.8 million on March 31, 2020, June 30, 2020, September 30, 2020 and December 31, 2020. The term loan credit agreement had an outstanding balance of \$270.0 million as of December 31, 2020. The Company's next scheduled amortized principal payment is due March 31, 2021 and is equal to \$7.5 million.

On April 30, 2020, the Company borrowed \$250.0 million under the revolving credit facility. The proceeds were used in conjunction with the payment of the purchase price for the previously announced acquisition of LP Insurance Services LLC and for additional liquidity to further strengthen the Company's financial position and balance sheet in the event cash receipts from customers or carrier partners are delayed due to the COVID-19 pandemic. On June 30, 2020, the Company repaid \$150.0 million on the revolving credit facility. On September 24, 2020, the Company repaid the total outstanding borrowings under the revolving credit facility of \$200.0 million using the proceeds received from the borrowings under the Company's 2.375% Senior Notes due 2031.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk.

Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates, foreign exchange rates and equity prices. We are exposed to market risk through our investments, revolving credit line, term loan agreements and international operations.

Our invested assets are held primarily as cash and cash equivalents, restricted cash, available-for-sale marketable debt securities, non-marketable debt securities, certificates of deposit, U.S. treasury securities, and professionally managed short duration fixed income funds. These investments are subject to interest rate risk. The fair values of our invested assets at December 31, 2021 and December 31, 2020, approximated their respective carrying values due to their short-term duration and therefore, such market risk is not considered to be material.

We do not actively invest or trade in equity securities. In addition, we generally dispose of any significant equity securities received in conjunction with an acquisition shortly after the acquisition date.

As of December 31, 2021, we had \$486.9 million of borrowings outstanding under our various credit agreements, all of which bear interest on a floating basis tied to London Inter-bank Offered Rate ("LIBOR") and is therefore subject to changes in the associated interest expense. The effect of an immediate hypothetical 10% change in interest rates would not have a material effect on our Consolidated Financial Statements. As of July 2017, the UK Financial Conduct Authority ("FCA") has urged banks and institutions to discontinue their use of the LIBOR benchmark rate for floating rate debt, and other financial instruments tied to the rate after 2021. The Alternative Reference Rates Committee ("ARRC") have recommended the Secured Overnight Financing Rate ("SOFR") as the best alternative rate to LIBOR post discontinuance and has proposed a transition plan and timeline designed to encourage the adoption of SOFR from LIBOR. On March 5, 2021 the ICE Benchmark Administration, which administers LIBOR, and the FCA announced that all LIBOR settings will either cease to be provided by any administrator or no longer be represented immediately after December 31, 2021 for all non-U.S. dollar LIBOR settings and one-week and two-month U.S. dollar LIBOR settings and immediately after June 30, 2023 for the remaining U.S. dollar LIBOR settings.

On October 27, 2021 the Company entered into the Second Amended and Restated Credit Agreement. The Second Amended and Restated Credit Agreement includes provisions regarding transition from LIBOR to SOFR in preparation of the LIBOR cessation. Management will continue to actively assess the related opportunities and risks associated with the transition as well as monitor related proposals, guidance and other alternative-rate initiatives, with an expectation that the Company will be prepared for a termination of LIBOR benchmarks prior to June 30, 2023 when typical rate settings will no longer be available.

We are subject to operational exchange rate risk primarily in our U.K.-based wholesale brokerage business that has a cost base principally denominated in British pounds and a revenue base in several other currencies, but principally in U.S. dollars, and in our Canadian MGA business that has substantially all of its revenues and cost base denominated in Canadian dollars. As of January 14, 2021, the Company announced the completion of the acquisition of O'Leary Insurances, an Ireland based retail brokerage business which has substantially all of its revenue and cost base in euros.

Based upon our foreign currency rate exposure as of December 31, 2021, an immediate 10% hypothetical change of foreign currency exchange rates would not have a material effect on our Consolidated Financial Statements.

ITEM 8. Financial Statements and Supplementary Data.

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BROWN & BROWN, INC.

CONSOLIDATED STATEMENTS OF INCOME

<i>(in thousands, except per share data)</i>	For the Year Ended December 31,		
	2021	2020	2019
REVENUES			
Commissions and fees	\$ 3,047,522	\$ 2,606,108	\$ 2,384,737
Investment income	1,099	2,811	5,780
Other income, net	2,777	4,456	1,654
Total revenues	<u>3,051,398</u>	<u>2,613,375</u>	<u>2,392,171</u>
EXPENSES			
Employee compensation and benefits	1,636,911	1,436,377	1,308,165
Other operating expenses	402,941	365,973	377,089
(Gain)/loss on disposal	(9,605)	(2,388)	(10,021)
Amortization	119,593	108,523	105,298
Depreciation	33,309	26,276	23,417
Interest	64,981	58,973	63,660
Change in estimated acquisition earn-out payables	40,445	(4,458)	(1,366)
Total expenses	<u>2,288,575</u>	<u>1,989,276</u>	<u>1,866,242</u>
Income before income taxes	762,823	624,099	525,929
Income taxes	175,719	143,616	127,415
Net income	<u>\$ 587,104</u>	<u>\$ 480,483</u>	<u>\$ 398,514</u>
Net income per share:			
Basic	<u>\$ 2.08</u>	<u>\$ 1.70</u>	<u>\$ 1.42</u>
Diluted	<u>\$ 2.07</u>	<u>\$ 1.69</u>	<u>\$ 1.40</u>
Dividends declared per share	<u>\$ 0.38</u>	<u>\$ 0.35</u>	<u>\$ 0.33</u>

See accompanying notes to Consolidated Financial Statements.

BROWN & BROWN, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

<i>(in thousands)</i>	Year Ended December 31,		
	2021	2020	2019
Net income	\$ 587,104	\$ 480,483	\$ 398,514
Foreign currency translation	(9,287)	—	—
Unrealized loss on available-for-sale debt securities, net of tax	(122)	—	—
Comprehensive income	<u>\$ 577,695</u>	<u>\$ 480,483</u>	<u>\$ 398,514</u>

BROWN & BROWN, INC.

CONSOLIDATED BALANCE SHEETS

<i>(in thousands, except per share data)</i>	December 31, 2021	December 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 887,009	\$ 817,398
Restricted cash and investments	583,247	454,517
Short-term investments	12,891	18,332
Premiums, commissions and fees receivable	1,216,188	1,099,248
Reinsurance recoverable	63,106	43,469
Prepaid reinsurance premiums	392,222	377,615
Other current assets	175,621	147,670
Total current assets	3,330,284	2,958,249
Fixed assets, net	212,033	201,115
Operating lease assets	197,035	186,998
Goodwill	4,736,828	4,395,918
Amortizable intangible assets, net	1,081,465	1,049,660
Investments	30,970	24,971
Other assets	206,828	149,581
Total assets	<u>\$ 9,795,443</u>	<u>\$ 8,966,492</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Premiums payable to insurance companies	\$ 1,384,562	\$ 1,198,529
Losses and loss adjustment reserve	63,106	43,469
Unearned premiums	392,222	377,615
Premium deposits and credits due customers	122,447	102,505
Accounts payable	206,370	190,497
Accrued expenses and other liabilities	456,159	371,737
Current portion of long-term debt	42,500	70,000
Total current liabilities	2,667,366	2,354,352
Long-term debt less unamortized discount and debt issuance costs	1,980,437	2,025,906
Operating lease liabilities	179,976	172,935
Deferred income taxes, net	386,794	344,222
Other liabilities	383,977	314,854
Shareholders' Equity:		
Common stock, par value \$0.10 per share; authorized 560,000 shares; issued 300,993 shares and outstanding 282,496 at 2021, issued 299,689 shares and outstanding 283,004 shares at 2020 - in thousands.	30,099	29,969
Additional paid-in capital	849,424	794,909
Treasury stock, at cost at 18,497 at 2021 and 16,685 shares at 2020, respectively - in thousands	(673,902)	(591,338)
Accumulated other comprehensive loss	(9,409)	—
Retained earnings	4,000,681	3,520,683
Total shareholders' equity	4,196,893	3,754,223
Total liabilities and shareholders' equity	<u>\$ 9,795,443</u>	<u>\$ 8,966,492</u>

See accompanying notes to Consolidated Financial Statements.

BROWN & BROWN, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

<i>(in thousands, except per share data)</i>	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
	Shares Outstanding	Par Value					
Balance at January 1, 2019	279,583	\$ 29,338	\$ 615,180	\$ (477,572)	\$ -	\$ 2,833,622	\$ 3,000,568
Net Income						398,514	398,514
Net unrealized holding (loss) gain on available-for-sale securities			182			(30)	152
Shares issued - employee stock compensation plans							
Employee stock purchase plan	976	98	30,453				30,551
Stock incentive plans	2,519	252	40,311				40,563
Agency acquisition	569	57	19,943				20,000
Directors	28	3	877				880
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(366)	(37)	(10,897)				(10,934)
Purchase of treasury stock	(1,654)		20,000	(58,671)			(38,671)
Cash dividends paid (\$0.33 per share)						(91,344)	(91,344)
Balance at December 31, 2019	281,655	29,711	716,049	(536,243)	—	3,140,762	3,350,279
Net Income						480,483	480,483
Net unrealized holding (loss) gain on available-for-sale securities			466			30	496
Shares issued - employee stock compensation plans							
Employee stock purchase plan	962	96	38,047				38,143
Stock incentive plans	1,895	189	50,934				51,123
Agency acquisition	723	72	30,048				30,120
Directors	16	2	585				587
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(1,013)	(101)	(41,220)				(41,321)
Purchase of treasury stock	(1,234)			(55,095)			(55,095)
Cash dividends paid (\$0.35 per share)						(100,592)	(100,592)
Balance at December 31, 2020	283,004	29,969	794,909	(591,338)	—	3,520,683	3,754,223
Net Income						587,104	587,104
Net unrealized holding (loss) gain on available-for-sale securities			(508)		(122)		(630)
Foreign currency translation					(9,287)	123	(9,164)
Shares issued - employee stock compensation plans							
Employee stock purchase plan	851	85	42,800				42,885
Stock incentive plans	1,313	131	51,129				51,260
Agency acquisition	184	19	9,873				9,892
Directors	17	2	897				899
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(1,061)	(107)	(49,676)				(49,783)
Purchase of treasury stock	(1,812)			(82,564)			(82,564)

Cash dividends paid (\$0.38 per share)						(107,229)	(107,229)
Balance at December 31, 2021	<u>282,496</u>	<u>\$ 30,099</u>	<u>\$ 849,424</u>	<u>\$ (673,902)</u>	<u>\$ (9,409)</u>	<u>\$ 4,000,681</u>	<u>\$ 4,196,893</u>

See accompanying notes to Consolidated Financial Statements.

BROWN & BROWN, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income	\$ 587,104	\$ 480,483	\$ 398,514
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization	119,593	108,523	105,298
Depreciation	33,309	26,276	23,417
Non-cash stock-based compensation	61,018	59,749	46,994
Change in estimated acquisition earn-out payables	40,445	(4,458)	(1,366)
Deferred income taxes	33,616	15,943	12,383
Amortization of debt discount and disposal of deferred financing costs	2,839	2,319	2,054
Accretion of discounts and premiums, investments	171	48	(5)
(Gain)/loss on sales of investments, fixed assets and customer accounts	(7,096)	(831)	(9,550)
Payments on acquisition earn-outs in excess of original estimated payables	(21,060)	(4,532)	(351)
Effect of changes in foreign exchange rate changes	494	—	—
Changes in operating assets and liabilities, net of effect from acquisitions and divestitures:			
Premiums, commissions and fees receivable (increase) decrease	(72,843)	(135,367)	(86,778)
Reinsurance recoverables (increase) decrease	(19,637)	15,036	6,891
Prepaid reinsurance premiums (increase) decrease	(14,607)	(11,594)	(28,101)
Other assets (increase) decrease	(53,746)	(42,731)	(46,520)
Premiums payable to insurance companies (increase) decrease	127,991	158,775	148,658
Premium deposits and credits due customers increase (decrease)	19,581	(12,886)	7,820
Losses and loss adjustment reserve increase (decrease)	19,637	(15,036)	(6,707)
Unearned premiums increase (decrease)	14,607	11,594	28,101
Accounts payable increase (decrease)	51,404	107,754	17,800
Accrued expenses and other liabilities increase (decrease)	66,782	34,716	43,330
Other liabilities increase (decrease)	(47,133)	(72,134)	16,298
Net cash provided by operating activities	942,469	721,647	678,180
Cash flows from investing activities:			
Additions to fixed assets	(45,045)	(70,700)	(73,108)
Payments for businesses acquired, net of cash acquired	(366,780)	(694,842)	(353,043)
Proceeds from sales of fixed assets and customer accounts	16,735	9,615	21,592
Purchases of investments	(12,375)	(14,168)	(17,520)
Proceeds from sales of investments	10,785	11,025	8,494
Net cash used in investing activities	(396,680)	(759,070)	(413,585)
Cash flows from financing activities:			
Payments on acquisition earn-outs	(62,521)	(24,977)	(9,566)
Proceeds from long-term debt	—	700,000	350,000
Payments on long-term debt	(73,125)	(55,000)	(50,000)
Deferred debt issuance costs	(2,683)	(6,756)	(3,701)
Borrowings on revolving credit facilities	—	250,000	100,000
Payments on revolving credit facilities	—	(350,000)	(350,000)
Issuances of common stock for employee stock benefit plans	34,026	30,104	24,999
Repurchase of stock benefit plan shares for employees to fund tax withholdings	(49,783)	(41,321)	(10,933)
Purchase of treasury stock	(82,564)	(55,095)	(58,671)
Settlement of accelerated share repurchase program	—	—	20,000
Cash dividends paid	(107,229)	(100,592)	(91,344)
Net cash (used in) provided by financing activities	(343,879)	346,363	(79,216)
Effect of foreign exchange rate cash changes	(3,569)	—	—
Net increase (decrease) in cash and cash equivalents inclusive of restricted cash	198,341	308,940	185,379
Cash and cash equivalents inclusive of restricted cash at beginning of period	1,271,915	962,975	777,596
Cash and cash equivalents inclusive of restricted cash at end of period	\$ 1,470,256	\$ 1,271,915	\$ 962,975

See accompanying notes to Consolidated Financial Statements. Refer to Note 13 for reconciliation of cash and cash equivalents inclusive of restricted cash.

NOTE 1 Summary of Significant Accounting Policies**Nature of Operations**

Brown & Brown, Inc., a Florida corporation and its subsidiaries (collectively, “Brown & Brown” or the “Company”) is a diversified insurance agency, wholesale brokerage, insurance programs and service organization that markets and sells insurance products and services, primarily in the property, casualty and employee benefits areas. Brown & Brown’s business is divided into four reportable segments. The Retail Segment provides a broad range of insurance products and services to commercial, public and quasi-public, professional and individual insured customers, and non-insurance risk-mitigating products through our automobile dealer services (“F&I”) businesses. The National Programs Segment, which acts as a managing general agent (“MGA”), provides professional liability and related package products for certain professionals, a range of insurance products for individuals, flood coverage, and targeted products and services designated for specific industries, trade groups, governmental entities and market niches, all of which are delivered through a nationwide network of independent agents, including Brown & Brown retail agents. The Wholesale Brokerage Segment markets and sells excess and surplus commercial and personal lines insurance, primarily through independent agents and brokers, as well as Brown & Brown retail agents. The Services Segment provides insurance-related services, including third-party claims administration and comprehensive medical utilization management services in both the workers’ compensation and all-lines liability arenas, as well as Medicare Set-aside services, Social Security disability and Medicare benefits advocacy services and claims adjusting services.

Recently Issued Accounting Pronouncements

In October 2021, the Financial Accounting Standards Board (“FASB”) issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers. The amendment requires an acquirer in a business combination to recognize and measure contract assets and contract liabilities in accordance with Accounting Standards Codification (“ASC”) Topic 606. ASU 2021-08 is effective for fiscal years beginning after December 15, 2022 and early adoption is permitted. While the Company is continuing to assess the timing of adoption and the potential impacts of ASU 2021-08, it does not expect ASU 2021-08 to have a material effect on its consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting.” The amendments provide optional guidance for a limited time to ease the potential burden in accounting for reference rate reform. The new guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts and hedging relationships that reference the London Interbank Offered Rate (“LIBOR”), or another reference rate expected to be discontinued due to reference rate reform. These amendments are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. We are currently evaluating our contracts and the available expedients provided by the new standard; however, the Company can assert there is no impact to any carrying value of assets or liabilities aside from our floating-rate debt instruments that are indexed to LIBOR and are carried at amortized cost. Any further impact of adoption will be in determining the new periodic floating interest rate indexed to our floating-rate debt instruments with no impact on the balance sheet upon adoption.

Recently Adopted Accounting Standards

In December 2019, the FASB issued ASU 2019-12, “Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes.” The standard removes specific exceptions in the current rules and eliminates the need for an organization to analyze whether the following apply in a given period: (a) exception to the incremental approach for intra-period tax allocation; (b) exceptions to accounting for basis differences when there are ownership changes in foreign investments and (c) exception in interim period income tax accounting for year-to-date losses that exceed anticipated losses. The standard also is designed to improve financial statement preparers’ application of income tax-related guidance and simplify GAAP for (a) franchise taxes that are partially based on income; (b) transactions with a government that result in a step-up in the tax basis of goodwill; (c) separate financial statements of legal entities that are not subject to tax and (d) enacted changes in tax laws in interim periods. The Company adopted ASU 2019-12 effective January 1, 2021. The impact of adopting this standard was not material to the presentation of the Consolidated Financial Statements.

In August 2018, the FASB issued ASU 2018-15, “Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract,” which provides guidance for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license). ASU 2018-15 became effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company adopted ASU 2018-15 effective January 1, 2020. The impact of adoption of this standard on our consolidated financial statements, including accounting policies, processes and systems, was not material.

In January 2017, the FASB issued ASU No. 2017-04, “Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment.” The new guidance eliminates Step 2 of the goodwill impairment test. The updated guidance requires an entity to perform its annual or interim goodwill impairment test by comparing the fair value of the reporting unit to its carrying value, and recognizing a non-cash impairment charge for the amount by which the carrying value exceeds the reporting unit’s fair value with the loss not exceeding the total amount of goodwill allocated to that reporting unit. ASU 2017-04 became effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019 and will be applied prospectively. The Company adopted ASU 2017-04 effective January 1, 2020, with interim or annual goodwill impairment tests now comparing the fair value of a reporting unit with its carrying value and no longer performing Step 2 of the goodwill impairment test. There was no impact from adopting ASU 2017-04 as there were no impairments recorded.

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments”. The new guidance adds an impairment model, known as the current expected credit loss (CECL) model that is based on expected losses rather than incurred losses. These amendments require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable forward-looking information, which is intended to result in more timely recognition of such losses. All related guidance has been codified into, and is now known as, ASC 326 – Financial Instruments—Credit Losses. The new standard is effective for public companies for annual reporting periods beginning after December 15, 2019, and interim periods therein. The Company adopted ASU 2016-13 effective January 1, 2020 and determined there was not a material impact on the Company’s Financial Statements given that historical trend analysis and assessments for forward-looking qualitative analysis are already integrated into financial assessments for the Company.

Principles of Consolidation

The accompanying Consolidated Financial Statements include the accounts of Brown & Brown, Inc. and its subsidiaries. All significant intercompany account balances and transactions have been eliminated in the Consolidated Financial Statements.

Revenue Recognition

The Company earns commissions paid by insurance carriers for the binding of insurance coverage. Commissions are earned at a point in time upon the effective date of bound insurance coverage, as no performance obligation exists after coverage is bound. If there are other services within the contract, the Company estimates the stand-alone selling price for each separate performance obligation, and the corresponding apportioned revenue is recognized over a period of time as the performance obligations are fulfilled. The Company earns fee revenue by receiving negotiated fees in lieu of a commission and from services other than securing insurance coverage. Fee revenues from certain agreements are recognized depending on when the services within the contract are satisfied and when we have transferred control of the related services to the customer. In situations where multiple performance obligations exist within a fee contract, in some instances the use of estimates is required to allocate the transaction price on a relative stand-alone selling price basis to each separate performance obligation. Incentive commissions represent a form of variable consideration which includes additional commissions over base commissions received from insurance carriers based on predetermined production levels mutually agreed upon by both parties. Profit-sharing contingent commissions represent a form of variable consideration associated with the placement of coverage, for which we earn commissions. Profit-sharing contingent commissions and incentive commissions are estimated with a constraint applied and accrued relative to the recognition of the corresponding core commissions based on the amount of consideration that will be received in the coming year such that a significant reversal of revenue is not probable. Guaranteed supplemental commissions, a form of variable consideration, represent guaranteed fixed-base agreements.

Management determines the policy cancellation reserve based upon historical cancellation experience adjusted for any known circumstances.

Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as disclosures of contingent assets and liabilities, at the date of the Consolidated Financial Statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents principally consist of demand deposits with financial institutions and highly liquid investments with quoted market prices having maturities of three months or less when purchased. Included in cash and cash equivalents are unrestricted premium from insureds and prefunded claims from carriers held in a fiduciary capacity.

Restricted Cash and Investments, and Premiums, Commissions and Fees Receivable

In our capacity as an insurance agent or broker, the Company typically collects premiums from insureds and, after deducting the authorized commissions, remits the net premiums to the appropriate insurance company or companies. Accordingly, premiums that are receivable from insureds are reported within Premiums, commissions, and fees receivable in the Consolidated Balance Sheets. Unremitted net insurance premiums are held in a fiduciary capacity until the Company disburses them, and the use of such funds is restricted by laws in certain jurisdictions in which our subsidiaries operate, or restricted due to our contracts with a certain insurance company or companies in which we hold premiums in a fiduciary capacity. Where allowed by law, the Company invests these unremitted funds only in cash, money market accounts, tax-free variable-rate demand bonds and commercial paper held for a short-term. In certain states in which the Company operates, the use and investment alternatives for these funds are regulated and restricted by various state laws and agencies. These restricted funds are reported as restricted cash and investments on the Consolidated Balance Sheets. The interest income earned on these unremitted funds, where allowed by state law, is reported as investment income in the Consolidated Statement of Income.

In other circumstances, the insurance companies collect the premiums directly from the insureds and remit the applicable commissions to the Company. Accordingly, as reported in the Consolidated Balance Sheets, commissions are receivables from insurance companies. Fees are primarily receivables due from customers.

Investments

Certificates of deposit, and other securities, having maturities of more than three months when purchased are reported at cost and are adjusted for other-than-temporary market value declines. The Company's investment holdings include U.S. Government securities, municipal bonds, domestic corporate and foreign corporate bonds as well as short-duration fixed income funds. Investments within the portfolio or funds are held as available-for-sale and are carried at their fair value. Any gain/loss applicable from the fair value change is recorded, net of tax, as other comprehensive income within the equity section of the Consolidated Balance Sheets. Realized gains and losses are reported as investment income on the Consolidated Statement of Income, with the cost of securities sold determined on a specific identification basis.

Fixed Assets

Fixed assets, including leasehold improvements, are carried at cost, less accumulated depreciation and amortization. Expenditures for improvements are capitalized, and expenditures for maintenance and repairs are expensed to operations as incurred. Upon sale or retirement, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss, if any, is reflected in other income. Depreciation has been determined using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 40 years. Leasehold improvements are amortized on the straight-line method over the shorter of the useful life of the improvement or the term of the related lease.

Goodwill and Amortizable Intangible Assets

All of our business combinations are accounted for using the acquisition method. Acquisition purchase prices are typically based upon a multiple of average annual EBITDAC (defined below), and/or revenue earned over a period of 3 years within a minimum and maximum price range. The recorded purchase prices for acquisitions include an estimation of the fair value of liabilities associated with any potential earn-out provisions. Subsequent changes in the fair value of earn-out obligations are recorded in the Consolidated Statement of Income when incurred.

The fair value of earn-out obligations is based upon the present value of the expected future payments to be made to the sellers of the acquired businesses in accordance with the provisions contained in the respective purchase agreements. In determining fair value, the acquired business' future performance is estimated using financial projections developed by management for the acquired business and this estimate reflects market participant assumptions regarding revenue growth and/or profitability. The expected future payments are estimated on the basis of the earn-out formula and performance targets specified in each purchase agreement compared to the associated financial projections. These estimates are then discounted to present value using a risk-adjusted rate that takes into consideration the likelihood that the forecast earn-out payments will be made.

Amortizable intangible assets are stated at cost, less accumulated amortization, and consist of purchased customer accounts and non-compete agreements. Purchased customer accounts and non-compete agreements are amortized on a straight-line basis over the related estimated lives and contract periods, which typically range from 3 to 15 years. Purchased customer accounts represent the value of the customer relationship, but also consist of records and files that contain information about insurance policies and the related insured parties that are essential to policy renewals.

The excess of the purchase price of an acquisition over the fair value of the identifiable tangible and amortizable intangible assets is assigned to goodwill. While goodwill is not amortizable, it is subject to assessment at least annually, and more frequently in the presence of certain circumstances, for impairment by application of a fair value-based test. The Company compares the fair value of each reporting unit with its carrying amount to determine if there is potential impairment of goodwill. The Company may elect to first perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If the Company does not perform a qualitative assessment, or if it is determined that it is more likely than not that the fair value of a reporting unit exceeds its carrying amount, the Company will calculate the fair value of the reporting unit. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded to the extent that the fair value of the goodwill within the reporting unit is less than its carrying value. Fair value is estimated based upon multiples of earnings before interest, income taxes, depreciation, amortization and change in estimated acquisition earn-out payables (“EBITDAC”), or on a discounted cash flow basis. The Company completed its most recent annual assessment as of November 30, 2021 and determined that the fair value of goodwill significantly exceeded the carrying value of such assets. In addition, as of December 31, 2021, there are no accumulated impairment losses.

The carrying value of amortizable intangible assets attributable to each business or asset group comprising the Company is periodically reviewed by management to determine if there are events or changes in circumstances that would indicate that its carrying amount may not be recoverable. Accordingly, if there are any such changes in circumstances during the year, the Company assesses the carrying value of its amortizable intangible assets by considering the estimated future undiscounted cash flows generated by the corresponding business or asset group. Any impairment identified through this assessment may require that the carrying value of related amortizable intangible assets be adjusted after determining the fair value of the amortizable intangible assets. There were no impairments recorded for the years ended December 31, 2021, 2020 and 2019.

Income Taxes

The Company records income tax expense using the asset-and-liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying values and the income tax bases of the Company’s assets and liabilities.

The Company files a consolidated federal income tax return and has elected to file consolidated returns in certain states. Deferred income taxes are provided for in the Consolidated Financial Statements and relate principally to expenses charged to income for financial reporting purposes in one period and deducted for income tax purposes in other periods.

Net Income Per Share

Basic net income per share is computed based on the weighted average number of common shares (including participating securities) issued and outstanding during the period. Diluted net income per share is computed based on the weighted average number of common shares issued and outstanding plus equivalent shares, assuming the exercise of stock options. The dilutive effect of stock options is computed by application of the treasury-stock method.

The following is a reconciliation between basic and diluted weighted average shares outstanding for the years ended December 31:

<i>(in thousands, except per share data)</i>	2021	2020	2019
Net income	\$ 587,104	\$ 480,483	\$ 398,514
Net income attributable to unvested awarded performance stock	(12,942)	(15,197)	(12,873)
Net income attributable to common shares	<u>\$ 574,162</u>	<u>\$ 465,286</u>	<u>\$ 385,641</u>
Weighted average number of common shares outstanding – basic	282,246	283,294	281,566
Less unvested awarded performance stock included in weighted average number of common shares outstanding – basic	<u>(6,222)</u>	<u>(8,960)</u>	<u>(9,095)</u>
Weighted average number of common shares outstanding for basic earnings per common share	276,024	274,334	272,471
Dilutive effect of stock options	<u>1,390</u>	<u>1,533</u>	<u>2,145</u>
Weighted average number of shares outstanding – diluted	<u>277,414</u>	<u>275,867</u>	<u>274,616</u>
Net income per share:			
Basic	<u>\$ 2.08</u>	<u>\$ 1.70</u>	<u>\$ 1.42</u>
Diluted	<u>\$ 2.07</u>	<u>\$ 1.69</u>	<u>\$ 1.40</u>

Fair Value of Financial Instruments

The carrying amounts of the Company's financial assets and liabilities, including cash and cash equivalents; restricted cash and short-term investments; investments; premiums, commissions and fees receivable; reinsurance recoverable; prepaid reinsurance premiums; premiums payable to insurance companies; losses and loss adjustment reserve; unearned premium; premium deposits and credits due customers and accounts payable, at December 31, 2021 and 2020, approximate fair value because of the short-term maturity of these instruments. The carrying amount of the Company's long-term debt approximates fair value at December 31, 2021 and 2020 as our fixed-rate borrowings of \$1,548.5 million approximate their values using market quotes of notes with the similar terms as ours, which we deem a close approximation of current market rates. The estimated fair value of our variable floating rate debt agreements is \$486.9 million which approximates the carrying value due to the variable interest rate based upon adjusted LIBOR. See Note 3 to our Consolidated Financial Statements for the fair values related to the establishment of intangible assets and the establishment and adjustment of earn-out payables. See Note 6 for information on the fair value of investments and Note 9 for information on the fair value of long-term debt.

Non-Cash Stock-Based Compensation

The Company has stock-based compensation plans that provide for grants of restricted stock, restricted stock units, stock options and other stock-based awards to employees and non-employee directors of the Company. In addition, the Company has an Employee Stock Purchase Plan which allows employees to purchase shares in the Company. The Company expenses stock-based compensation, which is included in Employee compensation and benefits in the Consolidated Statements of Income over the requisite service period. The significant assumptions underlying our expense calculations include the fair value of the award on the date of grant, the estimated achievement of any performance targets and estimated forfeiture rates.

The Company uses the Black-Scholes valuation model for valuing all stock options and shares purchased under the Employee Stock Purchase Plan (the "ESPP"). Compensation for non-vested stock awards is measured at fair value on the grant date based upon the number of shares expected to vest. Compensation cost for all awards is recognized in earnings, net of estimated forfeitures, on a straight-line basis over the requisite service period.

Reinsurance

The Company acts in a risk-bearing capacity for flood insurance associated with the Wright National Flood Insurance Company ("WNFIC"), which is part of our National Programs Segment. The Company protects itself from claims-related losses by reinsuring all claims risk exposure. However, for basic admitted policies conforming to the National Flood Insurance Program all exposure is reinsured with the Federal Emergency Management Agency ("FEMA"). For excess flood insurance policies, all exposure is reinsured with a reinsurance carrier with an AM Best Company rating of "A" or better. Reinsurance does not legally discharge the ceding insurer from the primary liability for the full amount due under the reinsured policies. Reinsurance premiums, commissions, expense reimbursement and reserves related to ceded business are accounted for on a basis consistent with the accounting for the original policies issued and the terms of reinsurance contracts. Premiums earned and losses and loss adjustment expenses incurred are reported net of reinsurance amounts. Other underwriting expenses are shown net of earned ceding commission income. The liabilities for unpaid losses and loss adjustment expenses and unearned premiums are reported gross of ceded reinsurance recoverable.

Balances due from reinsurers on unpaid losses and loss adjustment expenses, including an estimate of such recoverables related to reserves for incurred but not reported ("IBNR") losses, are reported as assets and are included in reinsurance recoverable even though amounts due on unpaid loss and loss adjustment expense are not recoverable from the reinsurer until such losses are paid. The Company does not believe it is exposed to any material credit risk through its reinsurance as the reinsurer is FEMA for basic admitted flood policies and national reinsurance carriers for private flood policies, which has an AM Best Company rating of "A" or better. Historically, no amounts due from reinsurance carriers have been written off as uncollectible.

The Company also operates a capitalized captive insurance facility (the "Captive"), which started in December 2021, for the purpose of having additional capacity to sell property insurance for earthquake and wind exposed properties. The Captive buys reinsurance, limiting, but not completely eliminating the Company's exposure to underwriting losses. The operations of the Captive were not material to the Consolidated Financial Statements for the year ended December 31, 2021.

Unpaid Losses and Loss Adjustment Reserve

Unpaid losses and loss adjustment reserve include amounts determined on individual claims and other estimates based upon the past experience of WNFIC, the Captive and the policyholders for IBNR claims, less anticipated salvage and subrogation recoverable. The methods of making such estimates and for establishing the resulting reserves are continually reviewed and updated, and any adjustments resulting therefrom are reflected in operations currently.

The Company engages the services of outside actuarial consulting firms (the "Actuaries") to assist on an annual basis to render an opinion on the sufficiency of the Company's estimates for unpaid losses and related loss adjustment reserve. The Actuaries utilize both industry experience and the Company's own experience to develop estimates of those amounts as of year-end. These estimated liabilities are subject to

the impact of future changes in claim severity, frequency and other factors. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and related loss adjustment reserve are adequate.

Premiums are recognized as income over the coverage period of the related policies. Unearned premiums represent the portion of premiums written that relate to the unexpired terms of the policies in force and are determined on a daily pro rata basis. The income is recorded to the commissions and fees line of the Consolidated Statement of Income.

NOTE 2 Revenues

The following tables present the revenues disaggregated by revenue source:

<i>(in thousands)</i>	For the year ended December 31, 2021					
	Retail	National Programs	Wholesale Brokerage	Services	Other ⁽⁸⁾	Total
Base commissions ⁽¹⁾	\$ 1,198,129	\$ 488,787	\$ 323,054	\$ —	\$ 42	\$ 2,010,012
Fees ⁽²⁾	414,937	173,790	67,233	178,857	(1,787)	833,030
Incentive commissions ⁽³⁾	98,254	1,653	3,342	—	—	103,249
Profit-sharing contingent commissions ⁽⁴⁾	38,895	35,259	8,072	—	—	82,226
Guaranteed supplemental commissions ⁽⁵⁾	16,452	1,619	934	—	—	19,005
Investment income ⁽⁶⁾	278	550	155	3	113	1,099
Other income, net ⁽⁷⁾	993	192	627	—	965	2,777
Total Revenues	<u>\$ 1,767,938</u>	<u>\$ 701,850</u>	<u>\$ 403,417</u>	<u>\$ 178,860</u>	<u>\$ (667)</u>	<u>\$ 3,051,398</u>

<i>(in thousands)</i>	For the year ended December 31, 2020					
	Retail	National Programs	Wholesale Brokerage	Services	Other ⁽⁸⁾	Total
Base commissions ⁽¹⁾	\$ 1,054,619	\$ 422,916	\$ 273,878	\$ —	\$ 1	\$ 1,751,414
Fees ⁽²⁾	275,900	159,337	66,051	174,012	(1,291)	674,009
Incentive commissions ⁽³⁾	89,920	549	3,057	—	31	93,557
Profit-sharing contingent commissions ⁽⁴⁾	35,785	27,278	7,871	—	—	70,934
Guaranteed supplemental commissions ⁽⁵⁾	15,128	(238)	1,304	—	—	16,194
Investment income ⁽⁶⁾	163	756	184	—	1,708	2,811
Other income, net ⁽⁷⁾	1,251	42	452	—	2,711	4,456
Total Revenues	<u>\$ 1,472,766</u>	<u>\$ 610,640</u>	<u>\$ 352,797</u>	<u>\$ 174,012</u>	<u>\$ 3,160</u>	<u>\$ 2,613,375</u>

- (1) Base commissions generally represent a percentage of the premium paid by an insured and are affected by fluctuations in both premium rate levels charged by insurance companies and the insureds' underlying "insurable exposure units," which are units that insurance companies use to measure or express insurance exposed to risk (such as property values, or sales and payroll levels) to determine what

premium to charge the insured. Insurance companies establish these premium rates based upon many factors, including loss experience, risk profile and reinsurance rates paid by such insurance companies, none of which we control.

- (2) Fee revenues relate to fees for services other than securing coverage for our customers, fees negotiated in lieu of commissions, and F&I products and services.
- (3) Incentive commissions include additional commissions over base commissions received from insurance carriers based on predetermined production levels mutually agreed upon by both parties.
- (4) Profit-sharing contingent commissions are based primarily on underwriting results, but may also reflect considerations for volume, growth and/or retention.
- (5) Guaranteed supplemental commissions represent guaranteed fixed-base agreements.
- (6) Investment income consists primarily of interest on cash and investments.
- (7) Other income consists primarily of legal settlements and other miscellaneous income.
- (8) Fees within other reflects the elimination of intercompany revenues.

Contract Assets and Liabilities

The balances of contract assets and contract liabilities arising from contracts with customers as of December 31, 2021 and 2020 were as follows:

<i>(in thousands)</i>	December 31, 2021	December 31, 2020
Contract assets	\$ 361,834	\$ 308,755
Contract liabilities	\$ 97,933	\$ 80,997

Unbilled receivables (contract assets) arise when the Company recognizes revenue for amounts which have not yet been billed in our systems. Deferred revenue (contract liabilities) relates to payments received in advance of performance under the contract before the transfer of a good or service to the customer.

As of December 31, 2021, deferred revenue (recorded within the accrued expenses and other liabilities caption in the Company's Consolidated Balance Sheets) consisted of \$67.4 million as current portion to be recognized within one year and \$30.5 million in long-term (recorded within the other liabilities caption in the Company's Consolidated Balance Sheets) to be recognized beyond one year. As of December 31, 2020, deferred revenue consisted of \$54.0 million as current portion to be recognized within one year and \$27.0 million in long-term deferred revenue to be recognized beyond one year.

Contract assets and contract liabilities arising from acquisitions in 2021 were approximately \$5.5 million and \$1.2 million, respectively. Contract assets and contract liabilities arising from acquisitions in 2020 were approximately \$11.5 million and \$20.0 million, respectively.

During the 12 months ended December 31, 2021 and 2020, the amount of revenue recognized related to performance obligations satisfied in a previous period, inclusive of changes due to estimates, was approximately \$23.3 million and \$8.9 million, respectively. The \$23.3 million for 2021 consists of additional variable consideration received on our incentive and profit-sharing contingent commissions. The \$8.9 million for 2020 consists of \$18.1 million of additional variable consideration received on our incentive and profit-sharing contingent commissions, offset by \$7.1 million of revised estimates related to variable consideration on policies where the exposure units were expected to be impacted by the COVID-19 pandemic ("COVID-19") and \$2.1 million of other adjustments.

Other Assets and Deferred Cost

Incremental cost to obtain – The Company defers certain costs to obtain customer contracts primarily as they relate to commission-based compensation plans in the Retail Segment, in which the Company pays an incremental amount of compensation on new business. These incremental costs are deferred and amortized over a 15-year period. The cost to obtain balance within the Other assets caption in the Company's Consolidated Balance Sheets was \$58.2 million and \$42.2 million as of December 31, 2021 and December 31, 2020, respectively. For the 12 months ended December 31, 2021 and December 31, 2020, the Company deferred \$19.8 million and \$17.8 million of incremental cost to obtain customer contracts, respectively. The Company expensed \$3.8 million and \$2.5 million of the incremental cost to obtain customer contracts for the 12 months ended December 31, 2021 and December 31, 2020, respectively.

Cost to fulfill - The Company defers certain costs to fulfill contracts and recognizes these costs as the associated performance obligations are fulfilled. The cost to fulfill balance within the Other current assets caption in the Company's Consolidated Balance Sheets was \$89.3 million, which is inclusive of deferrals from businesses acquired in the current year of \$9.9 million. The cost to fulfill balance as of December 31, 2020 was \$77.8 million. For the 12 months ended December 31, 2021 and 2020, the Company had net deferrals of \$1.6 million and \$3.3 million related to current year deferrals for costs incurred that relate to performance obligations yet to be fulfilled, net of the expense of previously deferred contract fulfillment costs associated with performance obligations that were satisfied in the period, respectively.

NOTE 3 Business Combinations

During the year ended December 31, 2021, the Company acquired the assets and assumed certain liabilities of 13 insurance intermediaries, all of the share capital of 1 insurance intermediary, all the stock of 2 insurance intermediaries, and 3 books of businesses (customer accounts). Additionally, miscellaneous adjustments were recorded to the purchase price allocation of certain prior acquisitions completed within the last 12 months as permitted by ASC Topic 805 - *Business Combinations* ("ASC 805"). Such adjustments are presented in the "Other" category within the following two tables. The recorded purchase price for all acquisitions includes an estimation of the fair value of liabilities associated with any potential earn-out provisions. Subsequent changes in the fair value of earn-out obligations will be recorded in the Consolidated Statement of Income when incurred.

The fair value of earn-out obligations is based upon the present value of the expected future payments to be made to the sellers of the acquired businesses in accordance with the provisions outlined in the respective purchase agreements. In determining fair value, the acquired business's future performance is estimated using financial projections developed by management for the acquired business and reflects market participant assumptions regarding revenue growth and/or profitability. The expected future payments are estimated on the basis of the earn-out formula and performance targets specified in each purchase agreement compared to the associated financial projections. These payments are then discounted to present value using a risk-adjusted rate that takes into consideration the likelihood that the forecast earn-out payments will be made.

Based upon the acquisition date and the complexity of the underlying valuation work, certain amounts included in the Company's Consolidated Financial Statements may be provisional and thus subject to further adjustments within the permitted measurement period, as defined in ASC 805. For the year ended December 31, 2021, adjustments were made within the permitted measurement period that resulted in a decrease in the aggregate purchase price of the affected acquisitions of \$0.5 million relating to the assumption of certain liabilities on acquisitions completed in 2020. These measurement period adjustments have been reflected as current period adjustments for the year ended December 31, 2021. The measurement period adjustments impacted goodwill, with no effect on earnings or cash in the current period.

Gross cash paid for acquisitions was \$424.6 million and \$722.5 million in the years ended December 31, 2021 and 2020, respectively. We completed 19 acquisitions (including book of business purchases) during the year ended December 31, 2021. We completed 25 acquisitions (including book of business purchases) during the year ended December 31, 2020.

The following table summarizes the purchase price allocations made as of the date of each acquisition for current year acquisitions and adjustments made during the measurement period for prior year acquisitions. During the measurement periods, the Company will adjust assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in the recognition of those assets and liabilities as of that date. These adjustments are made in the period in which the amounts are determined and the current period income effect of such adjustments will be calculated as if the adjustments had been completed as of the acquisition date.

(in thousands)

Name	Business segment	Effective date of acquisition	Cash paid	Common stock issued	Other payable	Recorded earn-out payable	Net assets acquired	Maximum potential earn-out payable
O'Leary Insurances (O'Leary)	Retail	January 1, 2021	\$ 117,408	\$ 4,892	\$ —	\$ 15,348	\$ 137,648	\$ 30,575
Piper Jordan LLC (Piper)	Retail	May 1, 2021	43,428	—	1,397	9,854	54,679	15,000
Berkshire Insurance Group, Inc. (Berkshire)	Retail	September 1, 2021	41,500	—	—	—	41,500	—
AGIS Network, Inc. (AGIS) (1)	Retail	September 1, 2021	11,203	—	24,114	739	36,056	12,289
Winston Financial Services, Inc. (Winston)	Retail	October 1, 2021	79,461	5,000	7,724	16,427	108,612	29,000
Remedy Analytics, Inc. (Remedy)	Retail	October 1, 2021	40,762	—	473	7,364	48,599	25,000
Heacock Insurance Group, LLC (Heacock)	Retail	October 1, 2021	18,248	—	455	1,900	20,603	6,000
Corporate Insurance Advisors, L.L.C. (CIA)	Retail	December 1, 2021	15,314	—	181	6,542	22,037	14,000
Rainmaker Advisory, LLC (Rainmaker)	Retail	December 1, 2021	14,174	—	776	5,937	20,887	10,000
HARCO Insurance Services, Inc. (HARCO)	Retail	December 31, 2021	24,266	—	1,000	4,423	29,689	7,350
Other	Various	Various	18,849	—	3,066	7,227	29,142	13,118
Total			<u>\$ 424,613</u>	<u>\$ 9,892</u>	<u>\$ 39,186</u>	<u>\$ 75,761</u>	<u>\$ 549,452</u>	<u>\$ 162,332</u>

(1) Amount in the "other payable" column relates to additional contingent consideration expected to be paid within 12 months.

The following table summarizes the estimated fair values of the aggregate assets and liabilities acquired as of the date of each acquisition and adjustments made during the measurement period of the prior year acquisitions.

<i>(in thousands)</i>	<u>O'Leary</u>	<u>Piper</u>	<u>Berkshire</u>	<u>AGIS</u>	<u>Winston</u>	<u>Remedy</u>
Cash	\$ 45,441	\$ —	\$ —	\$ —	\$ 5,024	\$ 6,675
Other current assets	43,350	2,397	1,621	13,693	7,527	1,786
Fixed assets	544	9	9	20	1,185	151
Goodwill	84,619	40,019	27,059	8,715	74,441	33,255
Purchased customer accounts	40,459	12,233	12,313	13,577	25,006	13,697
Non-compete agreements	819	21	11	51	872	508
Other assets	135	—	504	—	27	1,354
Total assets acquired	215,367	54,679	41,517	36,056	114,082	57,426
Other current liabilities	(72,649)	—	(17)	—	(5,470)	(5,233)
Deferred income tax, net	(5,057)	—	—	—	—	(3,594)
Other liabilities	(13)	—	—	—	—	—
Total liabilities assumed	(77,719)	—	(17)	—	(5,470)	(8,827)
Net assets acquired	\$ 137,648	\$ 54,679	\$ 41,500	\$ 36,056	\$ 108,612	\$ 48,599

<i>(in thousands)</i>	<u>Heacock</u>	<u>CIA</u>	<u>Rainmaker</u>	<u>HARCO</u>	<u>Other</u>	<u>Total</u>
Cash	\$ —	\$ —	\$ —	\$ —	\$ 692	\$ 57,832
Other current assets	738	32	—	737	5,060	76,941
Fixed assets	39	11	8	63	14	2,053
Goodwill	13,910	17,310	15,029	20,609	15,007	349,973
Purchased customer accounts	5,800	4,781	5,838	8,183	11,735	153,622
Non-compete agreements	31	11	12	32	150	2,518
Other assets	382	278	—	493	259	3,432
Total assets acquired	20,900	22,423	20,887	30,117	32,917	646,371
Other current liabilities	(297)	(386)	—	(428)	(3,775)	(88,255)
Deferred income tax, net	—	—	—	—	—	(8,651)
Other liabilities	—	—	—	—	—	(13)
Total liabilities assumed	(297)	(386)	—	(428)	(3,775)	(96,919)
Net assets acquired	\$ 20,603	\$ 22,037	\$ 20,887	\$ 29,689	\$ 29,142	\$ 549,452

The weighted average useful lives for the acquired amortizable intangible assets are as follows: purchased customer accounts, 15 years; and non-compete agreements, 5 years.

Goodwill of \$350.0 million, which is net of any opening balance sheet adjustments within the allowable measurement period, was allocated to the Retail, National Programs, and Wholesale Brokerage Segments in the amounts of \$346.0 million, (\$1.3) million, and \$5.3 million, respectively. Of the total goodwill of \$350.0 million, the amount currently deductible for income tax purposes is \$179.1 million, \$117.9 million is non-deductible related to the O'Leary and Remedy acquisitions and the remaining \$53.0 million relates to the recorded earn-out payables and will not be deductible until it is earned and paid.

For the acquisitions completed during 2021, the results of operations since the acquisition dates have been combined with those of the Company. The total revenues from the acquisitions completed through December 31, 2021 included in the Consolidated Statement of Income for the year ended December 31, 2021 were \$63.8 million. The income before income taxes, including the intercompany cost of capital charge, from the acquisitions completed through December 31, 2021 included in the Consolidated Statement of Income for the year ended December 31, 2021 was a loss of \$10.6 million. If the acquisitions had occurred as of the beginning of the respective periods, the Company's results of operations would be as shown in the following table. These unaudited pro forma results are not necessarily indicative of the actual results of operations that would have occurred had the acquisitions actually been made at the beginning of the respective periods.

(UNAUDITED) (in thousands, except per share data)	Year Ended December 31,	
	2021	2020
Total revenues	\$ 3,128,530	\$ 2,751,167
Income before income taxes	\$ 779,533	\$ 653,270
Net income	\$ 599,964	\$ 502,942
Net income per share:		
Basic	\$ 2.13	\$ 1.78
Diluted	\$ 2.12	\$ 1.77
Weighted average number of shares outstanding:		
Basic	276,024	274,334
Diluted	277,414	275,867

Acquisitions in 2020

During the year ended December 31, 2020, the Company acquired the assets and assumed certain liabilities of 20 insurance intermediaries, all the stock of 1 F&I administrative services company and 4 book of business (customer accounts). Additionally, miscellaneous adjustments were recorded to the purchase price allocation of certain prior acquisitions completed within the last 12 months as permitted by ASC 805. Such adjustments are presented in the "Other" category within the following two tables.

For the year ended December 31, 2020, several adjustments were made within the permitted measurement period that resulted in an increase in the aggregate purchase price of the affected acquisitions of \$3.5 million, relating to the assumption of certain liabilities.

The following table summarizes the purchase price allocation made as of the date of each acquisition for current year acquisitions and significant adjustments made during the measurement period for prior year acquisitions:

(in thousands)

Name	Business segment	Effective date of acquisition	Cash paid	Common stock issued	Other payable	Recorded earn-out payable	Net assets acquired	Maximum potential earn-out payable
Special Risk Insurance Managers Ltd. (Special Risk)	National Programs	January 1, 2020	\$ 70,156	\$ —	\$ —	\$ 9,859	\$ 80,015	\$ 14,650
Texas All Risk General Agency, Inc. et al (Texas Risk)	Wholesale Brokerage	January 1, 2020	10,511	—	159	310	10,980	1,150
The Colonial Group, Inc. et al (Colonial)	Wholesale Brokerage	March 1, 2020	29,037	—	527	7,577	37,141	10,150
RLA Insurance Intermediaries, LLC (RLA)	Wholesale Brokerage	March 1, 2020	42,496	—	786	11,687	54,969	22,500
Dealer Financial Services of N.C., LLC d/b/a The Sterling Group (Sterling)	Retail	April 1, 2020	19,341	—	300	4,129	23,770	5,400
LP Insurance Services, LLC (LP)	National Programs	May 1, 2020	115,948	10,000	318	23,394	149,660	75,850
First Resource, Inc. (First)	Retail	July 1, 2020	10,700	—	450	3,776	14,926	5,800
Buiten & Associates, LLC (Buiten)	Retail	August 1, 2020	38,225	—	1,175	7,448	46,848	14,175
Amity Insurance, Inc. (Amity)	Retail	August 1, 2020	14,820	2,000	200	1,860	18,880	4,060
Frank E. Neal & Co., Inc. (Neal)	Retail	September 1, 2020	32,589	3,120	345	5,732	41,786	10,325
BrookStone Insurance Group, LLC (BrookStone)	Retail	September 1, 2020	12,030	—	—	1,058	13,088	1,878
VAS GenPar, LLC (VAS)	Retail	October 1, 2020	114,249	15,000	—	23,274	152,523	48,000
Bright & Associates, Inc. (Bright)	Retail	October 1, 2020	12,528	—	1,257	3,854	17,639	5,775
J.E. Brown & Associates Insurance Services, Inc. (J.E. Brown)	Wholesale Brokerage	October 1, 2020	33,331	—	1,030	5,947	40,308	10,425
CoverHound, Inc. and CyberPolicy, Inc. (CoverHound)	Retail	November 1, 2020	27,595	—	600	—	28,195	—
MAJ Companies, Ltd. (MAJ)	Retail	December 1, 2020	19,072	—	300	2,006	21,378	6,475
South & Western General Agency, Inc. (South & Western)	Wholesale Brokerage	December 1, 2020	69,673	—	1,193	7,294	78,160	18,000
Berry Insurance Group, Inc. (Berry)	Retail	December 31, 2020	35,326	—	—	3,694	39,020	6,500
Other	Various	Various	14,888	—	490	8,498	23,876	12,337
Total			<u>\$ 722,515</u>	<u>\$ 30,120</u>	<u>\$ 9,130</u>	<u>\$ 131,397</u>	<u>\$ 893,162</u>	<u>\$ 273,450</u>

The following table summarizes the estimated fair values of the aggregate assets and liabilities acquired as of the date of each acquisition and adjustments made during the measurement period of the prior year acquisitions.

<i>(in thousands)</i>	Special Risk	Texas Risk	Colonial	RLA	Sterling	LP	First	Buiten	Amity	Neal
Cash	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other current assets	2,477	446	1,344	—	612	3,162	302	2,595	653	2,337
Fixed assets	345	27	59	55	16	1,877	1	43	58	46
Goodwill	63,087	8,940	27,845	53,567	17,339	99,983	9,523	33,641	15,454	28,929
Purchased customer accounts	14,286	3,222	9,205	12,309	5,962	44,801	5,095	11,323	5,614	13,225
Non-compete agreements	136	25	43	481	21	31	21	91	21	31
Other assets	—	—	—	—	—	—	—	—	—	274
Total assets acquired	80,331	12,660	38,496	66,412	23,950	149,854	14,942	47,693	21,800	44,842
Other current liabilities	(316)	(1,680)	(1,355)	(11,443)	(180)	(10)	(16)	(845)	(2,920)	(3,056)
Other liabilities	—	—	—	—	—	(184)	—	—	—	—
Total liabilities assumed	(316)	(1,680)	(1,355)	(11,443)	(180)	(194)	(16)	(845)	(2,920)	(3,056)
Net assets acquired	\$ 80,015	\$ 10,980	\$ 37,141	\$ 54,969	\$ 23,770	\$ 149,660	\$ 14,926	\$ 46,848	\$ 18,880	\$ 41,786

<i>(in thousands)</i>	Brook Stone	VAS	Bright	J.E. Brown	Cover Hound	MAJ	South & Western	Berry	Other	Total
Cash	\$ —	\$ 27,673	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 27,673
Other current assets	527	5,486	402	—	375	413	—	—	912	22,043
Fixed assets	22	138	23	32	6,441	—	149	30	25	9,387
Goodwill	8,585	100,826	12,218	31,476	19,524	13,003	63,128	29,702	11,325	648,095
Purchased customer accounts	3,689	48,188	5,055	9,479	3,678	8,034	18,513	9,701	8,582	239,961
Non-compete agreements	21	101	42	41	—	11	21	11	64	1,213
Other assets	290	—	—	—	—	—	—	—	3,088	3,652
Total assets acquired	13,134	182,412	17,740	41,028	30,018	21,461	81,811	39,444	23,996	952,024
Other current liabilities	(46)	(3,760)	(101)	(720)	(1,823)	(83)	(3,651)	(424)	(120)	(32,549)
Other liabilities	—	(26,129)	—	—	—	—	—	—	—	(26,313)
Total liabilities assumed	(46)	(29,889)	(101)	(720)	(1,823)	(83)	(3,651)	(424)	(120)	(58,862)
Net assets acquired	\$ 13,088	\$ 152,523	\$ 17,639	\$ 40,308	\$ 28,195	\$ 21,378	\$ 78,160	\$ 39,020	\$ 23,876	\$ 893,162

The weighted average useful lives for the acquired amortizable intangible assets are as follows: purchased customer accounts, 15 years; and non-compete agreements, 5 years.

Goodwill of \$648.1 million, which is net of any opening balance sheet adjustments within the allowable measurement period, was allocated to the Retail, National Programs, Wholesale Brokerage and Services Segments in the amounts of \$300.0 million, \$163.1 million, \$185.0 million and \$0.1 million, respectively. Of the total goodwill of \$648.1 million, the amount currently deductible for income tax purposes is \$516.7 million and the remaining \$131.4 million relates to the recorded earn-out payables and will not be deductible until it is earned and paid.

For the acquisitions completed during 2020, the results of operations since the acquisition dates have been combined with those of the Company. The total revenues from the acquisitions completed through December 31, 2020 included in the Consolidated Statement of Income for the year ended December 31, 2020 were \$93.9 million. The income before income taxes, including the intercompany cost of capital charge, from the acquisitions completed through December 31, 2020 included in the Consolidated Statement of Income for the year ended December 31, 2020 was \$7.5 million. If the acquisitions had occurred as of the beginning of the respective periods, the Company's results of

operations would be as shown in the following table. These unaudited pro forma results are not necessarily indicative of the actual results of operations that would have occurred had the acquisitions actually been made at the beginning of the respective periods.

<i>(UNAUDITED)</i> <i>(in thousands, except per share data)</i>	Year Ended December 31,	
	2020	2019
Total revenues	\$ 2,714,314	\$ 2,579,075
Income before income taxes	\$ 650,618	\$ 576,355
Net income	\$ 500,900	\$ 436,722
Net income per share:		
Basic	\$ 1.77	\$ 1.55
Diluted	\$ 1.76	\$ 1.54
Weighted average number of shares outstanding:		
Basic	274,334	272,471
Diluted	275,867	274,616

Acquisitions in 2019

During the year ended December 31, 2019, the Company acquired the assets and assumed certain liabilities of 22 insurance intermediaries, all the stock of 1 insurance intermediary and 4 book of business (customer accounts). Additionally, miscellaneous adjustments were recorded to the purchase price allocation of certain prior acquisitions completed within the last 12 months as permitted by ASC 805. Such adjustments are presented in the "Other" category within the following two tables.

For the year ended December 31, 2019, several adjustments were made within the permitted measurement period that resulted in a decrease in the aggregate purchase price of the affected acquisitions of \$4.1 million, relating to the assumption of certain liabilities.

The following table summarizes the purchase price allocation made as of the date of each acquisition for current year acquisitions and significant adjustments made during the measurement period for prior year acquisitions:

(in thousands)

Name	Business segment	Effective date of acquisition	Cash paid	Common stock issued	Other payable	Recorded earn-out payable	Net assets acquired	Maximum potential earn-out payable
Smith Insurance Associates, Inc. (Smith)	Retail	February 1, 2019	\$ 20,129	\$ —	\$ 0	\$ 2,704	\$ 22,833	\$ 4,550
Donald P. Pipino Company, LTD (Pipino)	Retail	February 1, 2019	16,420	—	135	9,821	26,376	12,996
AGA Enterprises, LLC d/b/a Cossio Insurance Agency (Cossio)	Retail	March 1, 2019	13,990	—	10	696	14,696	2,000
Medval, LLC (Medval)	Services	March 1, 2019	29,106	—	100	1,684	30,890	2,500
United Development Systems, Inc. (United)	Retail	May 1, 2019	18,987	—	388	3,268	22,643	8,625
Twinbrook Insurance Brokerage, Inc. (Twinbrook)	Retail	June 1, 2019	26,251	—	400	1,565	28,216	5,073
Innovative Risk Solutions, Inc. (IRS)	Retail	July 1, 2019	26,435	—	2,465	6,109	35,009	9,000
WBR Insurance Agency, LLC et al (WBR)	Retail	August 1, 2019	10,667	—	203	2,197	13,067	4,575
West Ridge Insurance Agency, Inc. d/b/a Yozell Associates (Yozell)	Retail	August 1, 2019	13,030	—	470	768	14,268	6,730
CKP Insurance, LLC (CKP)	Retail	August 1, 2019	89,190	20,000	4,000	38,093	151,283	76,500
Poole Professional Ltd. Insurance Agents and Brokers et al (Poole)	Retail	October 1, 2019	32,358	—	75	4,556	36,989	6,850
VerHagen Glendenning & Walker LLP (VGW)	Retail	October 1, 2019	23,032	—	1,498	2,385	26,915	8,170
Other	Various	Various	36,665	—	2,391	9,026	48,082	14,454
Total			<u>\$ 356,260</u>	<u>\$ 20,000</u>	<u>\$ 12,135</u>	<u>\$ 82,872</u>	<u>\$ 471,267</u>	<u>\$ 162,023</u>

The following table summarizes the estimated fair values of the aggregate assets and liabilities acquired as of the date of each acquisition.

<i>(in thousands)</i>	Smith	Pipino	Cossio	Medval	United	Twinbrook	IRS	WBR	Yozell	CKP
Cash	\$ —	\$ —	\$ —	\$ 3,217	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other current assets	680	819	236	1,708	477	919	1,375	449	1,781	9,170
Fixed assets	39	112	29	50	20	85	11	10	12	193
Goodwill	16,042	16,765	10,010	19,108	15,111	18,935	24,938	9,096	8,904	110,495
Purchased customer accounts	6,500	11,360	4,403	7,300	7,065	8,557	8,800	4,022	3,550	32,274
Non-compete agreements	41	11	21	1	11	12	11	34	21	21
Other assets	—	772	—	15	—	—	—	—	—	—
Total assets acquired	23,302	29,839	14,699	31,399	22,684	28,508	35,135	13,611	14,268	152,153
Other current liabilities	(469)	(3,463)	(3)	(480)	(41)	(292)	(126)	(166)	—	(870)
Deferred income tax, net	—	—	—	(29)	—	—	—	(378)	—	—
Total liabilities assumed	(469)	(3,463)	(3)	(509)	(41)	(292)	(126)	(544)	—	(870)
Net assets acquired	\$ 22,833	\$ 26,376	\$ 14,696	\$ 30,890	\$ 22,643	\$ 28,216	\$ 35,009	\$ 13,067	\$ 14,268	\$ 151,283

<i>(in thousands)</i>	Poole	VGW	Other	Total
Cash	\$ —	\$ —	\$ —	\$ 3,217
Other current assets	938	1,190	(6,786)	12,956
Fixed assets	4	20	(130)	455
Goodwill	28,233	16,595	34,314	328,546
Purchased customer accounts	10,359	9,092	15,020	128,302
Non-compete agreements	33	34	161	412
Other assets	—	—	(732)	55
Total assets acquired	39,567	26,931	41,847	473,943
Other current liabilities	(2,578)	(16)	6,235	(2,269)
Other liabilities	—	—	—	(407)
Total liabilities assumed	(2,578)	(16)	6,235	(2,676)
Net assets acquired	\$ 36,989	\$ 26,915	\$ 48,082	\$ 471,267

The weighted average useful lives for the acquired amortizable intangible assets are as follows: purchased customer accounts, 15 years; and non-compete agreements, 5 years.

Goodwill of \$328.5 million was allocated to the Retail, National Programs, Wholesale Brokerage and Services Segments in the amounts of \$302.6 million, \$0.1 million, \$6.5 million and \$19.3 million, respectively. Of the total goodwill of \$328.5 million, \$245.6 million is currently deductible for income tax purposes. The remaining \$82.9 million relates to the recorded earn-out payables and will not be deductible until it is earned and paid.

For the acquisitions completed during 2019, the results of operations since the acquisition dates have been combined with those of the Company. The total revenues from the acquisitions completed through December 31, 2019 included in the Consolidated Statement of Income for the year ended December 31, 2019 were \$49.1 million. The income before income taxes, including the intercompany cost of capital charge, from the acquisitions completed through December 31, 2019 included in the Consolidated Statement of Income for the year ended December 31, 2019 was \$3.4 million. If the acquisitions had occurred as of the beginning of the respective periods, the Company's results of

operations would be as shown in the following table. These unaudited pro forma results are not necessarily indicative of the actual results of operations that would have occurred had the acquisitions actually been made at the beginning of the respective periods.

(UNAUDITED) (in thousands, except per share data)	Year Ended December 31,	
	2019	
Total revenues	\$	2,447,401
Income before income taxes	\$	545,182
Net income	\$	412,974
Net income per share:		
Basic	\$	1.47
Diluted	\$	1.46
Weighted average number of shares outstanding:		
Basic		272,471
Diluted		274,616

As of December 31, 2021, the maximum future contingency payments related to all acquisitions totaled \$484.8 million.

ASC 805 is the authoritative guidance requiring an acquirer to recognize 100% of the fair values of acquired assets, including goodwill, and assumed liabilities (with only limited exceptions) upon initially obtaining control of an acquired entity. Additionally, the fair value of contingent consideration arrangements (such as earn-out purchase arrangements) at the acquisition date must be included in the purchase price consideration. As a result, the recorded purchase prices for acquisitions include an estimation of the fair value of liabilities associated with any potential earn-out provisions. Subsequent changes in these earn-out obligations will be recorded in the Consolidated Statement of Income when incurred. Potential earn-out obligations are typically based upon future earnings of the acquired entities, usually between one and three years.

As of December 31, 2021, the fair values of the estimated acquisition earn-out payables were re-evaluated and measured at fair value on a recurring basis using unobservable inputs (Level 3) as defined in ASC 820-*Fair Value Measurement*. The resulting additions, payments and net changes, as well as the interest expense accretion on the estimated acquisition earn-out payables, for the years ended December 31, 2021, 2020 and 2019 were as follows:

(in thousands)	Year Ended December 31,		
	2021	2020	2019
Balance as of the beginning of the period	\$ 258,943	\$ 161,513	\$ 89,924
Additions to estimated acquisition earn-out payables from new acquisitions	75,761	131,397	82,872
Payments for estimated acquisition earn-out payables	(83,581)	(29,509)	(9,917)
Subtotal	251,123	263,401	162,879
Net change in earnings from estimated acquisition earn-out payables:			
Change in fair value on estimated acquisition earn-out payables	34,209	(11,814)	(7,298)
Interest expense accretion	6,236	7,356	5,932
Net change in earnings from estimated acquisition earn-out payables	40,445	(4,458)	(1,366)
Foreign currency translation adjustments during the year	(521)	—	—
Balance as of December 31,	<u>\$ 291,047</u>	<u>\$ 258,943</u>	<u>\$ 161,513</u>

Of the \$291.0 million of estimated acquisition earn-out payables as of December 31, 2021, \$78.4 million was recorded as current liabilities within the accounts payable caption in the Company's Consolidated Balance Sheets, and \$212.6 million was recorded as non-current liabilities within the other liabilities caption in the Company's Consolidated Balance Sheets. Included within additions to estimated acquisition earn-out payables are any adjustments to opening balance sheet items before the first anniversary date of the acquisition and may therefore differ from previously reported amounts. Of the \$258.9 million of estimated acquisition earn-out payables as of December 31, 2020, \$79.2 million was recorded as accounts payable, and \$179.7 million was recorded as other liabilities. Of the \$161.5 million of estimated acquisition earn-out payables as of December 31, 2019, \$17.9 million was recorded as accounts payable, and \$143.6 million was recorded as other liabilities.

NOTE 4 Goodwill

The changes in the carrying value of goodwill by reportable segment for the years ended December 31, are as follows:

<i>(in thousands)</i>	Retail	National Programs	Wholesale Brokerage	Services	Total
Balance as of January 1, 2020	\$ 2,351,291	\$ 925,541	\$ 298,101	\$ 171,161	\$ 3,746,094
Goodwill of acquired businesses	299,961	163,070	184,956	108	648,095
Goodwill disposed of relating to sales of businesses	(782)	—	—	—	(782)
Foreign currency translation adjustments during the year	—	2,511	—	—	2,511
Balance as of December 31, 2020	\$ 2,650,470	\$ 1,091,122	\$ 483,057	\$ 171,269	\$ 4,395,918
Goodwill of acquired businesses	345,961	(1,337)	5,349	—	349,973
Goodwill disposed of relating to sales of businesses	(3,050)	—	—	—	(3,050)
Foreign currency translation adjustments during the year	(6,135)	122	—	—	(6,013)
Balance as of December 31, 2021	\$ 2,987,246	\$ 1,089,907	\$ 488,406	\$ 171,269	\$ 4,736,828

NOTE 5 Amortizable Intangible Assets

Amortizable intangible assets at December 31, 2021 and 2020 consisted of the following:

<i>(in thousands)</i>	December 31, 2021				December 31, 2020			
	Gross carrying value	Accumulated amortization	Net carrying value	Weighted average life in years ⁽¹⁾	Gross carrying value	Accumulated amortization	Net carrying value	Weighted average life in years ⁽¹⁾
Purchased customer accounts	\$ 2,311,605	\$ (1,235,261)	\$ 1,076,344	14.9	\$ 2,164,968	\$ (1,118,316)	\$ 1,046,652	15.0
Non-compete agreements	37,587	(32,466)	5,121	4.5	35,093	(32,085)	3,008	4.6
Total	\$ 2,349,192	\$ (1,267,727)	\$ 1,081,465		\$ 2,200,061	\$ (1,150,401)	\$ 1,049,660	

(1) Weighted average life calculated as of the date of acquisition.

Amortization expense for amortizable intangible assets for the years ending December 31, 2022, 2023, 2024, 2025 and 2026 is estimated to be \$122.4 million, \$115.5 million, \$111.3 million, \$108.9 million and \$102.9 million, respectively.

NOTE 6 Investments

At December 31, 2021, the Company's amortized cost and fair values of fixed maturity securities are summarized as follows:

<i>(in thousands)</i>	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities, obligations of U.S. Government agencies and Municipalities	\$ 30,232	\$ 152	\$ (363)	\$ 30,021
Corporate debt	8,259	108	(62)	8,305
Total	\$ 38,491	\$ 260	\$ (425)	\$ 38,326

At December 31, 2021, the Company held \$30.0 million in fixed income securities composed of U.S Treasury securities, securities issued by U.S. Government agencies and municipalities, and \$8.3 million issued by corporations with investment-grade ratings. Of the total, \$7.4 million is classified as short-term investments on the Consolidated Balance Sheets as maturities are less than one year in duration. Additionally, the Company holds \$5.5 million in short-term investments, which are related to time deposits held with various financial institutions.

For securities in a loss position, the following table shows the investments' gross unrealized loss and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position as of December 31, 2021:

<i>(in thousands)</i>	Less than 12 Months		12 Months or More		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities, obligations of U.S. Government agencies and Municipalities	\$ 16,792	\$ (322)	\$ 959	\$ (41)	\$ 17,751	\$ (363)
Corporate debt	3,920	(62)	—	—	3,920	(62)
Total	\$ 20,712	\$ (384)	\$ 959	\$ (41)	\$ 21,671	\$ (425)

The unrealized losses from corporate issuers were caused by interest rate increases. At December 31, 2021, the Company had 23 securities in an unrealized loss position. The corporate securities are highly rated securities with no indicators of potential impairment. Based upon the ability and intent of the Company to hold these investments until recovery of fair value, which may be maturity, the bonds were not considered to be other-than-temporarily impaired at December 31, 2021.

At December 31, 2020, the Company's amortized cost and fair values of fixed maturity securities are summarized as follows:

<i>(in thousands)</i>	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities, obligations of U.S. Government agencies and Municipalities	\$ 28,372	\$ 464	\$ (5)	\$ 28,831
Corporate debt	7,190	239	(6)	7,423
Total	\$ 35,562	\$ 703	\$ (11)	\$ 36,254

The following table shows the investments' gross unrealized loss and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position as of December 31, 2020:

<i>(in thousands)</i>	Less than 12 Months		12 Months or More		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities, obligations of U.S. Government agencies and Municipalities	\$ 1,995	\$ (5)	\$ —	\$ —	\$ 1,995	\$ (5)
Corporate debt	808	(6)	—	—	808	(6)
Total	\$ 2,803	\$ (11)	\$ —	\$ —	\$ 2,803	\$ (11)

The unrealized losses in the Company's investments in U.S. Treasury Securities and obligations of U.S. Government Agencies and bonds from corporate issuers were caused by interest rate increases. At December 31, 2020, the Company had 3 securities in an unrealized loss position. The contractual cash flows of the U.S. Treasury Securities and obligations of the U.S. Government agencies investments are either guaranteed by the U.S. Government or an agency of the U.S. Government. Accordingly, it is expected that the securities would not be settled at a price less than the amortized cost of the Company's investment. The corporate securities are highly rated securities with no indicators of potential impairment. Based upon the ability and intent of the Company to hold these investments until recovery of fair value, which may be maturity, the bonds were not considered to be other-than-temporarily impaired at December 31, 2020.

The amortized cost and estimated fair value of the fixed maturity securities at December 31, 2021 by contractual maturity are set forth below:

<i>(in thousands)</i>	Amortized cost	Fair value
Years to maturity:		
Due in one year or less	\$ 7,298	\$ 7,356
Due after one year through five years	30,193	30,011
Due after five years through ten years	1,000	959
Total	\$ 38,491	\$ 38,326

The amortized cost and estimated fair value of the fixed maturity securities at December 31, 2020 by contractual maturity are set forth below:

<i>(in thousands)</i>	Amortized cost	Fair value
Years to maturity:		
Due in one year or less	\$ 11,214	\$ 11,283
Due after one year through five years	23,348	23,976
Due after five years through ten years	1,000	995
Total	\$ 35,562	\$ 36,254

The expected maturities in the foregoing table may differ from the contractual maturities because certain borrowers have the right to call or prepay obligations with or without penalty.

Proceeds from the sales and maturity of the Company's investment in fixed maturity securities were \$9.2 million. This along with maturing time deposits yielded total cash proceeds from the sale of investments of \$10.8 million in the period of January 1, 2021 to December 31, 2021. These proceeds, along with other sources of cash were used to purchase an additional \$12.4 million of fixed maturity securities and to fund certain general corporate purposes. The gains and losses realized on those sales for the period from January 1, 2021 to December 31, 2021 were insignificant.

Proceeds from the sales and maturity of the Company's investment in fixed maturity securities were \$8.6 million for the year ended December 31, 2020. This along with maturing time deposits yielded total cash proceeds from the sale of investments of \$11.0 million in the period of January 1, 2020 to December 31, 2020. These proceeds were used to purchase an additional \$14.2 million of fixed maturity securities and to fund certain general corporate purposes. The gains and losses realized on those sales for the period from January 1, 2020 to December 31, 2020 were insignificant.

Realized gains and losses are reported on the Consolidated Statement of Income, with the cost of securities sold determined on a specific identification basis.

At December 31, 2021, investments with a fair value of approximately \$4.1 million were on deposit with state insurance departments to satisfy regulatory requirements.

NOTE 7 Fixed Assets

Fixed assets at December 31 consisted of the following:

<i>(in thousands)</i>	2021	2020
Furniture, fixtures, equipment and software	\$ 259,081	\$ 259,524
Leasehold improvements	52,142	42,261
Construction in progress	—	81,736
Land, buildings and improvements	97,200	8,428
Total cost	408,423	391,949
Less accumulated depreciation and amortization	(196,390)	(190,834)
Total	<u>\$ 212,033</u>	<u>\$ 201,115</u>

Depreciation expense for fixed assets amounted to \$33.3 million in 2021, \$26.3 million in 2020 and \$23.4 million in 2019.

Construction in progress primarily reflects expenditures related to the construction of the new headquarters in Daytona Beach, Florida which was placed into service in January 2021.

NOTE 8 Accrued Expenses and Other Liabilities

Accrued expenses and other current liabilities at December 31 consisted of the following:

<i>(in thousands)</i>	2021	2020
Accrued incentive compensation	\$ 216,721	\$ 159,356
Accrued compensation and benefits	53,547	41,550
Lease liability ⁽¹⁾	43,441	43,542
Deferred revenue	67,450	53,956
Reserve for policy cancellations	29,213	31,081
Accrued interest	15,871	15,260
Accrued rent and vendor expenses	7,552	6,682
Other	22,364	20,310
Total	<u>\$ 456,159</u>	<u>\$ 371,737</u>

- (1) The Lease liability is the current portion of the Operating lease liabilities as reflected in the Consolidated Balance Sheets as of December 31, 2021 and 2020.

NOTE 9 Long-Term Debt

Long-term debt at December 31, 2021 and 2020 consisted of the following:

<i>(in thousands)</i>	December 31, 2021	December 31, 2020
Current portion of long-term debt:		
Current portion of 5-year term loan facility expires 2026	\$ 12,500	\$ —
Current portion of 5-year term loan facility expires 2022	—	40,000
Current portion of 5-year term loan credit agreement expires 2023	30,000	30,000
Total current portion of long-term debt	<u>42,500</u>	<u>70,000</u>
Long-term debt:		
Note agreements:		
4.200% Senior Notes, semi-annual interest payments, balloon due 2024	499,574	499,416
4.500% Senior Notes, semi-annual interest payments, balloon due 2029	349,596	349,540
2.375% Senior Note due 2031, semi-annual interest payments, balloon due 2031	699,325	699,252
Total notes	<u>1,548,495</u>	<u>1,548,208</u>
Credit agreements:		
5-year term loan facility, periodic interest and principal payments, LIBOR plus up to 1.750%, expires October 27, 2026	234,375	—
5-year term loan facility, periodic interest and principal payments, LIBOR plus up to 1.750%, expires June 28, 2022	—	250,000
5-year revolving loan facility, periodic interest payments, currently LIBOR plus up to 1.500%, plus commitment fees up to 0.225%, expires October 27, 2026	—	—
5-year revolving loan facility, periodic interest payments, currently LIBOR plus up to 1.500%, plus commitment fees up to 0.250%, expires June 28, 2022	—	—
5-year term loan facility, periodic interest and principal payments, LIBOR plus up to 1.750%, expires December 21, 2023	210,000	240,000
Total credit agreements	<u>444,375</u>	<u>490,000</u>
Debt issuance costs (contra)	<u>(12,433)</u>	<u>(12,302)</u>
Total long-term debt less unamortized discount and debt issuance costs	1,980,437	2,025,906
Current portion of long-term debt	42,500	70,000
Total debt	<u>\$ 2,022,937</u>	<u>\$ 2,095,906</u>

On October 27, 2021, the Company entered into an amended and restated credit agreement (the “Second Amended and Restated Credit Agreement”) with the lenders named therein, JPMorgan Chase Bank, N.A. as administrative agent, Bank of America, N.A., Truist Bank and BMO Harris Bank N.A. as co-syndication agents, and U.S. Bank National Association, Fifth Third Bank, National Association, Wells Fargo Bank, National Association, PNC Bank, National Association, Morgan Stanley Senior Funding, Inc. and Citizens Bank, N.A. as co-documentation agents. The Second Amended and Restated Credit Agreement amended and restated the credit agreement dated April 17, 2014, among certain of such parties, as amended by that certain amended and restated credit agreement dated June 28, 2017 (the “Original Credit Agreement”). The Second Amended and Restated Credit Agreement, among other certain terms, extended the maturity of the revolving credit facility of \$800.0 million and unsecured term loans associated with the agreement of \$250.0 million to October 27, 2026. At the time of the renewal, the Company added an additional \$2.7 million in debt issuance costs related to the transaction. The Company carried forward \$0.6 million of existing debt issuance costs related to the previous credit facility agreements while expensing \$0.1 million in debt issuance costs due to certain lenders exiting the renewed facility agreement. As of December 31, 2021, there was an outstanding debt balance issued under the term loan of the Second Amended and Restated Credit Agreement of \$246.9 million with no borrowings outstanding against the revolving credit facility.

On June 28, 2017, the Company entered into an amended and restated credit agreement (the “Amended and Restated Credit Agreement”) with the lenders named therein, JPMorgan Chase Bank, N.A. as administrative agent and certain other banks as co-syndication agents and co-documentation agents. The Amended and Restated Credit Agreement amended and restated the credit agreement dated April 17, 2014, among

such parties (the “Original Credit Agreement”). The Amended and Restated Credit Agreement extended the applicable maturity date of the existing revolving credit facility (the “Revolving Credit Facility”) of \$800.0 million to June 28, 2022 and re-evidences unsecured term loans at \$400.0 million while also extending the applicable maturity date to June 28, 2022. The quarterly term loan principal amortization schedule was reset. At the time of the execution of the Amended and Restated Credit Agreement, \$67.5 million of principal from the original unsecured term loans was repaid using operating cash balances, and the Company added an additional \$2.8 million in debt issuance costs related to the Revolving Credit Facility to the Consolidated Balance Sheets. The Company also expensed to the Consolidated Statements of Income \$0.2 million of debt issuance costs related to the Original Credit Agreement due to certain lenders exiting before execution of the Amended and Restated Credit Agreement. The Company also carried forward \$1.6 million on the Consolidated Balance Sheets the remaining unamortized portion of the Original Credit Agreement debt issuance costs, which will be amortized over the term of the Amended and Restated Credit Agreement. As of December 31, 2020, there was an outstanding debt balance issued under the term loan of the Amended and Restated Credit Agreement of \$290.0 million with no borrowings outstanding against the Revolving Credit Facility.

On September 18, 2014, the Company issued \$500.0 million of 4.200% unsecured Senior Notes due in 2024. The Senior Notes were given investment grade ratings of BBB-/Baa3 with a stable outlook. The notes are subject to certain covenant restrictions and regulations which are customary for credit rated obligations. At the time of funding, the proceeds were offered at a discount of the original note amount which also excluded an underwriting fee discount. The net proceeds received from the issuance were used to repay the outstanding balance of \$475.0 million on the Revolving Credit Facility and for other general corporate purposes. As of December 31, 2021 and December 31, 2020, there was an outstanding debt balance of \$500.0 million exclusive of the associated discount balance.

On December 21, 2018, the Company entered into a term loan credit agreement (the “Term Loan Credit Agreement”) with the lenders named therein, Wells Fargo Bank, National Association, as administrative agent, and certain other banks as co-syndication agents and as joint lead arrangers and joint bookrunners. The Term Loan Credit Agreement provides for an unsecured term loan in the initial amount of \$300.0 million, which may, subject to lenders’ discretion, potentially be increased up to an aggregate amount of \$450.0 million (the “Term Loan”). The Term Loan is repayable over the five-year term from the effective date of the Term Loan Credit Agreement, which was December 21, 2018. Based on the Company’s net debt leverage ratio or a non-credit enhanced senior unsecured long-term debt rating as determined by Moody’s Investor Service and Standard & Poor’s Rating Service, the rates of interest charged on the term loan are 1.000% to 1.750%, above the adjusted 1-Month LIBOR rate. On December 21, 2018, the Company borrowed \$300.0 million under the Term Loan Credit Agreement and used \$250.0 million of the proceeds to reduce indebtedness under the Revolving Credit Facility. As of December 31, 2021, there was an outstanding debt balance issued under the Term Loan of \$240.0 million. As of December 31, 2020, there was an outstanding debt balance issued under the Term Loan of \$270.0 million.

On March 11, 2019, the Company completed the issuance of \$350.0 million aggregate principal amount of the Company’s 4.500% Senior Notes due 2029. The Senior Notes were given investment grade ratings of BBB-/Baa3 with a stable outlook. The notes are subject to certain covenant restrictions, which are customary for credit rated obligations. At the time of funding, the proceeds were offered at a discount of the original note amount, which also excluded an underwriting fee discount. The net proceeds received from the issuance were used to repay a portion of the outstanding balance of \$350.0 million on the Revolving Credit Facility, utilized in connection with the financing related to our acquisition of Hays and for other general corporate purposes. As of December 31, 2021, and December 31, 2020 there was an outstanding debt balance of \$350.0 million exclusive of the associated discount balance.

On September 24, 2020, the Company completed the issuance of \$700.0 million aggregate principal amount of the Company’s 2.375% Senior Notes due 2031. The Senior Notes were given investment grade ratings of BBB- stable outlook and Baa3 positive outlook. The notes are subject to certain covenant restrictions, which are customary for credit rated obligations. At the time of funding, the proceeds were offered at a discount of the original note amount, which also excluded an underwriting fee discount. The net proceeds received from the issuance were used to repay a portion of the outstanding balance of \$200.0 million on the Revolving Credit Facility, utilized in connection with the financing related to the acquisitions of LP Insurance Services, LLP and CKP Insurance, LLC and for other general corporate purposes. As of December 31, 2021 and December 31, 2020, there was an outstanding debt balance of \$700.0 million exclusive of the associated discount balance.

The Second Amended and Restated Credit Agreement and Term Loan Credit Agreement require the Company to maintain certain financial ratios and comply with certain other covenants. The Company was in compliance with all such covenants as of December 31, 2021 and December 31, 2020.

The 30-day Adjusted LIBOR Rate for the term loan of the Amended and Restated Credit Agreement and Term Loan Credit Agreement as of December 31, 2021 was 0.125%.

Interest paid in 2021, 2020 and 2019 was \$61.5 million, \$52.4 million, and \$58.3 million, respectively.

At December 31, 2021, maturities of long-term debt were \$42.5 million in 2022, \$225.6 million in 2023, \$525.0 million in 2024, \$25.0 million in 2025, \$168.8 million in 2026, \$350.0 million in 2029 and \$700.0 million in 2031.

NOTE 10 Income Taxes

Significant components of the provision for income taxes for the years ended December 31 are as follows:

<i>(in thousands)</i>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current:			
Federal	\$ 106,763	\$ 93,620	\$ 85,507
State	32,635	34,123	28,905
Foreign	1,831	325	620
Total current provision	<u>141,229</u>	<u>128,068</u>	<u>115,032</u>
Deferred:			
Federal	27,963	11,655	14,994
State	4,954	4,119	(2,587)
Foreign	1,573	(226)	(24)
Total deferred provision	<u>34,490</u>	<u>15,548</u>	<u>12,383</u>
Total tax provision	<u>\$ 175,719</u>	<u>\$ 143,616</u>	<u>\$ 127,415</u>

A reconciliation of the differences between the effective tax rate and the federal statutory tax rate for the years ended December 31 is as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Federal statutory tax rate	21.0%	21.0%	21.0%
State income taxes, net of federal income tax benefit	4.7	5.3	3.8
Non-deductible employee stock purchase plan expense	0.2	0.3	0.3
Non-deductible meals and entertainment	0.0	0.1	0.3
Non-deductible officers' compensation	0.4	0.3	0.2
Stock Vesting under ASU 2016-19	(3.6)	(3.5)	(1.1)
Other, net	0.3	(0.5)	(0.3)
Effective tax rate	<u>23.0%</u>	<u>23.0%</u>	<u>24.2%</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for income tax reporting purposes.

Significant components of the Company's net deferred tax liabilities as of December 31 are as follows:

<i>(in thousands)</i>	2021	2020
Non-current deferred tax liabilities:		
Intangible assets	\$ 440,238	\$ 400,335
Fixed assets	20,004	11,740
ASC 842 ROU Asset	47,663	46,730
Impact of adoption of ASC 606 revenue recognition	15,216	19,928
Net unrealized holding (loss)/gain on available-for-sale securities	(41)	176
Total non-current deferred tax liabilities	523,080	478,909
Non-current deferred tax assets:		
Deferred compensation	66,354	59,897
Accruals and reserves	15,708	19,497
ASC 842 lease liabilities	53,343	53,150
Net operating loss carryforwards and 163(j) disallowed carryforwards	1,910	3,168
Valuation allowance for deferred tax assets	(1,029)	(1,025)
Total non-current deferred tax assets	136,286	134,687
Net non-current deferred tax liability	\$ 386,794	\$ 344,222

Income taxes paid in 2021, 2020 and 2019 were \$147.5 million, \$132.9 million and \$110.0 million, respectively.

At December 31, 2021, the Company had no net operating loss carryforwards for federal purposes and \$34.5 million net operating loss carryforwards for state income tax reporting purposes, portions of which expire in the years 2022 through indefinite. The state carryforward amount is derived from the operating results of certain subsidiaries. As of December 31, 2021, the Company had a net operating loss carryforward in Canada of \$1.8 million.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

<i>(in thousands)</i>	2021	2020	2019
Unrecognized tax benefits balance at January 1	\$ 1,267	\$ 1,127	\$ 1,639
Gross increases for tax positions of prior years	270	848	778
Gross decreases for tax positions of prior years	(446)	(708)	(791)
Settlements	(174)	—	(499)
Unrecognized tax benefits balance at December 31	\$ 917	\$ 1,267	\$ 1,127

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. As of December 31, 2021, 2020 and 2019 the Company had \$0.3 million, \$0.3 million and \$0.2 million of accrued interest and penalties related to uncertain tax positions, respectively.

The total amount of unrecognized tax benefits that would affect the Company's effective tax rate if recognized was \$0.9 million as of December 31, 2021, \$1.3 million as of December 31, 2020 and \$1.1 million as of December 31, 2019. The Company does not expect its unrecognized tax benefits to change significantly over the next 12 months.

The Company is subject to taxation in the United States and various state jurisdictions. The Company is also subject to taxation in the United Kingdom, Ireland and Canada. In the United States, federal returns for fiscal years 2018 through 2021 remain open and subject to examination by the Internal Revenue Service. The Company files and remits state income taxes in various states where the Company has determined it is required to file state income taxes. The Company's filings with those states remain open for audit for the fiscal years 2017 through 2021. In the United Kingdom, the Company's filings remain open for audit for the fiscal years 2020 through 2021. In Canada, the Company's filings remain open for audit for the fiscal years 2016 through 2021. In Ireland, the Company's filings remain open for audit for the fiscal years 2017 through 2021. The Company also operates in Bermuda and the Cayman Islands. The Company is not subject to any income taxes in these countries.

During 2019, the Company settled the previously disclosed State of Colorado income tax audit for the fiscal years 2013-2016, the State of Kansas income tax audit for the fiscal years 2014-2016, and the State of New York income tax audit for the fiscal years 2015-2017.

During 2021, the Company settled the previously disclosed State of Wisconsin income tax audit for the fiscal years 2015-2018, the State of Illinois income tax audit for the fiscal years 2015-2017, and the State of California income tax audit for the fiscal years 2015-2017. There were no material adjustments as a result of the finalization of these audits. The Company is currently under audit in the State of Massachusetts for the fiscal years 2015 through 2017. A subsidiary of the Company is currently under audit in the State of Wisconsin for the fiscal years 2017-2020 and with the Internal Revenue Service for the fiscal years 2017-2018.

In general, it is our practice and intention to reinvest the earnings of our non-U.S. subsidiaries in those operations. The Company has determined it is not practical to determine the unrecognized deferred tax liabilities on the undistributed earnings from the Company's international subsidiaries as such earnings are considered to be indefinitely reinvested.

NOTE 11 Employee Savings Plan

The Company has an Employee Savings Plan (401(k)) in which substantially all employees with more than 30 days of service are eligible to participate. Under this plan, the Company makes matching contributions of up to 4.0% of each participant's annual compensation. The Company's contribution expense to the plan totaled \$35.6 million in 2021 and \$31.2 million in 2020.

NOTE 12 Stock-Based Compensation

Performance Stock Plan

In 1996, the Company adopted and the shareholders approved a performance stock plan, under which until the suspension of the plan in 2010, up to 28,800,000 Performance Stock Plan ("PSP") shares could be granted to key employees contingent on the employees' future years of service with the Company and other performance-based criteria established by the Compensation Committee of the Company's board of directors. Before participants may take full title to Performance Stock, two vesting conditions must be met. Of the grants currently outstanding, specified portions satisfied the first condition for vesting based upon 20% incremental increases in the 20-trading-day average stock price of Brown & Brown's common stock from the price on the last business day before date of grant. Performance Stock that has satisfied the first vesting condition is considered "awarded shares." Awarded shares are included as issued and outstanding common stock shares and are included in the calculation of basic and diluted net income per share. Dividends are paid on awarded shares and participants may exercise voting privileges on such shares. Awarded shares satisfy the second condition for vesting on the earlier of a participant's: (i) 15 years of continuous employment with Brown & Brown from the date shares are granted to the participants (or, in the case of the July 2009 grant to Powell Brown, 20 years), (ii) attainment of age 64 (on a prorated basis corresponding to the number of years since the date of grant), or (iii) death or disability. On April 28, 2010, the PSP was suspended and any remaining authorized, but unissued shares, as well as any shares forfeited in the future, were reserved for issuance under the 2010 Stock Incentive Plan (the "2010 SIP").

At December 31, 2021, 10,192,982 shares had been granted, net of forfeitures, under the PSP. As of December 31, 2021, 839,842 shares had met the first condition of vesting and had been awarded, and 9,353,140 shares had satisfied both conditions of vesting and had been distributed to participants. Of the shares that have not vested as of December 31, 2021, the initial stock prices ranged from \$8.30 to \$10.31.

The Company uses a path-dependent lattice model to estimate the fair value of PSP grants on the grant date.

A summary of PSP activity for the years ended December 31, 2021, 2020 and 2019 is as follows:

	Weighted- average grant date fair value	Granted shares	Awarded shares	Shares not yet awarded
Outstanding at January 1, 2019	\$ 5.03	1,196,092	1,196,092	—
Granted	\$ —	—	—	—
Awarded	\$ —	—	—	—
Vested	\$ 5.29	(115,040)	(115,040)	—
Forfeited	\$ 4.74	(29,760)	(29,760)	—
Outstanding at December 31, 2019	\$ 5.00	1,051,292	1,051,292	—
Granted	\$ —	—	—	—
Awarded	\$ —	—	—	—
Vested	\$ 6.06	(119,072)	(119,072)	—
Forfeited	\$ 5.03	(22,392)	(22,392)	—
Outstanding at December 31, 2020	\$ 4.86	909,828	909,828	—
Granted	\$ —	—	—	—
Awarded	\$ —	—	—	—
Vested	\$ 4.73	(45,736)	(45,736)	—
Forfeited	\$ 5.50	(24,250)	(24,250)	—
Outstanding at December 31, 2021	\$ 4.87	839,842	839,842	—

The total fair value of PSP grants that vested during each of the years ended December 31, 2021, 2020 and 2019 was \$2.3 million, \$5.0 million and \$3.5 million, respectively.

Stock Incentive Plans

On April 28, 2010, the shareholders of the Company approved the 2010 Stock Incentive Plan ("2010 SIP"), which was suspended May 1, 2019. On May 1, 2019, the shareholders of the Company approved the 2019 Stock Incentive Plan ("2019 SIP") that provides for the granting of

restricted stock, restricted stock units, stock options, stock appreciation rights and other stock-based awards to employees and directors contingent on performance-based and/or time-based criteria established by the Compensation Committee of the Company's board of directors. In addition, the 2019 SIP provides for a limited delegation of authority of the Company's chief executive officer to grant awards to individuals who are not subject to Section 16 of the Securities Exchange Act of 1934. The principal purpose of the 2019 SIP is to attract, incentivize and retain key employees by offering those persons an opportunity to acquire or increase a direct proprietary interest in the Company's operations and future success. The number of shares of stock reserved for issuance under the 2019 SIP is 2,283,475 shares, plus any shares that are authorized for issuance under the 2010 SIP (described below), and not already subject to grants under the 2010 SIP, and that were outstanding as of May 1, 2019, the date of suspension of the 2010 SIP, together with PSP shares, 2010 SIP shares and 2019 SIP shares forfeited after that date. As of May 1, 2019, 6,957,897 shares were available for issuance under the 2010 SIP, which were then transferred to the 2019 SIP.

The Company has granted restricted share awards (including both restricted stock and restricted stock units) to our employees in the form of time-based grants and performance-based grants under the 2010 SIP and 2019 SIP. To date, a substantial majority of restricted share grants to employees under these plans vest in 5 to 10 years. The performance-based grants are subject to the achievement of certain performance criteria by grantees, which may include growth in a defined book of business, Organic Revenue growth and operating profit growth of a profit center, Organic Revenue growth of the Company and consolidated diluted net income per share growth at certain levels of the Company. The performance measurement period ranges from 3 to 5 years. Beginning in 2016, certain performance-based grants have a payout range between 0% to 200% depending on the achievement against the stated performance target. Prior to 2016, the majority of the grants had a binary performance measurement criteria that only allowed for 0% or 100% payout.

Non-employee members of the board of directors received shares annually issued pursuant to the 2010 SIP and 2019 SIP as part of their annual compensation. A total of 27,885 shares were issued in April 2019, 16,490 shares were issued in May 2020 and 16,857 shares were issued in May 2021.

The Company uses the closing stock price on the day before the grant date to determine the fair value of grants under the 2010 SIP and 2019 SIP and then applies an estimated forfeiture factor to estimate the annual expense. Additionally, the Company uses the path-dependent lattice model to estimate the fair value of grants with PSP-type vesting conditions as of the grant date. SIP shares that satisfied the first vesting condition for PSP-type grants or the established performance criteria are considered awarded shares. Awarded shares are included as issued and outstanding common stock shares and are included in the calculation of basic and diluted net income per share.

A summary of 2010 SIP and 2019 SIP activity for the years ended December 31, 2021, 2020 and 2019 is as follows:

	Weighted- average grant date fair value	Granted shares	Awarded shares	Shares not yet awarded
Outstanding at January 1, 2019	\$ 16.69	11,102,375	6,595,319	4,507,056
Granted	\$ 28.53	1,812,047	797,778	1,014,269 ⁽¹⁾
Awarded	\$ 17.26	299,339	1,954,983	(1,655,644)
Vested	\$ 14.29	(1,068,211)	(1,068,211)	—
Forfeited	\$ 19.09	(503,632)	(209,293)	(294,339)
Outstanding at December 31, 2019	\$ 18.10	11,641,918	8,070,576	3,571,342
Granted	\$ 46.58	970,997	148,015	822,982 ⁽²⁾
Awarded	\$ 19.71	497,082	1,880,512	(1,383,430)
Vested	\$ 15.97	(3,059,619)	(3,059,619)	—
Forfeited	\$ 20.75	(356,041)	(119,637)	(236,404)
Outstanding at December 31, 2020	\$ 19.89	9,694,337	6,919,847	2,774,490
Granted	\$ 46.05	1,143,094	204,826	938,268 ⁽³⁾
Awarded	\$ 25.80	310,147	1,272,554	(962,407)
Vested	\$ 15.73	(3,223,964)	(3,223,964)	—
Forfeited	\$ 30.54	(315,168)	(147,702)	(167,466)
Outstanding at December 31, 2021	\$ 21.59	7,608,446	5,025,561	2,582,885

(1) Of the 1,014,269 performance-based shares granted in 2019, the payout for 501,384 shares may be increased up to 200% of the target or decreased to zero, subject to the level of performance attained. The amount reflected in the table includes all time-based share grants at a target payout of 100%.

(2) Of the 822,982 performance-based shares granted in 2020, the payout for 365,606 shares may be increased up to 200% of the target or decreased to zero, 20,611 shares may be increased up to 120% of the target or decreased to zero, 15,850 shares may be increased up to 150% of the target or decreased to zero and 56,226 shares may be increased up to 150% or decreased to 50% of target subject to the level of performance attained. The amount reflected in the table includes all time-based share grants at a target payout of 100%.

(3) Of the 938,268 performance-based shares granted in 2021, the payout for 486,679 shares may be increased up to 200% of the target or decreased to zero, 21,651 shares may be increased up to 120% of the target or decreased to zero and 3,886 shares may be increased up to 150% or decreased to 50% of target subject to the level of performance attained. The amount reflected in the table includes all time-based share grants at a target payout of 100%.

The following table sets forth information as of December 31, 2021, 2020 and 2019, with respect to the number of time-based restricted shares granted and awarded, the number of performance-based restricted shares granted, and the number of performance-based restricted shares awarded under our Performance Stock Plan and 2010 and 2019 Stock Incentive Plans:

Year	Time-based restricted stock granted and awarded	Performance-based restricted stock granted	Performance-based restricted stock awarded
2021	204,826	938,268 ⁽¹⁾	1,272,554
2020	148,015	822,982 ⁽²⁾	1,880,512
2019	797,778	1,014,269 ⁽³⁾	1,954,983

- (1) Of the 938,268 performance-based shares granted in 2021, the payout for 486,679 shares may be increased up to 200% of the target or decreased to zero, 21,651 shares may be increased up to 120% of the target or decreased to zero and 3,886 shares may be increased up to 150% or decreased to 50% of target subject to the level of performance attained. The amount reflected in the table includes all time-based share grants at a target payout of 100%.
- (2) Of the 822,982 performance-based shares granted in 2020, the payout for 365,606 shares may be increased up to 200% of the target or decreased to zero, 20,611 shares may be increased up to 120% of the target or decreased to zero, 15,850 shares may be increased up to 150% of the target or decreased to zero and 56,226 shares may be increased up to 150% or decreased to 50% of target subject to the level of performance attained. The amount reflected in the table includes all time-based share grants at a target payout of 100%.
- (3) Of the 1,014,269 performance-based shares granted in 2019, the payout for 501,384 shares may be increased up to 200% of the target or decreased to zero, subject to the level of performance attained. The amount reflected in the table includes all time-based share grants at a target payout of 100%.

At December 31, 2021, 7,569,607 shares were available for future grants under the 2019 SIP. This amount is calculated assuming the maximum payout for all grants.

Employee Stock Purchase Plan

The Company has a shareholder-approved Employee Stock Purchase Plan (“ESPP”) with a total of 34,000,000 authorized shares of which 4,527,511 were available for future subscriptions as of December 31, 2021. Employees of the Company who regularly work 20 hours or more per week are generally eligible to participate in the ESPP. Participants, through payroll deductions, may allot up to 10% of their compensation towards the purchase of a maximum of \$25,000 worth of Company stock between August 1st of each year and the following July 31st (the “Subscription Period”) at a cost of 85% of the lower of the stock price as of the beginning or end of the Subscription Period.

The Company estimates the fair value of an ESPP share option as of the beginning of the Subscription Period as the sum of: (i) 15% of the quoted market price of the Company’s stock on the day prior to the beginning of the Subscription Period, and (ii) 85% of the value of a one-year stock option on the Company stock using the Black-Scholes option-pricing model. The estimated fair value of an ESPP share option as of the Subscription Period beginning in August 2021 was \$11.60. The fair values of an ESPP share option as of the Subscription Periods beginning in August 2020 and 2019, were \$12.43 and \$7.46, respectively.

For the ESPP plan years ended July 31, 2021, 2020 and 2019, the Company issued 850,956, 962,131 and 976,303 shares of common stock, respectively. These shares were issued at an aggregate purchase price of \$32.9 million, or \$38.70 per share, in 2021, \$29.3 million, or \$30.51 per share, in 2020 and \$24.0 million, or \$24.63 per share, in 2019.

For the five months ended December 31, 2021, 2020 and 2019 (portions of the 2021-2022, 2020-2021 and 2019-2020 plan years), 354,911, 381,371 and 419,446 shares of common stock (from authorized but unissued shares), respectively, were subscribed to by ESPP participants for proceeds of approximately \$16.4 million, \$14.8 million and \$12.8 million, respectively.

Summary of Non-Cash Stock-Based Compensation Expense

The non-cash stock-based compensation expense for the years ended December 31 is as follows:

<i>(in thousands)</i>	2021	2020	2019
Stock incentive plan	\$ 50,664	\$ 50,198	\$ 39,626
Employee stock purchase plan	9,953	8,789	6,504
Performance stock plan	401	762	864
Total	<u>\$ 61,018</u>	<u>\$ 59,749</u>	<u>\$ 46,994</u>

Summary of Unamortized Compensation Expense

As of December 31, 2021, the Company estimates there to be \$135.1 million of unamortized compensation expense related to all non-vested stock-based compensation arrangements granted under the Company's stock-based compensation plans, based upon current projections of grant measurement against performance criteria. That expense is expected to be recognized over a weighted average period of 3.36 years.

NOTE 13 Supplemental Disclosures of Cash Flow Information and Non-Cash Financing and Investing Activities

Throughout 2020, the Company deferred \$31.1 million in employer-only payroll tax payments as allowed under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES" Act), which was signed into law on March 27, 2020. During 2021, there were no additional deferrals under the CARES Act. The Company paid the first installment of \$15.6 million in December 2021. The remaining balance of approximately \$15.6 million of deferred employer payroll tax payments related to the CARES Act is expected to be paid in December 2022.

During the second quarter of 2021, the Company received an \$8.1 million reimbursement for capitalizable costs of public infrastructure improvements related to the construction of the Company's headquarters in accordance with an economic development grant agreement between the Company and the City of Daytona Beach and Volusia County. The reimbursement has been reflected as a reduction to the additions to fixed asset line item on the Consolidated Statements of Cash Flows for the year ended December 31, 2021.

The Company's cash paid during the period for interest and income taxes are summarized as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2021	2020	2019
Cash paid during the period for:			
Interest	\$ 61,531	\$ 52,378	\$ 58,290
Income taxes, net of refunds	\$ 146,932	\$ 131,596	\$ 109,766

The Company's significant non-cash investing and financing activities are summarized as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2021	2020	2019
Other payables issued for agency acquisitions and purchased customer accounts	\$ 15,072	\$ 9,130	\$ 12,135
Estimated acquisition earn-out payables and related charges	\$ 75,761	\$ 131,397	\$ 82,872
Contingent payable issued for agency acquisition	\$ 24,114	\$ —	\$ —
Common stock issued for agency acquisition	\$ 9,892	\$ —	\$ —
Notes payable assumed for agency acquisition	\$ 1,355	\$ —	\$ —
Notes received on the sale of fixed assets and customer accounts	\$ —	\$ —	\$ 9,903

Our Restricted Cash balance is composed of funds held in separate premium trust accounts as required by state law or, in some cases, per agreement with our carrier partners. The following is a reconciliation of cash and cash equivalents inclusive of restricted cash as of December 31, 2021, 2020 and 2019.

<i>(in thousands)</i>	Balance as of December 31,		
	2021	2020	2019
Table to reconcile cash and cash equivalents inclusive of restricted cash			
Cash and cash equivalents	\$ 887,009	\$ 817,398	\$ 542,174
Restricted cash	583,247	454,517	420,801
Total cash and cash equivalents inclusive of restricted cash at the end of the period	<u>\$ 1,470,256</u>	<u>\$ 1,271,915</u>	<u>\$ 962,975</u>

NOTE 14 Commitments and Contingencies

Legal Proceedings

The Company records losses for claims in excess of the limits of, or outside the coverage of, applicable insurance at the time and to the extent they are probable and estimable. In accordance with ASC Topic 450-*Contingencies*, the Company accrues anticipated costs of settlement, damages, losses for liability claims and, under certain conditions, costs of defense, based upon historical experience or to the extent specific losses are probable and estimable. Otherwise, the Company expenses these costs as incurred. If the best estimate of a probable loss is a range rather than a specific amount, the Company accrues the amount at the lower end of the range.

The Company's accruals for legal matters that were probable and estimable were not material at December 31, 2021 and 2020. We continue to assess certain litigation and claims to determine the amounts, if any, that management believes will be paid as a result of such claims and litigation and, therefore, additional losses may be accrued and paid in the future, which could adversely impact the Company's operating results, cash flows and overall liquidity. The Company maintains third-party insurance policies to provide coverage for certain legal claims, in an effort to mitigate its overall exposure to unanticipated claims or adverse decisions. However, as (i) one or more of the Company's insurance carriers could take the position that portions of these claims are not covered by the Company's insurance, (ii) to the extent that payments are made to resolve claims and lawsuits, applicable insurance policy limits are eroded and (iii) the claims and lawsuits relating to these matters are continuing to develop, it is possible that future results of operations or cash flows for any particular quarterly or annual period could be materially affected by unfavorable resolutions of these matters. Based upon the AM Best Company ratings of these third-party insurers, management does not believe there is a substantial risk of an insurer's material non-performance related to any current insured claims.

On the basis of current information, the availability of insurance and legal advice, in management's opinion, the Company is not currently involved in any legal proceedings which, individually or in the aggregate, would have a material adverse effect on its financial condition, operations and/or cash flows.

NOTE 15 Leases

Substantially all of the Company's leases are classified as operating leases and primarily represent real estate leases for office space used to conduct the Company's business that expire on various dates through 2041. Leases generally contain renewal options and escalation clauses based upon increases in the lessors' operating expenses and other charges. The Company anticipates that most of these leases will be renewed or replaced upon expiration.

The Company assesses at inception of a contract if it contains a lease. This assessment is based on: (i) whether the contract involves the use of a distinct identified asset, (ii) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (iii) whether the Company has the right to direct the use of the asset.

The right-of-use asset is initially measured at cost, which is primarily composed of the initial lease liability, plus any initial direct costs incurred, less any lease incentives received. The lease liability is initially measured at the present value of the minimum lease payments through the term of the lease. Minimum lease payments are discounted to present value using the incremental borrowing rate at the lease commencement date, which approximates the rate of interest the Company expects to be paid on a secured borrowing in an amount equal to the lease payments for the underlying asset under similar terms and economic conditions. The Company elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a total term of 12 months or less. The effect of short-term leases on the Company's right-of-use asset and lease liability would not be significant. The balances and classification of operating lease right-of-use assets and operating lease liabilities within the Consolidated Balance Sheets as of December 31, 2021 and 2020 is as follows:

<i>(in thousands)</i>		<u>December 31, 2021</u>	<u>December 31, 2020</u>
Balance Sheet			
Assets:			
Operating lease right-of-use assets		\$ 197,035	\$ 186,998
Total assets	Operating lease assets	197,035	186,998
Liabilities:			
Current operating lease liabilities	Accrued expenses and other liabilities	43,441	43,542
Non-current operating lease liabilities	Operating lease liabilities	179,976	172,935
Total liabilities		<u>\$ 223,417</u>	<u>\$ 216,477</u>

As of December 31, 2021, the Company has entered into future lease agreements expected to commence in 2022 consisting of undiscounted lease liabilities of \$18.8 million.

Variable lease cost represents lease payments that are based on an index or similar rate. They are initially measured using the index or rate in effect at lease commencement and are based on the minimum payments stated in the lease. Additional payments based on the change in

an index or rate, or payments based on a change in the Company's portion of the operating expenses, including real estate taxes and insurance, are recorded as a period expense when incurred.

Lease expense for operating leases consists of the lease payments, inclusive of lease incentives, plus any initial direct costs, and is recognized on a straight-line basis over the lease term. Included in lease expense are any variable lease payments incurred in the period that were not included in the initial lease liability.

The components of lease cost for operating leases for the 12 months ended December 31, 2021 and 2020 were:

<i>(in thousands)</i>	For the year ended December 31, 2021	For the year ended December 31, 2020
Operating leases:		
Lease cost	\$ 52,751	\$ 53,821
Variable lease cost	4,316	3,739
Short term lease cost	1,165	468
Operating lease cost	58,232	58,028
Sublease income	(1,661)	(1,798)
Total lease cost net	<u>\$ 56,571</u>	<u>\$ 56,230</u>

The weighted average remaining lease term and the weighted average discount rate for operating leases as of December 31, 2021 were:

Weighted-average remaining lease term	6.47
Weighted-average discount rate	2.72

Maturities of the operating lease liabilities by fiscal year at December 31, 2021 for the Company's operating leases are as follows:

<i>(in thousands)</i>	Operating Leases	
2022	\$	48,743
2023		44,794
2024		37,996
2025		31,587
2026		22,511
Thereafter		56,416
Total undiscounted lease payments		242,047
Less: Imputed interest		18,630
Present value of future lease payments	<u>\$</u>	<u>223,417</u>

Supplemental cash flow information for operating leases:

<i>(in thousands)</i>	For the year ended December 31, 2021	For the year ended December 31, 2020
Cash paid for amounts included in measurement of liabilities		
Operating cash flows from operating leases	\$ 56,034	\$ 54,946
Right-of-use assets obtained in exchange for new operating liabilities	\$ 53,978	\$ 45,750

NOTE 16 Segment Information

Brown & Brown's business is divided into four reportable segments: (i) the Retail segment, which provides a broad range of insurance products and services to commercial, public and quasi-public entities, and to professional and individual customers, and non-insurance risk-mitigating products through our F&I businesses, (ii) the National Programs segment, which acts as an MGA, provides professional liability and related package products for certain professionals, a range of insurance products for individuals, flood coverage, and targeted products and services designated for specific industries, trade groups, governmental entities and market niches, all of which are delivered through nationwide networks of independent agents, and Brown & Brown retail agents, (iii) the Wholesale Brokerage segment, which markets and sells excess and surplus commercial and personal lines insurance, primarily through independent agents and brokers, as well as Brown & Brown retail agents, and (iv) the Services segment, which provides insurance-related services, including third-party claims administration and comprehensive medical utilization management services in both the workers' compensation and all-lines liability arenas, as well as Medicare Set-aside services, Social Security disability and Medicare benefits advocacy services and claims adjusting services.

Brown & Brown conducts all of its operations within the United States of America, except for a wholesale brokerage operation based in London, England, retail operations in Ireland, Bermuda and the Cayman Islands, and a national programs operation in Canada. These operations earned \$78.0 million, \$35.1 million and \$17.7 million of total revenues for the years ended December 31, 2021, 2020 and 2019, respectively. Long-lived assets held outside of the United States during each of these three years were not material.

The accounting policies of the reportable segments are the same as those described in Note 1. The Company evaluates the performance of its segments based upon revenues and income before income taxes. Intersegment revenues are eliminated.

Summarized financial information concerning the Company's reportable segments is shown in the following table. The "Other" column includes any income and expenses not allocated to reportable segments and corporate-related items, including the intercompany interest expense charge to the reporting segment.

Year Ended December 31, 2021						
(in thousands)	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total revenues	\$ 1,767,938	\$ 701,850	\$ 403,417	\$ 178,860	\$ (667)	\$ 3,051,398
Investment income	\$ 278	\$ 550	\$ 155	\$ 3	\$ 113	\$ 1,099
Amortization	\$ 77,810	\$ 27,357	\$ 9,150	\$ 5,276	\$ —	\$ 119,593
Depreciation	\$ 11,194	\$ 9,839	\$ 2,646	\$ 1,484	\$ 8,146	\$ 33,309
Interest expense	\$ 91,425	\$ 11,381	\$ 15,990	\$ 2,899	\$ (56,714)	\$ 64,981
Income before income taxes	\$ 334,377	\$ 242,334	\$ 94,845	\$ 28,257	\$ 63,010	\$ 762,823
Total assets	\$ 5,040,706	\$ 2,943,006	\$ 1,154,373	\$ 299,185	\$ 358,173	\$ 9,795,443
Capital expenditures	\$ 8,093	\$ 13,467	\$ 1,612	\$ 1,609	\$ 20,264	\$ 45,045
Year Ended December 31, 2020						
(in thousands)	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total revenues	\$ 1,472,766	\$ 610,640	\$ 352,797	\$ 174,012	\$ 3,160	\$ 2,613,375
Investment income	\$ 163	\$ 756	\$ 184	\$ —	\$ 1,708	\$ 2,811
Amortization	\$ 67,315	\$ 27,166	\$ 8,481	\$ 5,561	\$ —	\$ 108,523
Depreciation	\$ 9,071	\$ 8,658	\$ 1,948	\$ 1,424	\$ 5,175	\$ 26,276
Interest expense	\$ 85,968	\$ 20,597	\$ 10,281	\$ 4,142	\$ (62,015)	\$ 58,973
Income before income taxes	\$ 262,245	\$ 182,892	\$ 93,593	\$ 27,994	\$ 57,375	\$ 624,099
Total assets	\$ 7,093,627	\$ 3,510,983	\$ 1,791,717	\$ 480,440	\$ (3,910,275)	\$ 8,966,492
Capital expenditures	\$ 13,175	\$ 7,208	\$ 3,324	\$ 1,424	\$ 45,569	\$ 70,700
Year Ended December 31, 2019						
(in thousands)	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total revenues	\$ 1,367,261	\$ 518,384	\$ 310,087	\$ 193,781	\$ 2,658	\$ 2,392,171
Investment income	\$ 149	\$ 1,397	\$ 178	\$ 139	\$ 3,917	\$ 5,780
Amortization	\$ 63,146	\$ 25,482	\$ 11,191	\$ 5,479	\$ —	\$ 105,298
Depreciation	\$ 7,390	\$ 6,791	\$ 1,674	\$ 1,229	\$ 6,333	\$ 23,417
Interest expense	\$ 87,295	\$ 16,690	\$ 4,756	\$ 4,404	\$ (49,485)	\$ 63,660
Income before income taxes	\$ 222,875	\$ 143,737	\$ 82,739	\$ 40,337	\$ 36,241	\$ 525,929
Total assets	\$ 6,413,459	\$ 3,110,368	\$ 1,390,250	\$ 481,336	\$ (3,772,592)	\$ 7,622,821
Capital expenditures	\$ 12,497	\$ 10,365	\$ 6,171	\$ 804	\$ 43,271	\$ 73,108

Historically, the total assets balance in the “Other” column has been negative, reflecting the historical accumulation of the purchase price for acquisitions which are funded at the corporate level, net of a portion returned to Corporate through intercompany interest charges, as well as the historical accumulation of payments for income taxes, dividends, and share repurchases which are paid by Corporate, but not pushed down to the segments. As of December 31, 2021, the Company settled the historical accumulation of the cash outlays paid by Corporate that gave rise to the related intercompany receivables and payables to better reflect the total assets of each segment.

NOTE 17 Insurance Company WNFIC

Although the reinsurers are liable to the Company for amounts reinsured, our subsidiary, WNFIC remains primarily liable to its policyholders for the full amount of the policies written whether or not the reinsurers meet their obligations to the Company when they become due. The effects of reinsurance on premiums written and earned at December 31 are as follows:

<i>(in thousands)</i>	2021		2020	
	Written	Earned	Written	Earned
Direct premiums	\$ 747,384	\$ 732,777	\$ 728,109	\$ 716,515
Assumed premiums	—	—	—	—
Ceded premiums	747,366	732,759	728,093	716,499
Net premiums	\$ 18	\$ 18	\$ 16	\$ 16

All premiums written by WNFIC under the National Flood Insurance Program are 100.0% ceded to FEMA, for which WNFIC received a 30.0% expense allowance from January 1, 2021 through September 30, 2021 and a 29.9% expense allowance from October 1, 2021 through December 31, 2021. As of December 31, 2021 and 2020, the Company ceded \$745.0 million and \$725.8 million of written premiums for Federal Flood, respectively.

As of December 31, 2021, the Consolidated Balance Sheets contained Reinsurance recoverable of \$63.1 million and Prepaid reinsurance premiums of \$392.2 million. As of December 31, 2020, the Consolidated Balance Sheets contained reinsurance recoverable of \$43.5 million and prepaid reinsurance premiums of \$377.6 million. There was no net activity in the reserve for losses and loss adjustment expense for the years ended December 31, 2021 and 2020, as WNFIC’s direct premiums written were 100.0% ceded to two reinsurers. The balance of the reserve for losses and loss adjustment expense, excluding related reinsurance recoverables was \$63.1 million as of December 31, 2021 and \$43.5 million as of December 31, 2020.

WNFIC maintains capital in excess of minimum statutory amount of \$7.5 million as required by regulatory authorities. The statutory capital and surplus of WNFIC was \$33.1 million as of December 31, 2021 and \$32.6 million as of December 31, 2020. As of December 31, 2021 and 2020, WNFIC generated statutory net income of \$1.6 million and \$0.8 million, respectively. The maximum amount of ordinary dividends that WNFIC can pay to shareholders in a rolling 12 month period is limited to the greater of 10.0% of statutory adjusted capital and surplus of 100.0% of adjusted net income. There was no dividend payout in 2020 and 2021 and the maximum dividend payout that may be made in 2022 without prior approval is \$3.3 million.

NOTE 18 Shareholders’ Equity

Under the authorization from the Company’s board of directors, shares may be purchased from time to time, at the Company’s discretion and subject to the availability of stock, market conditions, the trading price of the stock, alternative uses for capital, the Company’s financial performance and other potential factors. These purchases may be carried out through open market purchases, block trades, accelerated share repurchase plans of up to \$100.0 million each (unless otherwise approved by the board of directors), negotiated private transactions or pursuant to any trading plan that may be adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934. On May 1, 2019, the Company’s board of directors authorized the purchasing of up to an additional \$372.5 million of the Company’s outstanding common stock.

During 2021, the Company repurchased 1,811,853 shares at an average price of \$45.57 for a total cost of \$82.6 million under the current share repurchase authorization. During 2020, the Company repurchased 1,234,417 shares at an average price of \$44.63 for a total cost of \$55.1 million under the current share repurchase authorization. At December 31, 2021, the remaining amount authorized by our board of directors for share repurchases was approximately \$323.6 million. Under the authorized repurchase programs, the Company has repurchased approximately 18.5 million shares for an aggregate cost of approximately \$673.9 million between 2014 and 2021.

During 2021, the Company paid an annualized dividend of \$0.380 per share for a total of \$107.2 million in annualized dividends paid. During 2020, the Company paid an annualized dividend of \$0.348 per share for a total \$100.6 million in annualized dividends paid. On January 20, 2022 the board of directors approved a dividend of \$0.1025 per share payable on February 16, 2022 to shareholders of record on February 4, 2022.

During 2021, the Company issued 184,772 shares valued at \$9.9 million associated with business combinations. During 2020, the Company issued 722,939 shares valued at \$30.1 million associated with business combinations.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Brown & Brown, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Brown & Brown, Inc. and subsidiaries (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows, for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 22, 2022, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

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

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

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Earn-out obligation — Refer to Notes 1 (Goodwill and Amortizable Intangible Assets) and 3 (Business Combinations) to the financial statements

Critical Audit Matter Description

The Company's acquisition purchase price for business combinations is typically based upon a multiple of average annual operating profit and/or revenue earned over a one to three-year period within a minimum and maximum price range. The recorded purchase price for most acquisitions includes an estimation of the fair value of liabilities associated with potential earn-out provisions, when an earn-out obligation is part of the negotiated transaction. The fair value of the earn-out obligations is based upon the present value of the expected future payments to be made to the sellers of the acquired businesses in accordance with the provisions contained in the respective purchase agreements. Subsequent changes in the fair value of the earn-out obligations are recorded in the consolidated statement of income when incurred.

In determining fair value of the earn-out obligation, the acquired business's future performance is estimated using financial projections of future earnings developed by management that are discounted to a present value using a risk-adjusted rate that takes into consideration the likelihood that the forecasted earn-out obligation will be paid. The earn-out obligation balance was \$291 million as of December 31, 2021 and the potential maximum earn-out obligation was \$484.8 million. Of the total earn-out obligation balance, \$78.4 million is recorded in accounts payable and \$212.6 million is recorded in other liabilities in the consolidated balance sheet.

We identified the earn-out obligation as a critical audit matter because of the increased auditor judgment and extent of effort required to evaluate whether an adjustment is required for the earn-out obligation in periods after the acquisition. Specifically, there was a high degree of auditor judgment and an increased extent of effort to audit the reasonableness of management’s assumptions related to projections of future earnings of the acquired businesses.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasted future earnings assumptions used in determining the fair value of the earn-out obligation included the following, among others:

- We tested the design and operating effectiveness of controls over management’s earn-out obligation calculation, including the controls over management’s determination of future earnings.
- We read the asset/stock purchase agreements and associated addenda and agreed the provisions of the contracts to the earn-out obligation models for our testing selections.
- We read any post-acquisition asset/stock purchase agreements and associated addenda modifications for any additional terms to evaluate the completeness and reasonableness of the models utilized to calculate the earn-out obligation for our testing selections.
- We evaluated the reasonableness of projections of future earnings for the earn-out obligation models by comparing the projections to historical results and assessing management’s key assumptions for our testing selections.
- We evaluated management’s ability to accurately forecast future earnings by comparing actual results to management’s historical forecast and forecasted growth rates to that of comparable subsidiaries for our testing selections.

/s/ Deloitte & Touche LLP

Tampa, Florida
February 22, 2022

We have served as the Company’s auditor since 2002.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Brown & Brown, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Brown & Brown, Inc. (the “Company”) and subsidiaries as of December 31, 2021, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2021, of the Company and our report dated February 22, 2022 expressed an unqualified opinion on those financial statements.

As described in Management’s Report on Internal Control Over Financial Reporting, management excluded from its assessment the internal control over financial reporting at O’Leary Insurance, Piper Jordan, LLC, Berkshire Insurance Group, Inc., AGIS Network, Inc., Winston Financial Services, Inc., Remedy Analytics Inc., Heacock Insurance Group, LLC, and Dealer Admin. Services, Inc., which were acquired in 2021 and whose financial statements constitute approximately 2.44% and 5.63% of net and total assets, respectively, 1.91% of revenues, and (1.55%) of net income of the consolidated financial statement amounts as of and for the year ended December 31, 2021. Accordingly, our audit did not include the internal control over financial reporting of these acquired entities.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over

Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

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

Definition and Limitations of Internal Control over Financial Reporting

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

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

/s/ Deloitte & Touche LLP

Tampa, Florida
February 22, 2022

Management’s Report on Internal Control over Financial Reporting

The management of Brown & Brown, Inc. and its subsidiaries (“Brown & Brown”) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Securities Exchange Act Rule 13a-15(f). Under the supervision and with the participation of management, including Brown & Brown’s principal executive officer and principal financial officer, Brown & Brown conducted an evaluation of the effectiveness of internal control over financial reporting based upon the framework in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”).

In conducting Brown & Brown’s evaluation of the effectiveness of its internal control over financial reporting, Brown & Brown has excluded the following acquisitions completed by Brown & Brown during 2021: O’Leary Insurances, Piper Jordan LLC, Berkshire Insurance Group, Inc., AGIS Network, Inc., Winston Financial Services, Inc., Remedy Analytics, Inc., Heacock Insurance Group, LLC, and Dealer Admin. Services, Inc. (collectively the “2021 Excluded Acquisitions”), which were acquired during 2021 and whose financial statements constitute approximately 2.44% and 5.63% of net and total assets, respectively, 1.91% of revenues, and (1.55%) of net income of the consolidated financial statement amounts as of and for the year ended December 31, 2021. Refer to Note 3 to the Consolidated Financial Statements for further discussion of these acquisitions and their impact on Brown & Brown’s Consolidated Financial Statements.

Based upon Brown & Brown’s evaluation under the framework in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, management concluded that internal control over financial reporting was effective as of December 31, 2021. Management’s internal control over financial reporting as of December 31, 2021 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is included herein.

Brown & Brown, Inc.
Daytona Beach, Florida
February 22, 2022

/s/ J. Powell Brown
J. Powell Brown
Chief executive officer

/s/ R. Andrew Watts
R. Andrew Watts
Executive vice president, chief financial officer and treasurer

ITEM 9. Changes in and Disagreements with Accountants and Financial Disclosure.

There were no changes in or disagreements with accountants on accounting and financial disclosure in 2021.

ITEM 9A. Controls and Procedures.**Evaluation of Disclosure Controls and Procedures**

We carried out an evaluation (the “Evaluation”) required by Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), under the supervision and with the participation of our chief executive officer (“CEO”) and chief financial officer (“CFO”), of the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15 and 15d-15 under the Exchange Act (“Disclosure Controls”) as of December 31, 2021. Based upon the Evaluation, our CEO and CFO concluded that the design and operation of our Disclosure Controls were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (ii) accumulated and communicated to our senior management, including our CEO and CFO, to allow timely decisions regarding required disclosures.

Changes in Internal Controls

There has not been any change in our internal control over financial reporting identified in connection with the Evaluation that occurred during the quarter ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations of Internal Control Over Financial Reporting

Our management, including our CEO and CFO, does not expect that our Disclosure Controls and internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

CEO and CFO Certifications

Exhibits 31.1 and 31.2 are the Certifications of the CEO and the CFO, respectively. The Certifications are supplied in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (the “Section 302 Certifications”). This Item 9A of this Annual Report on Form 10-K contains the information concerning the evaluation referred to in the Section 302 Certifications and this information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

ITEM 9B. Other Information.

None

ITEM 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance.

Certain information regarding our executive officers is included in Part I of this Report under the heading "Information About Our Executive Officers" in accordance with General Instruction G(3) of Form 10-K.

The additional information required by this item regarding directors and executive officers is incorporated herein by reference to our definitive Proxy Statement to be filed with the SEC in connection with the Annual Meeting of Shareholders to be held in 2022 (the "2022 Proxy Statement") under the headings "Board and Corporate Governance Matters" and "Other Important Information." We have adopted a code of ethics that applies to our principal executive officer, principal financial officer and controller. A copy of our Code of Ethics for our chief executive officer and our senior financial officers and a copy of our Code of Business Conduct and Ethics applicable to all employees are posted on our internet website, at www.bbinsurance.com, and are also available without charge, upon written request directed to corporate secretary, Brown & Brown, Inc., 300 North Beach Street, Daytona Beach, Florida 32114, or by telephone to (386) 252-9601. Any approved amendments to, or waiver of, any provision of the Code of Business Conduct and Ethics will be posted on our website at the above address.

ITEM 11. Executive Compensation.

The information required by this item is incorporated herein by reference to the 2022 Proxy Statement under the heading "Compensation Matters."

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholders Matters.**Equity Compensation Plan Information**

The following table sets forth information as of December 31, 2021, with respect to compensation plans under which the Company's equity securities are authorized for issuance:

Plan Category	A Number of securities remaining available for future issuance under equity compensation plans ⁽¹⁾
Equity compensation plans approved by shareholders:	
Brown & Brown, Inc. 2019 Stock Incentive Plan	7,569,607 ⁽²⁾
Brown & Brown, Inc. 2010 Stock Incentive Plan	—
Brown & Brown, Inc. 1990 Employee Stock Purchase Plan	4,527,511
Brown & Brown, Inc. Performance Stock Plan	—
Total	12,097,118
Equity compensation plans not approved by shareholders	—

(1) All of the shares available for future issuance under the Brown & Brown, Inc. 2019 Stock Incentive Plan may be issued in connection with options, warrants, rights, restricted stock, restricted stock units or other stock-based awards.

(2) The number of securities remaining available of 7,569,607 has been reduced by 1,338,798 to reflect the maximum shares potentially distributed subject to the level of performance obtained for outstanding performance-based grants which may be increased up to 200% of the target or decreased to zero.

The other information required by this item is incorporated herein by reference to the 2022 Proxy Statement under the heading "Security Ownership of Management and Certain Beneficial Owners."

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

The information required by this item is incorporated herein by reference to the 2022 Proxy Statement under the headings "Director Independence," "Related Party Transactions Policy" and "Relationships and Transactions with Affiliated Parties."

ITEM 14. Principal Accounting Fees and Services.

The information required by this item is incorporated herein by reference to the 2022 Proxy Statement under the heading "Fees Paid to Deloitte & Touche LLP."

PART IV

ITEM 15. Exhibits and Financial Statements Schedules.

The following documents are filed as part of this Report:

1. Financial statements

Reference is made to the information set forth in Part II, Item 8 of this Report, which information is incorporated by reference.

2. Consolidated Financial Statement Schedules.

All required Financial Statement Schedules are included in the Consolidated Financial Statements or the Notes to Consolidated Financial Statements.

3. Exhibits

The following exhibits are filed as a part of this Report:

- 3.1 [Articles of Amendment to the Articles of Incorporation \(adopted February 26, 2018\) \(incorporated by reference to Exhibit 3.1 to Form 8-K filed March 29, 2018 and Articles of Amendment to Articles of Incorporation \(adopted April 24, 2003\) \(incorporated by reference to Exhibit 3a to Form 10-Q for the quarter ended March 31, 2003\), and Amended and Restated Articles of Incorporation \(incorporated by reference to Exhibit 3a to Form 10-Q for the quarter ended March 31, 1999\).](#)
- 3.2 [Bylaws \(incorporated by reference to Exhibit 3.2 to Form 8-K filed on October 12, 2016\).](#)
- 4.1 [Description of the Registrant's capital stock \(incorporated by reference to Exhibit 4.1 to Form 10-K filed February 24, 2020\).](#)
- 4.2 [First Supplemental Indenture, dated as of September 18, 2014, between the Registrant and U.S. Bank National Association \(incorporated by reference to Exhibit 4.2 to Form 8-K filed on September 18, 2014\).](#)
- 4.3 [Form of the Registrant's 4.200% Notes due 2024 \(incorporated by reference to Exhibit 4.3 to Form 8-K filed on September 18, 2014\).](#)
- 4.4 [Second Supplemental Indenture, dated as of March 11, 2019, between the Registrant and U.S. Bank National Association \(incorporated by reference to Exhibit 4.2 to Form 8-K filed on March 12, 2019\).](#)
- 4.5 [Form of Registrant's 4.500% Notes due 2029 \(incorporated by reference to Exhibit 4.3 to Form 8-K filed on March 12, 2019\).](#)
- 4.6 [Third Supplemental Indenture, dated as of September 24, 2020, between Brown & Brown, Inc. and U.S. Bank National Association \(incorporated by reference to Exhibit 4.2 to Form 8-K filed September 24, 2020\).](#)
- 4.7 [Form of Brown & Brown, Inc.'s 2.375% Notes due 2031 \(incorporated by reference to Exhibit 4.3 to Form 8-K filed September 24, 2020\).](#)
- 10.1(a)* [Employment Agreement, dated and effective as of July 1, 2009 between the Registrant and J. Hyatt Brown \(incorporated by reference to Exhibit 10.1 to Form 10-Q for the quarter ended June 30, 2009\).](#)
- 10.1(b)* [Executive Employment Agreement, effective as of February 17, 2014, between the Registrant and R. Andrew Watts \(incorporated by reference to Exhibit 10.2 to Form 10-Q for the quarter ended March 31, 2014\).](#)
- 10.1(c)* [Form of Employment Agreement \(incorporated by reference to Exhibit 10.2 to Form 10-Q for the quarter ended September 30, 2014\).](#)
- 10.1(d)* [Employment Agreement, dated as of January 9, 2012, between the Registrant and Chris L. Walker \(incorporated by reference to Exhibit 10.1 to Form 10-Q for the quarter ended March 31, 2013\).](#)
- 10.1(e)* [Employment Agreement, dated as of November 16, 2018, between the Registrant and James C. Hays \(incorporated by reference to Exhibit 10.1\(e\) to Form 10-K for the year ended December 31, 2019\).](#)
- 10.2(a)* [Registrant's Stock Performance Plan \(incorporated by reference to Exhibit 4 to Registration Statement No. 333-14925 on Form S-8 filed on October 28, 1996\).](#)
- 10.2(b)* [Registrant's Stock Performance Plan as amended, effective January 23, 2008 \(incorporated by reference to Exhibit 10.6\(b\) to Form 10-K for the year ended December 31, 2007\).](#)
- 10.2(c)* [Registrant's Performance Stock Plan as amended, effective July 21, 2009 \(incorporated by reference to Exhibit 10.2 to Form 10-Q for the quarter ended September 30, 2009\).](#)

- 10.3(a)* [Registrant's 2010 Stock Incentive Plan, as amended \(incorporated by reference to Exhibit 10.1 to Form 8-K filed on May 5, 2017\).](#)
- 10.3(b)* [Registrant's 2019 Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to Form 8-K filed on May 3, 2019\).](#)
- 10.4(a)* [Form of Performance-Based Stock Grant Agreement under 2010 Stock Incentive Plan \(incorporated by reference to Exhibit 10.16 to Form 10-K for the year ended December 31, 2010\).](#)
- 10.4(b)* [Form of Performance-Triggered Stock Grant Agreement under 2010 Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to Form 8-K filed on July 8, 2013\).](#)
- 10.4(c)* [Form of Performance Stock Award Agreement under the 2010 Stock Incentive Plan \(incorporated by reference to Exhibit 10.5\(c\) to Form 10-K filed on February 28, 2018\).](#)
- 10.4(d)* [Form of Restricted Stock Award Agreement under the 2010 Stock Incentive Plan \(incorporated by reference to Exhibit 10.2 to Form 8-K filed on March 23, 2016\).](#)
- 10.4(e)* [Form of Director Stock Grant Agreement \(incorporated by reference to Exhibit 10.8\(e\) to Form 10-K filed for the year ended December 31, 2016\).](#)
- 10.4(f)* [Form of Performance Stock Award Agreement under the 2019 Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to Form 8-K filed on February 25, 2020\).](#)
- 10.4(g)* [Form of Restricted Stock Award Agreement under the 2019 Stock Incentive Plan \(incorporated by reference to Exhibit 10.2 to Form 8-K filed on February 25, 2020\).](#)
- 10.4(h)* [Form of Restricted Stock Award Agreement under the 2019 Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to Form 8-K filed on December 17, 2021\).](#)
- 10.4(i)* [Form of Restricted Stock Unit Award Agreement under the 2019 Stock Incentive Plan \(incorporated by reference to Exhibit 10.2 to Form 8-K filed on December 17, 2021\).](#)
- 10.5** [Second Amended and Restated Credit Agreement dated October 27, 2021, among the Registrant JPMorgan Chase Bank, N.A., Bank of America, N.A., Truist Bank and BMO Harris Bank N.A.](#)
- 10.6* [Asset Purchase Agreement, dated as of October 22, 2018, by and among Brown & Brown, Inc., BBHG, Inc., The Hays Group, Inc., The Hays Group Of Wisconsin LLC, The Hays Benefits Group, LLC, PlanIT, LLC, The Hays Benefits Group of Wisconsin, LLC, and The Hays Group of Illinois, LLC, and Claims Management of Missouri, LLC \(incorporated by reference to Exhibit 10.9 to Form 10-K for the year ended December 31, 2019\).](#)
- 10.7* [Amendment to the Asset Purchase Agreement, dated July 27, 2020, by and among Brown & Brown, Inc., BBHG, Inc., The Hays Group, Inc., The Hays Group Of Wisconsin LLC, The Hays Benefits Group, LLC, PlanIT, LLC, The Hays Benefits Group of Wisconsin, LLC, The Hays Group of Illinois, LLC and Claims Management of Missouri, LLC \(incorporated by reference to Exhibit 10.2 to Form 10-Q for the quarter ended September 30, 2020\).](#)
- 10.8 [Term Loan Credit Agreement, dated December 21, 2018, by and among the Company, Wells Fargo Bank, National Association, as administrative agent, Bank of America, N.A., BMO Harris Bank N.A. and SunTrust Bank as co-syndication agents, and Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, BMO Capital Markets Corp. and SunTrust Robinson Humphrey, Inc. as joint lead arrangers and joint bookrunners \(incorporated by reference to Exhibit 10.10 to Form 10-K for the year ended December 31, 2019\).](#)
- 21** [Subsidiaries of the Registrant.](#)
- 23** [Consent of Deloitte & Touche LLP.](#)
- 24** [Powers of Attorney.](#)
- 31.1** [Rule 13a-14\(a\)/15d-14\(a\) Certification by the Chief Executive Officer of the Registrant.](#)
- 31.2** [Rule 13a-14\(a\)/15d-14\(a\) Certification by the Chief Financial Officer of the Registrant.](#)
- 32.1** [Section 1350 Certification by the Chief Executive Officer of the Registrant.](#)
- 32.2** [Section 1350 Certification by the Chief Financial Officer of the Registrant.](#)

101 The following financial statements from the Company's Annual Report on Form 10-K for the period ended December 31, 2021, formatted in inline XBRL, include: (i) Consolidated Statements of Income, (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Shareholders' Equity, (iv) Consolidated Statements of Cash Flows and (v) the Notes to the Consolidated Financial Statements.

104 Cover Page Interactive Data File for the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, formatted Inline XBRL (included as Exhibit 101).

* Management Contract or Compensatory Plan or Arrangement

** Filed herewith

ITEM 16. Form 10-K Summary.

None

SIGNATURE

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

Date: February 22, 2022

BROWN & BROWN, INC.

Registrant

By: /s/ J. Powell Brown

J. Powell Brown

President and chief executive officer

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

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ J. Powell Brown</u> J. Powell Brown	Director; president and chief executive officer (principal executive officer)	February 22, 2022
<u>/s/ R. Andrew Watts</u> R. Andrew Watts	Executive vice president, chief financial officer and treasurer (principal financial and accounting officer)	February 22, 2022
<u>*</u> J. Hyatt Brown	Chairman of the board	February 22, 2022
<u>*</u> Hugh M. Brown	Director	February 22, 2022
<u>*</u> Lawrence L. Gellerstedt	Director	February 22, 2022
<u>*</u> James C. Hays	Director	February 22, 2022
<u>*</u> Theodore J. Hoepner	Director	February 22, 2022
<u>*</u> James S. Hunt	Director	February 22, 2022
<u>*</u> Toni Jennings	Director	February 22, 2022
<u>*</u> Timothy R.M. Main	Director	February 22, 2022
<u>*</u> H. Palmer Proctor, Jr.	Director	February 22, 2022
<u>*</u> Wendell Reilly	Director	February 22, 2022
<u>*</u> Chilton D. Varner	Director	February 22, 2022

*By: /s/ Robert W. Lloyd

Robert W. Lloyd
Attorney-in-fact

J.P.Morgan

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

October 27, 2021

among

BROWN & BROWN, INC.

The Subsidiary Borrowers Party Hereto

The Lenders Party Hereto

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

BANK OF AMERICA, N.A.,

BMO HARRIS BANK N.A. and
TRUIST BANK

as Co-Syndication Agents

and

FIFTH THIRD BANK, NATIONAL ASSOCIATION,
PNC BANK, NATIONAL ASSOCIATION, U.S. BANK NATIONAL ASSOCIATION,
WELLS FARGO BANK, NATIONAL ASSOCIATION, MORGAN STANLEY BANK, N.A. and
CITIZENS BANK, N.A.

as Co-Documentation Agents

JPMORGAN CHASE BANK, N.A.,
BofA SECURITIES, INC.,

BMO CAPITAL MARKETS CORP. and
TRUIST SECURITIES, INC.

as Joint Bookrunners and Joint Lead Arrangers

and

FIFTH THIRD BANK, NATIONAL ASSOCIATION,
PNC CAPITAL MARKETS LLC,

U.S. BANK NATIONAL ASSOCIATION and
WELLS FARGO SECURITIES, LLC
as Joint Lead Arrangers

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SCHEDULES:

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Schedule 3.01 – Subsidiaries
Schedule 6.01 – Existing Indebtedness
Schedule 6.02 – Existing Liens

EXHIBITS:

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Exhibit B – Form of Compliance Certificate
Exhibit C – Form of Increasing Lender Supplement
Exhibit D – Form of Augmenting Lender Supplement
Exhibit E – List of Closing Documents
Exhibit F-1 – Form of Borrowing Subsidiary Agreement
Exhibit F-2 – Form of Borrowing Subsidiary Termination
Exhibit G-1 – Form of U.S. Tax Certificate (Foreign Lenders That Are Not Partnerships)
Exhibit G-2 – Form of U.S. Tax Certificate (Foreign Participants That Are Not Partnerships)
Exhibit G-3 – Form of U.S. Tax Certificate (Foreign Participants That Are Partnerships)
Exhibit G-4 – Form of U.S. Tax Certificate (Foreign Lenders That Are Partnerships)
Exhibit H-1 – Form of Borrowing Request
Exhibit H-2 – Form of Interest Election Request

SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this “Agreement”) dated as of October 27, 2021 among BROWN & BROWN, INC., the SUBSIDIARY BORROWERS from time to time party hereto, the LENDERS from time to time party hereto, JPMORGAN CHASE BANK, N.A., as Administrative Agent, BANK OF AMERICA, N.A., BMO HARRIS BANK N.A. and TRUIST BANK, as Co-Syndication Agents, and FIFTH THIRD BANK, NATIONAL ASSOCIATION, PNC BANK, NATIONAL ASSOCIATION, U.S. BANK NATIONAL ASSOCIATION, WELLS FARGO BANK, NATIONAL ASSOCIATION, MORGAN STANLEY BANK, N.A. and CITIZENS BANK, N.A., as Co-Documentation Agents.

WHEREAS, the Borrowers, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent thereunder, are currently party to the Amended and Restated Credit Agreement, dated as of June 28, 2017 (as amended, supplemented or otherwise modified prior to the Effective Date, the “Existing Credit Agreement”);

WHEREAS, the Borrowers, the Lenders party hereto and the Administrative Agent have (a) entered into this Agreement in order to (i) amend and restate the Existing Credit Agreement in its entirety; (ii) extend the applicable maturity date in respect of the existing revolving credit facility under the Existing Credit Agreement; (iii) re-evidence the “Term Loans” under, and as defined in, the Existing Credit Agreement and extend the applicable maturity date in respect thereof; (iv) re-evidence the “Obligations” under, and as defined in, the Existing Credit Agreement, which shall be repayable in accordance with the terms of this Agreement; and (v) set forth the terms and conditions under which the Lenders will, from time to time, make loans and extend other financial accommodations to or for the benefit of the Borrowers and (b) agreed that each Departing Lender shall cease to be a party to the Existing Credit Agreement as more specifically set forth in Section 1.06 of this Agreement;

WHEREAS, it is the intent of the parties hereto that this Agreement not constitute a novation of the obligations and liabilities of the parties under the Existing Credit Agreement or be deemed to evidence or constitute full repayment of such obligations and liabilities, but that this Agreement amend and restate in its entirety the Existing Credit Agreement and re-evidence the obligations and liabilities of the Borrowers and the Subsidiaries outstanding thereunder, which shall be payable in accordance with the terms hereof; and

WHEREAS, it is also the intent of the Borrowers to confirm that all obligations under the applicable “Loan Documents” (as referred to and defined in the Existing Credit Agreement) shall continue in full force and effect as modified or restated by the Loan Documents (as referred to and defined herein) and that, from and after the Effective Date, all references to the “Credit Agreement” contained in any such existing “Loan Documents” shall be deemed to refer to this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree that the Existing Credit Agreement is hereby amended and restated as follows:

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“ABR”, when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, bearing interest at a rate determined by reference to the Alternate Base Rate.

“Acquisition” means any transaction, or series of related transactions, by which the Company or any Subsidiary directly or indirectly (i) acquires any ongoing business or all or substantially all of the assets or any Person or any division or operating unit thereof (whether by purchase, merger, consolidation or otherwise), (ii) acquires (in one transaction or as the most recent transaction in a series of transactions) Control of at least a majority in ordinary voting power of the securities of a Person which have ordinary voting power for the election of the directors or (iii) otherwise acquires Control or more than 50% ownership interest in any Person.

“Adjusted CDOR Rate” means, with respect to any Eurocurrency Borrowing denominated in Canadian Dollars for any Interest Period, an interest rate per annum equal to (a) the CDOR Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

“Adjusted EURIBO Rate” means, with respect to any Eurocurrency Borrowing denominated in euro for any Interest Period, an interest rate per annum equal to (a) the EURIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

“Adjusted LIBO Rate” means, with respect to any Eurocurrency Borrowing denominated in Dollars for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

“Administrative Agent” means JPMorgan Chase Bank, N.A. (including its branches and affiliates), in its capacity as administrative agent for the Lenders hereunder.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent Party” has the meaning assigned to such term in Section 9.01(e).

“Agreed Currencies” means (i) Dollars, (ii) euro, (iii) Pounds Sterling, (iv) Canadian Dollars and (v) any other currency (x) that is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars and (y) that is agreed to by the Administrative Agent and each of the Revolving Lenders.

“Agreement” has the meaning assigned to such term in the introductory paragraph.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate for a one month Interest Period in Dollars on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%; provided that for the purpose of this definition,

the Adjusted LIBO Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one month Interest Period, the LIBO Interpolated Rate) at approximately 11:00 a.m. London time on such day. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.14(b)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

“Ancillary Document” has the meaning assigned to such term in Section 9.06.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Company or its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Applicable Percentage” means, with respect to any Lender, (a) with respect to Revolving Loans or LC Exposure, the percentage equal to a fraction the numerator of which is such Lender’s Revolving Commitment and the denominator of which is the aggregate Revolving Commitments of all Revolving Lenders (if the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments); provided that in the case of Section 2.22 when a Defaulting Lender shall exist, any such Defaulting Lender’s Revolving Commitment shall be disregarded in the calculation and (b) with respect to the Term Loans, a percentage equal to a fraction the numerator of which is such Lender’s outstanding principal amount of the Term Loans and the denominator of which is the aggregate outstanding principal amount of the Term Loans of all Term Lenders.

“Applicable Rate” means, for any day, with respect to any Eurocurrency Revolving Loan, any Eurocurrency Term Loan, any ABR Revolving Loan, any ABR Term Loan, any RFR Loan, any CBR Loan or with respect to the facility fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption “Eurocurrency Spread for Revolving Loans”, “Eurocurrency Spread for Term Loans”, “ABR Spread for Revolving Loans”, “ABR Spread for Term Loans”, “RFR Spread / CBR Spread” or “Facility Fee Rate”, as the case may be, based upon the Pricing Level applicable on such date:

<u>Pricing Level</u>	<u>Eurocurrency Spread for Revolving Loans</u>	<u>Eurocurrency Spread for Term Loans</u>	<u>ABR Spread for Revolving Loans</u>	<u>ABR Spread for Term Loans</u>	<u>RFR Spread / CBR Spread</u>	<u>Facility Fee Rate</u>
<u>Level I:</u>	0.875%	1.00%	0%	0%	0.875%	0.125%
<u>Level II:</u>	1.10%	1.25%	0.10%	0.25%	1.10%	0.15%
<u>Level III:</u>	1.20%	1.375%	0.20%	0.375%	1.20%	0.175%
<u>Level IV:</u>	1.525%	1.75%	0.525%	0.75%	1.525%	0.225%

For purposes of, and notwithstanding, the foregoing:

(i) (a) Pricing Level I, Leverage Level 1 and Ratings Level A are equivalent and correspond to each other, and Pricing Level I shall be the lowest Pricing Level for purposes of this definition, (b) Pricing Level II, Leverage Level 2 and Ratings Level B are equivalent and correspond to each other, (c) Pricing Level III, Leverage Level 3 and Ratings Level C are equivalent and correspond to each other, and (d) Pricing Level IV, Leverage Level 4 and Ratings Level D are equivalent and correspond to each other, and Pricing Level IV shall be the highest Pricing Level for purposes of this definition;

(ii) at any time of determination, the Pricing Level shall be determined by reference to the Leverage Level or the Ratings Level then in effect which would result in the lower corresponding Pricing Level;

(iii) if at any time the Company fails to deliver the Financials on or before the date the Financials are due pursuant to Section 5.01, Pricing Level IV shall be deemed applicable for the period commencing three (3) Business Days after the required date of delivery and ending on the date which is three (3) Business Days after the Financials are actually delivered, after which the Pricing Level shall be determined in accordance with the table above as applicable;

(iv) notwithstanding the foregoing, Pricing Level I shall be deemed to be applicable until the Administrative Agent's receipt of the applicable Financials for the Company's first fiscal quarter ending after the Effective Date and adjustments to the Pricing Level then in effect shall thereafter be effected in accordance with this definition;

(v) at any time of determination, the "Leverage Level" shall be based upon the Net Leverage Ratio applicable at such time:

<u>Leverage Level</u>	<u>Net Leverage Ratio</u>
Level 1	≤ 1.00 to 1.00
Level 2	> 1.00 to 1.00 but ≤ 2.00 to 1.00
Level 3	> 2.00 to 1.00 but ≤ 3.00 to 1.00
Level 4	> 3.00 to 1.00

Except as otherwise provided in the paragraph above, adjustments, if any, to the "Leverage Level" then in effect shall be effective three (3) business days after the Administrative Agent has received the applicable Financials (it being understood and agreed that each change in Leverage Level shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change); and

(vi) at any time of determination, the "Ratings Level" shall be based upon the long-term debt ratings by Moody's and S&P, respectively, applicable at such time to the Index Debt:

<u>Ratings Level</u>	<u>Index Debt Ratings (Moody's/S&P)</u>
Level A	≥ Baa1 / ≥ BBB+
Level B	Baa2 / BBB
Level C	Baa3 / BBB-
Level D	< Baa3 / < BBB-

For purposes of the foregoing, (i) if neither Moody's nor S&P shall have in effect a rating for the Index Debt (other than by reason of the circumstances referred to in the last sentence of this definition), then a Ratings Level in Level D shall be in effect; (ii) if only one of Moody's or S&P provides a rating for the Index Debt, the Ratings Level corresponding to such rating shall be in effect; (iii) if the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall fall within different Ratings Levels, the Ratings Level then in effect shall be based on the better of the two ratings (i.e., the rating which corresponds to the Ratings Level that corresponds to the lowest Pricing Level) unless one of the two ratings is two or more Ratings Levels lower than the other, in which case the Ratings Level then in effect shall be determined by reference to the Ratings Level next below that of the better of the two ratings; and (iv) if the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall be changed (other than as a result of a change in the rating system of Moody's or S&P), such change shall be effective as of the date on which it is first announced by the applicable rating agency, irrespective of when notice of such change shall have been furnished by the Company to the Administrative Agent and the Lenders pursuant to Section 5.01 or otherwise. Each change in the Ratings Level shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's or S&P shall change, or if both rating agencies shall cease to be in the business of rating corporate debt obligations, the Company and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Ratings Level shall be determined by reference to the rating most recently in effect prior to such change or cessation.

“Approved Fund” has the meaning assigned to such term in Section 9.04(b).

“Assignment and Assumption” means an assignment and assumption agreement entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form (including electronic records generated by the use of an electronic platform) approved by the Administrative Agent and, to the extent the consent of the Company is required pursuant to Section 9.04 hereof, the Company.

“Augmenting Lender” has the meaning assigned to such term in Section 2.20.

“Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Revolving Credit Maturity Date and the date of termination of the Revolving Commitments.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark for any Agreed Currency, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof),

as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (f) of Section 2.14.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Event” means, with respect to any Person, such Person becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“Benchmark” means, initially, with respect to any (i) RFR Loan in any Agreed Currency, the applicable Relevant Rate for such Agreed Currency or (ii) Eurocurrency Loan, the Relevant Rate for such Agreed Currency; provided that if a Benchmark Transition Event, a Term SOFR Transition Event, an Early Opt-in Election or an Other Benchmark Rate Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the applicable Relevant Rate or the then-current Benchmark for such Agreed Currency, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) or clause (c) of Section 2.14.

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date; provided that, in the case of any Loan denominated in a Foreign Currency or in the case of an Other Benchmark Rate Election, “Benchmark Replacement” shall mean the alternative set forth in (3) below:

(1) in the case of any Loan denominated in Dollars, the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) in the case of any Loan denominated in Dollars, the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Company as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for syndicated credit facilities denominated in the applicable Agreed Currency at such time in the United States and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; provided further that, in the case of clause (3), when such clause is used to determine the Benchmark Replacement in connection with the occurrence of an Other Benchmark Rate Election, the alternate benchmark rate selected by the Administrative Agent and the Company shall be the term benchmark rate that is used in lieu of a LIBOR-based rate in the relevant other Dollar-denominated syndicated credit facilities; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the “Benchmark Replacement” shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above).

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Administrative Agent:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Company for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date

and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Agreed Currency at such time in the United States;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date;

(3) in the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date a Term SOFR Notice is provided to the Lenders and the Company pursuant to Section 2.14(c); or

(4) in the case of an Early Opt-in Election or an Other Benchmark Rate Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election or Other Benchmark Rate Election, as applicable, is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election or Other Benchmark Rate Election, as applicable, is provided to the Lenders, written notice of objection to such Early Opt-in Election or Other Benchmark Rate Election, as applicable, from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board, the NYFRB, the central bank for the Agreed Currency applicable to such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Borrower” means the Company or any Subsidiary Borrower.

“Borrowing” means (a) Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect or (b) a Term Loan of the same Type, made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect.

“Borrowing Request” means a request by any Borrower for a Borrowing in accordance with Section 2.03, which shall be substantially in the form attached hereto as Exhibit H-1 or any other form approved by the Administrative Agent.

“Borrowing Subsidiary Agreement” means a Borrowing Subsidiary Agreement substantially in the form of Exhibit F-1.

“Borrowing Subsidiary Termination” means a Borrowing Subsidiary Termination substantially in the form of Exhibit F-2.

“Business Day” means any day (other than a Saturday or a Sunday) on which banks are open for business in New York City or Chicago; provided that, (i) in relation to the calculation or computation of LIBOR, any day (other than a Saturday or a Sunday) on which banks are open for business in London, (ii) in relation to Loans denominated in euro and in relation to the calculation or computation of EURIBOR, any day which is a TARGET Day, (iii) in relation to Loans denominated in Canadian Dollars and in relation to the calculation or computation of CDOR, any day (other than a Saturday or a Sunday) on which banks are open for business in Toronto and (iv) in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings in the applicable Agreed Currency of such RFR Loan, any such day that is only an RFR Business Day.

“Canadian Dollars” means the lawful currency of Canada.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital lease obligations or financing lease obligations on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP; provided that any obligations under leases (or other arrangement conveying the right to use) that were, as of December 31, 2015, treated as operating leases but were later treated as capital leases under GAAP as a result of a change thereto (including as a result of Financial Accounting Standards Board Accounting Standards Codification 842) shall not be considered to be Capital Lease Obligations hereunder.

“Cash Equivalents” means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody’s;

(c) investments in certificates of deposit, banker’s acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody’s and (iii) have portfolio assets of at least \$5,000,000,000; and

(f) other investments permitted under the Company’s investment policy, to the extent such policy has been approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed).

“CBR Loan” means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

“CDOR” has the meaning assigned to such term in Section 1.07.

“CDOR Interpolated Rate” means, at any time, with respect to any Eurocurrency Borrowing denominated in Canadian Dollars and for any Interest Period, the rate per annum determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the CDOR Screen Rate for the longest period (for which the CDOR Screen Rate is available for Canadian Dollars) that is shorter than the Impacted CDOR Rate Interest Period; and (b) the CDOR Screen Rate for the shortest period (for which the CDOR Screen Rate is available for Canadian Dollars) that exceeds the Impacted CDOR Rate Interest Period, in each case, at such time; provided that, if any CDOR Interpolated Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“CDOR Rate” means, with respect to any Eurocurrency Borrowing denominated in Canadian Dollars and for any Interest Period, the CDOR Screen Rate at approximately 10:15 a.m., Toronto time, on the first day of such Interest Period; provided that, if the CDOR Screen Rate shall not be available at such time for such Interest Period (an “Impacted CDOR Rate Interest Period”) with respect to Canadian Dollars then the CDOR Rate shall be the CDOR Interpolated Rate.

“CDOR Screen Rate” means, for any day and time, with respect to any Eurocurrency Borrowing denominated in Canadian Dollars and for any Interest Period, the annual rate of interest equal to the average rate applicable to Canadian dollar Canadian bankers’ acceptances for the applicable period that appears on the “Reuters Screen CDOR Page” as defined in the International Swap Dealer Association, Inc. definitions, as modified and amended from time to time (or, in the event such rate does not appear on such page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, as selected by the Administrative Agent in its reasonable discretion), rounded to the nearest 1/100th of 1% (with .005% being rounded up). If the CDOR Screen Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Central Bank Rate” means, (A) the greater of (i) for any Loan denominated in (a) Pounds Sterling, the Bank of England (or any successor thereto)’s “Bank Rate” as published by the Bank of England (or any successor thereto) from time to time, (b) euro, one of the following three rates as may be selected by the Administrative Agent: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank (or any successor thereto), each as published by the European Central Bank (or any successor thereto) from time to time, (2) the rate for the marginal lending facility of the European Central Bank (or any successor thereto), as published by the European Central Bank (or any successor thereto) from time to time or (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by the European Central Bank (or any successor thereto) from time to time and (c) any other Foreign Currency, a central bank rate as determined by the Administrative Agent in its reasonable discretion and (ii) 0%; plus (B) the applicable Central Bank Rate Adjustment.

“Central Bank Rate Adjustment” means for any Loan denominated in (a) Pounds Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of SONIA for the last five (5) RFR Business Days for which SONIA was available (excluding, from such averaging, the highest and the lowest SONIA applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Pounds Sterling on the last RFR Business Day in such period, (b) euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the EURIBO Rate for the last five (5) Business Days for which the EURIBO Screen Rate was available (excluding, from such averaging, the highest and the lowest EURIBO Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of euro on the last Business Day in such period, (c) Canadian Dollars, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the CDOR Rate for the last five (5) Business Days for which the CDOR Screen Rate was available (excluding, from such averaging, the highest and the lowest CDOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Canadian Dollars on the last Business Day in such period and (d) any other Foreign Currency determined after the Effective Date, an adjustment as determined by the Administrative Agent in its reasonable discretion. For purposes of this definition, (x) the term Central Bank Rate shall be determined disregarding clause (B) of the definition of such term and (y) each of the EURIBO Rate and the CDOR Rate on any day shall be based on the EURIBO Screen Rate or the CDOR Screen Rate, as applicable, on such day at approximately the time referred to in the definition of such term for deposits in the applicable Agreed Currency for a maturity of one month (or, in the event the EURIBO Screen Rate or the CDOR Screen Rate, as applicable, for deposits in the applicable Agreed Currency is not available for such maturity of one month, shall be based on the EURIBO Interpolated Rate or the CDOR Interpolated Rate, as applicable, as of such time); provided that if such rate shall be less than zero, such rate shall be deemed to be zero.

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the

rules of the SEC thereunder as in effect on the date hereof), of Equity Interests representing more than 50% of the issued and outstanding Equity Interests of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully diluted basis; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Company by Persons who were not (i) members of the board of directors of the Company on the Effective Date, (ii) nominated by the board of directors of the Company or (iii) appointed by directors so nominated or (c) the Company ceases to own, directly or indirectly, and Control 100% (other than directors' qualifying shares) of the ordinary voting and economic power of any Subsidiary Borrower.

“Change in Law” means the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rules, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided however, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law” regardless of the date enacted, adopted, issued or implemented.

“Charges” has the meaning assigned to such term in Section 9.14.

“Class”, (i) when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans or Term Loans and (ii) when used in reference to any Lender, refers to whether such Lender is a Revolving Lender or a Term Lender.

“Code” means the Internal Revenue Code of 1986, as amended.

“Co-Documentation Agent” means each of U.S. Bank National Association, Fifth Third Bank, National Association, Wells Fargo Bank, National Association, PNC Bank, National Association, Morgan Stanley Bank, N.A. and Citizens Bank, N.A. in its capacity as co-documentation agent for the credit facilities evidenced by this Agreement.

“Commitment” means, with respect to each Lender, the sum of such Lender's Revolving Commitment and Term Loan Commitment. The initial amount of each Lender's Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or other documentation contemplated hereby pursuant to which such Lender shall have assumed its Commitment, as applicable.

“Communications” has the meaning assigned to such term in Section 9.01(e).

“Company” means Brown & Brown, Inc., a Florida corporation.

“Computation Date” is defined in Section 2.04.

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated EBITDA” means, with reference to any period, Consolidated Net Income for such period *plus*, without duplication and, other than with respect to the amounts described in clause (viii) below, to the extent deducted from revenues in determining Consolidated Net Income for such period, (i) consolidated interest expense and, to the extent not reflected in consolidated interest expense, amortization of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness or other financing activities and any losses on hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, (ii) taxes based on income or profits or capital, including federal, foreign, state, franchise, excise and similar taxes and foreign withholding taxes and foreign unreimbursed value added taxes of such Person payable or accrued (including in respect of repatriated funds and any penalties and interest related to such taxes or arising from any tax examinations), (iii) depreciation, (iv) amortization, (v) non-cash expenses, losses or charges, (vi) extraordinary, unusual or non-recurring cash expenses, losses or charges incurred, (vii) in connection with any Acquisition, disposition or restructuring (and any prospective Acquisition, disposition or restructuring which is not consummated), all cash restructuring costs, cash acquisition integration costs and fees, including cash severance payments, and cash fees and expenses paid in connection with such Acquisition or restructuring, all to the extent incurred within twelve (12) months of the completion of such Acquisition or restructuring and in an aggregate amount not to exceed twenty percent (20%) of Consolidated EBITDA during any period of four consecutive fiscal quarters prior to giving effect to this clause (vii), (viii) proceeds of business interruption insurance received during such period (solely to the extent not already reflected as revenue or income in the determination of Consolidated Net Income for such period), (ix) any expenses, fees, charges or losses related to the incurrence, issuance or repayment of Indebtedness (including, without limitation the Obligations and fees, costs and expenses in connection with the Transactions) and any amendment, waiver, consent, restatement, refinancing, repurchase, retirement, defeasance or other modification thereto), (x) expenses, charges and losses to the extent covered by indemnification or refunding provisions in any Acquisition document or any insurance to the extent reimbursed (or reasonably expected to be reimbursed), in each case to the extent that such indemnity, refunding or insurance coverage has not been denied and so long as such amounts are actually reimbursed to the Company or a Subsidiary in cash within two (2) fiscal quarters after the related amount is first added to Consolidated EBITDA pursuant to this clause (x) (and if not so reimbursed within two (2) fiscal quarters, such amount shall be deducted from Consolidated EBITDA during the next applicable period) and (xi) realized foreign exchange losses resulting from the impact of foreign currency changes on the valuation of assets or liabilities on the balance sheet of the Company and its Subsidiaries, *minus*, to the extent included in Consolidated Net Income, (1) interest income including any gains on hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk not otherwise netted from consolidated interest expense, (2) income tax credits and refunds (to the extent not netted from tax expense), (3) any cash payments made during such period in respect of items described in clause (v) above subsequent to the fiscal quarter in which the relevant non-cash expenses, losses or charges were incurred, (4) extraordinary, unusual or non-recurring income or gains realized other than in the ordinary course of business, (5) non-cash income or gains and (6) realized foreign exchange income or gains resulting from the impact of foreign currency changes on the valuation of assets or liabilities on the balance sheet of the Company and its Subsidiaries, all calculated for the Company and its Subsidiaries in accordance with GAAP on a consolidated basis. For the purposes of calculating Consolidated EBITDA for any period of four consecutive fiscal quarters (each such period, a “Reference Period”), (i) if at any time during such Reference Period the Company or any Subsidiary shall have made any disposition, the Consolidated EBITDA for such Reference Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the property that is the subject of such disposition for such Reference Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such Reference Period, and (ii) if during such Reference Period the Company or any Subsidiary shall have made an Acquisition, Consolidated EBITDA for such Reference Period shall be calculated after giving effect thereto on a pro forma basis (for the avoidance of doubt, in accordance with Section 1.04(b)) as if such Acquisition occurred on the first day of such Reference Period. In addition and without duplication of the foregoing, Consolidated EBITDA for

any Reference Period in which an Acquisition or other applicable transaction has occurred or is otherwise implicated (as described below) shall be calculated by including (x) cost savings, operating expense reductions and synergies to the extent permitted to be reflected in pro forma financial information under Rule 11-02 of Regulation S-X under the Securities Act for such period and (y) other cost savings, operating expense reductions and synergies projected by the Company in good faith to be realized as a result of specified actions taken, committed to be taken or expected to be taken (calculated on a pro forma basis as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and if such cost savings, operating expense reductions and synergies were realized during the entirety of such period), in each case relating to the applicable Acquisition, disposition or other transaction, net of the amount of actual benefits realized during such period from such actions (such cost savings and synergies described in this clause (y), “Specified Transaction Adjustments”); provided that (A) such Specified Transaction Adjustments are reasonably identifiable, quantifiable and factually supportable in the good faith judgment of the Company and are set forth in reasonable detail in a certificate of a responsible officer of the Company delivered to the Administrative Agent, (B) such actions are taken, committed to be taken or expected to be taken no later than twelve (12) months after the date of such Acquisition disposition or other transaction, (C) no amounts shall be added pursuant to this clause (y) to the extent duplicative of any amounts that are otherwise added back in calculating Consolidated EBITDA, whether through a pro forma adjustment or otherwise, with respect to any period and (D) the aggregate amount of any Specified Transaction Adjustments for any such period shall not exceed 15% of Consolidated EBITDA for the applicable period prior to giving effect to this clause (y).

“Consolidated Interest Expense” means, with reference to any period, the interest expense (including without limitation interest expense under Capital Lease Obligations that is treated as interest in accordance with GAAP) of the Company and its Subsidiaries paid in cash and calculated on a consolidated basis for such period with respect to all outstanding Indebtedness of the Company and its Subsidiaries allocable to such period in accordance with GAAP (including, without limitation, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers acceptance financing); provided that (i) Consolidated Interest Expense shall not include any debt discount, premium payments (including original issue discount or upfront fees), underwriting, arrangement, agency or other similar financing fees including without limitation, amount payable under Section 2.12(c), and (ii) Consolidated Interest Expense shall be calculated after giving effect to any applicable hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk. In the event that the Company or any Subsidiary shall have completed an Acquisition or a disposition since the beginning of the relevant period, Consolidated Interest Expense shall be determined for such period on a pro forma basis (for the avoidance of doubt, in accordance with Section 1.04(b)) as if such Acquisition or disposition, and any related incurrence or repayment of Indebtedness, had occurred at the beginning of such period.

“Consolidated Net Income” means, with reference to any period, the net income (or loss) of the Company and its Subsidiaries calculated in accordance with GAAP on a consolidated basis (without duplication) for such period; provided that there shall be excluded: (i) any income (or loss) of any Person other than the Company or a Subsidiary (except in accordance with Section 1.04 hereof), but any such income so excluded may be included in such period or any later period to the extent of any cash dividends or distributions actually paid in the relevant period to the Company or any Subsidiary of the Company, (ii) the cumulative effect of a change in accounting principles during such period, to the extent included in such net income (loss), (iii) any earnouts, purchase price adjustments or similar obligations in connection with any acquisition, investment, asset disposition or sale of any Subsidiary of the Company (unless such obligations remain unpaid after the date which is sixty (60) days prior to the date such obligations become due and payable), (iv) the after-tax effect of any income (or loss) for such period attributable to the early extinguishment of Indebtedness (or any cancellation of Indebtedness) and (v) income (loss) attributable to deferred compensation plans or trusts.

“Consolidated Net Indebtedness” means, at any time, the sum of (a) Consolidated Total Indebtedness at such time, *minus* (b) the Applicable Cash Percentage of unrestricted and unencumbered cash and Cash Equivalents maintained by the Company and its Subsidiaries in North America in an aggregate amount that is in excess of \$50,000,000 at such time. As used herein, “Applicable Cash Percentage” means (i) 100%, in the case of cash and Cash Equivalents maintained in the United States of America and (ii) 100% *less* the applicable combined federal and state marginal income tax rate (taking into account the federal deduction for state income taxes and available tax credits) that would be imposed on the Company or applicable Subsidiary in the case of, and with respect to, the repatriation of such cash and Cash Equivalents to the United States of America, in the case of cash and Cash Equivalents maintained in Canada or Mexico.

“Consolidated Total Assets” means, as of the date of any determination thereof, the total assets of the Company and its Subsidiaries calculated in accordance with GAAP on a consolidated basis as of such date.

“Consolidated Total Indebtedness” means, at any time, the sum, without duplication, of (a) the aggregate Indebtedness (of the type described in clauses (a), (b), (d) (subject to the last sentence of the definition thereof) and (g) of the definition thereof) of the Company and its Subsidiaries calculated on a consolidated basis as of such time in accordance with GAAP, (b) the aggregate amount drawn but unreimbursed and unsecured under letters of credit and bankers acceptances for which the Company or its Subsidiaries are responsible and (c) Indebtedness of the type referred to in clauses (a) or (b) hereof of another Person guaranteed by the Company or any of its Subsidiaries; provided that, for the avoidance of doubt, Consolidated Total Indebtedness shall not include obligations under hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms “Controlling” and “Controlled” have meanings correlative thereto.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Co-Syndication Agents” means each of Bank of America, N.A., BMO Harris Bank N.A. and Truist Bank in its capacity as a co-syndication agent for the credit facilities evidenced by this Agreement.

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning assigned to it in Section 9.18.

“Credit Event” means a Borrowing, the issuance, amendment, increase or extension of a Letter of Credit or any of the foregoing.

“Credit Exposure” means, as to any Lender at any time, the sum of (a) such Lender’s Revolving Credit Exposure at such time, plus (b) an amount equal to the aggregate principal amount of its Term Loans outstanding at such time.

“Credit Party” means the Administrative Agent, any Issuing Bank or any other Lender.

“Daily Simple RFR” means, for any day (an “RFR Interest Day”), an interest rate per annum equal to the greater of (a) for any RFR Loan denominated in Pounds Sterling, SONIA for the day that is five (5) RFR Business Days prior to (A) if such RFR Interest Day is a RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not a RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day and (b) 0%. Any change in Daily Simple RFR due to a change in the applicable RFR shall be effective from and including the effective date of such change in the RFR without notice to the Borrower.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to SOFR for the day that is five (5) RFR Business Days prior to (i) if such SOFR Rate Day is an RFR Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Company.

“Default” means any event or condition described in Article VII which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Company or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party’s receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action.

“Departing Lenders” means each “Non-Consenting Lender” under and as defined in the Existing Credit Agreement with respect to the amendment and restatement of the Existing Credit Agreement evidenced hereby.

“Dollar Amount” of any amount of any currency means, at the time of determination thereof, (a) if such amount is expressed in Dollars, such amount, (b) if such amount is expressed in a Foreign Currency, the equivalent of such amount in Dollars determined by using the rate of exchange for the purchase of Dollars with such Foreign Currency last provided (either by publication or otherwise provided to the Administrative Agent) by the applicable Reuters source on the Business Day (New York City time) immediately preceding the date of determination or if such service ceases to be available or ceases to provide a rate of exchange for the purchase of Dollars with such Foreign Currency, as provided by such other publicly available information service which provides that rate of exchange at such time in place of Reuters chosen by the Administrative Agent in its reasonable discretion (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the Administrative Agent, in consultation with the Company, using any method of determination it deems reasonably appropriate) and (c) if such amount is denominated in any other currency, the equivalent of such amount in Dollars as determined by the Administrative Agent, in consultation with the Company, using any method of determination it deems reasonably appropriate.

“Dollars” or “\$” refers to lawful money of the United States of America.

“Domestic Subsidiary” means a Subsidiary organized under the laws of a jurisdiction located in the United States of America.

“Early Opt-in Election” means, if the then current Benchmark with respect to Dollars is the LIBO Rate, the occurrence of:

(1) a notification by the Administrative Agent to (or the request by the Company to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Administrative Agent and the Company to trigger a fallback from the LIBO Rate and the provision, as applicable, by the Administrative Agent of written notice of such election to the Company and the Lenders.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“Electronic System” means any electronic system, including e-mail, e-fax, Syndtrak, Intralinks®, DebtDomain, ClearPar® and any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent and any Issuing Bank and any of its respective Related Parties or any other Person, providing for access to data protected by passcodes or other security system.

“Eligible Subsidiary” means any Subsidiary that is approved (such approval not to be unreasonably withheld or delayed) from time to time by the Administrative Agent and each of the Lenders.

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to health and safety matters.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Company or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing, but excluding any debt securities convertible into any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations formally promulgated thereunder, through notice and comment rulemaking.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the Company, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(a)(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the failure to satisfy the “minimum funding standard” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Company or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Company or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Company or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal (as those terms are

defined in Part I of Subtitle E of Title IV of ERISA) of the Company or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by the Company or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Company or any ERISA Affiliate of any notice, concerning the imposition upon the Company or any of its ERISA Affiliates of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“EURIBO Interpolated Rate” means, at any time, with respect to any Eurocurrency Borrowing denominated in euro and for any Interest Period, the rate per annum determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the EURIBO Screen Rate for the longest period (for which the EURIBO Screen Rate is available for euro) that is shorter than the Impacted EURIBO Rate Interest Period; and (b) the EURIBO Screen Rate for the shortest period (for which the EURIBO Screen Rate is available for euro) that exceeds the Impacted EURIBO Rate Interest Period, in each case, at such time; provided that, if any EURIBO Interpolated Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“EURIBO Rate” means, with respect to any Eurocurrency Borrowing denominated in euro and for any Interest Period, the EURIBO Screen Rate at approximately 11:00 a.m., Brussels time, two (2) TARGET Days prior to the commencement of such Interest Period; provided that, if the EURIBO Screen Rate shall not be available at such time for such Interest Period (an “Impacted EURIBO Rate Interest Period”) with respect to euro then the EURIBO Rate shall be the EURIBO Interpolated Rate.

“EURIBO Screen Rate” means, for any day and time, with respect to any Eurocurrency Borrowing denominated in euro and for any Interest Period, the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of such rate) for euro for the relevant period displayed on page EURIBOR01 of the Reuters screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters. If such page or service ceases to be available, the Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Company. If the EURIBO Screen Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“EURIBOR” has the meaning assigned to such term in Section 1.07.

“euro” and/or “EUR” means the single currency of the Participating Member States.

“Eurocurrency”, when used in reference to a currency means an Agreed Currency and when used in reference to any Loan or Borrowing, means that such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the Adjusted LIBO Rate, the Adjusted EURIBO Rate or the Adjusted CDOR Rate.

“Eurocurrency Payment Office” of the Administrative Agent means, for each Foreign Currency, the office, branch, affiliate or correspondent bank of the Administrative Agent for such currency as specified from time to time by the Administrative Agent to the Company and each Lender.

“Event of Default” has the meaning assigned to such term in Article VII.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan, Letter of Credit or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan, Letter of Credit or Commitment (other than pursuant to an assignment request by any Borrower under Section 2.19(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender acquired the applicable interest in a Loan, Letter of Credit or Commitment or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.17(f) notwithstanding such Recipient’s legal ability to do so and (d) any withholding Taxes imposed under FATCA.

“Existing Credit Agreement” has the meaning assigned to such term in the recitals hereto.

“Existing Loans” has the meaning assigned to such term in Section 2.01.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“FCA” has the meaning assigned to such term in Section 1.07.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions (as determined in such manner as shall be set forth on the NYFRB’s Website from time to time) and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that, if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Financial Officer” means the chief financial officer, principal accounting officer, treasurer or controller of the Company.

“Financials” means the annual or quarterly financial statements, and accompanying certificates and other documents, of the Company and its Subsidiaries required to be delivered pursuant to Section 5.01(a) or 5.01(b).

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the LIBO Rate, the EURIBO Rate, the CDOR Rate or the Daily Simple RFR, as applicable.

“Foreign Currencies” means Agreed Currencies other than Dollars.

“Foreign Currency LC Exposure” means, at any time, the sum of (a) the Dollar Amount of the aggregate undrawn and unexpired amount of all outstanding Foreign Currency Letters of Credit at such time plus (b) the aggregate principal Dollar Amount of all LC Disbursements in respect of Foreign Currency Letters of Credit that have not yet been reimbursed at such time.

“Foreign Currency Letter of Credit” means a Letter of Credit denominated in a Foreign Currency.

“Foreign Lender” means (a) if the applicable Borrower is a U.S. Person, a Lender, with respect to such Borrower, that is not a U.S. Person, and (b) if the applicable Borrower is not a U.S. Person, a Lender, with respect to such Borrower, that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes.

“Foreign Subsidiary” means any Subsidiary which is not a Domestic Subsidiary.

“GAAP” means generally accepted accounting principles in the United States of America.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; provided, that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Impacted CDOR Rate Interest Period” has the meaning assigned to such term in the definition of “CDOR Rate”.

“Impacted EURIBO Rate Interest Period” has the meaning assigned to such term in the definition of “EURIBO Rate”.

“Impacted LIBO Rate Interest Period” has the meaning assigned to such term in the definition of “LIBO Rate”.

“Increasing Lender” has the meaning assigned to such term in Section 2.20.

“Incremental Term Loan” has the meaning assigned to such term in Section 2.20.

“Incremental Term Loan Amendment” has the meaning assigned to such term in Section 2.20.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding accounts payable incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness, described in the other clauses of this definition, of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances and (j) all obligations of such Person under Sale and Leaseback Transactions. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is directly liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. Notwithstanding the foregoing, Indebtedness shall not include (i) deferred or prepaid revenue, (ii) earnouts, purchase price adjustments, purchase price holdbacks and similar payments payable in connection with an Acquisition (unless such obligations remain unpaid after the date which is sixty (60) days prior to the date such obligations become due and payable), (iii) Intercompany Loans or the practice of the Company in the normal course of “sweeping” cash accounts from its “branches” (i.e., subsidiaries) to centralize the cash operations of the Company and its Subsidiaries and (iv) netting services or overdraft protections which do not remain outstanding for a period in excess of ten Business Days after payment is due therefor.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a) hereof, Other Taxes.

“Indemnitee” has the meaning assigned to such term in Section 9.03(b).

“Index Debt” means senior, unsecured, long-term indebtedness for borrowed money of the Company that is not Guaranteed by any other person or entity or subject to any other credit enhancement.

“Ineligible Institution” has the meaning assigned to such term in Section 9.04(b).

“Information” has the meaning assigned to such term in Section 9.12.

“Information Memorandum” means the Confidential Information Memorandum dated September 2021 relating to the Company and the Transactions.

“Insurance Company Payables” means payables due an insurance company from the Company or any of its Subsidiaries which arise from time to time in the ordinary and normal course of business.

“Intercompany Loans” means loans or other extensions of credit from time to time made by the Company to any of its Subsidiaries or by any Subsidiary to the Company or any other Subsidiary.

“Interest Election Request” means a request by the applicable Borrower (or the Company on behalf of the applicable Borrower) to convert or continue a Borrowing in accordance with Section 2.08, which shall be substantially in the form attached hereto as Exhibit H-2 or any other form approved by the Administrative Agent.

“Interest Payment Date” means (a) with respect to any ABR Loan, the last day of each March, June, September and December and the applicable Maturity Date, (b) with respect to any RFR Loan, each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such RFR Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and the applicable Maturity Date and (c) with respect to any Eurocurrency Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurocurrency Borrowing with an Interest Period of more than three months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period and the applicable Maturity Date.

“Interest Period” means with respect to any Eurocurrency Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the applicable Borrower (or the Company on behalf of the applicable Borrower) may elect; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period; provided further that, solely for purposes of the initial Interest Period applicable Existing Loans as of the Effective Date, such Interest Period shall be deemed to commence on the Effective Date and end on October 29, 2021 and (iii) no tenor in respect of any Benchmark that has been removed from this definition pursuant to Section 2.14(f) shall be available for specification in such Borrowing Request or Interest Election Request for such Benchmark. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“IRS” means the United States Internal Revenue Service.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“Issuing Bank” means (a) JPMorgan Chase Bank, N.A., (b) Bank of America, N.A., (c) BMO Harris Bank N.A. and (d) Truist Bank, each in its capacity as an issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.06(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank (so long as the beneficiary of any such Letter of Credit has consented (such consent not to be unreasonably withheld or delayed) to such Letter of Credit being issued by such Affiliate), in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

“Joint Bookrunner” means each of JPMorgan Chase Bank, N.A., BofA Securities, Inc., BMO Capital Markets Corp. and Truist Securities, Inc. in its capacity as a joint bookrunner for the credit facilities evidenced by this Agreement.

“LC Collateral Account” has the meaning assigned to such term in Section 2.06(j).

“LC Disbursement” means a payment made by any Issuing Bank pursuant to a Letter of Credit.

“LC Exposure” means, at any time, the sum of (a) the aggregate undrawn Dollar Amount of all outstanding Letters of Credit at such time plus (b) the aggregate Dollar Amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Company at such time. The LC Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Article 29(a) of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600 (or such later version thereof as may be in effect at the applicable time) or Rule 3.13 or Rule 3.14 of the International Standby Practices, International Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time) or similar terms of the Letter of Credit itself, or if compliant documents have been presented but not yet honored, such Letter of Credit shall be deemed to be “outstanding” and “undrawn” in the amount so remaining available to be paid, and the obligations of the relevant Borrower and each Revolving Lender shall remain in full force and effect until the relevant Issuing Bank and the Revolving Lenders shall have no further obligations to make any payments or disbursements under any circumstances with respect to any Letter of Credit.

“Lender Parent” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

“Lender-Related Person” has the meaning assigned to such term in Section 9.03(d).

“Lenders” means the Persons listed on Schedule 2.01 and any other Person that shall have become a Lender hereunder pursuant to Section 2.20 or pursuant to an Assignment and Assumption or other documentation contemplated thereby, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or other documentation contemplated thereby. Unless the context otherwise requires, the term “Lenders” includes each Issuing Bank. For the avoidance of doubt, the term “Lenders” excludes the Departing Lenders.

“Letter of Credit” means any letter of credit issued pursuant to this Agreement.

“Letter of Credit Agreement” has the meaning assigned to such term in Section 2.06(b).

“Liabilities” means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

“LIBO Interpolated Rate” means, at any time, with respect to any Eurocurrency Borrowing denominated in Dollars and for any Interest Period, the rate per annum determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period (for which the LIBO Screen Rate is available for Dollars) that is shorter than the Impacted LIBO Rate Interest Period; and (b) the LIBO Screen Rate for the shortest period (for which the LIBO Screen Rate is available for Dollars) that exceeds the Impacted LIBO Rate Interest Period, in each case, at such time; provided that if any LIBO Interpolated Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“LIBO Rate” means, with respect to any Eurocurrency Borrowing denominated in Dollars and for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period; provided that if the LIBO Screen Rate shall not be available at such time for such Interest Period (an “Impacted LIBO Rate Interest Period”) with respect to Dollars then the LIBO Rate shall be the LIBO Interpolated Rate.

“LIBO Screen Rate” means, for any day and time, with respect to any Eurocurrency Borrowing denominated in Dollars and for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for Dollars for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that if the LIBO Screen Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“LIBOR” has the meaning assigned to such term in Section 1.07.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

“Loan Documents” means this Agreement, each Borrowing Subsidiary Agreement, each Borrowing Subsidiary Termination, any promissory notes issued pursuant to Section 2.10(e), any Letter of Credit applications, Letter of Credit Agreements and any other agreements between the Company and an Issuing Bank regarding the respective rights and obligations between the Company and an Issuing Bank in connection with the issuance of Letters of Credit, and all other instruments and documents executed and delivered in accordance with the terms of this Agreement.

“Loan Parties” means the Borrowers.

“Loans” means the loans made by the Lenders to the Borrowers pursuant to this Agreement.

“Local Time” means (i) New York City time in the case of a Loan, Borrowing or LC Disbursement denominated in Dollars and (ii) local time in the case of a Loan, Borrowing or LC Disbursement denominated in a Foreign Currency (it being understood that such local time shall mean (a) London, England time with respect to any Foreign Currency (other than euro and Canadian Dollars), (b) Brussels, Belgium time with respect to euro and (c) Toronto, Canada time with respect to Canadian Dollars, in each case of the foregoing clauses (a), (b) and (c) unless otherwise notified by the Administrative Agent).

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, operations or financial condition of the Company and the Subsidiaries taken as a whole, (b) the ability of any Borrower to perform any of its payment or other material obligations under this Agreement or (c) the rights or remedies of the Administrative Agent and the Lenders under the Loan Documents.

“Material Indebtedness” means Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of any one or more of the Company and its

Subsidiaries in an aggregate principal amount exceeding \$100,000,000. For purposes of determining Material Indebtedness, the “principal amount” of the obligations of the Company or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Company or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

“Material Subsidiary” means each Subsidiary of the Company which, as of the most recent fiscal quarter of the Company, for the period of four consecutive fiscal quarters then ended, for which financial statements have been delivered pursuant to Section 5.01(a) or (b) (or, if prior to the date of the delivery of the first financial statements to be delivered pursuant to Section 5.01(a) or (b), the most recent financial statements referred to in Section 3.04(a)), contributed greater than five percent (5%) of the revenues of the Company and its Subsidiaries on a consolidated basis for such period.

“Maturity Date” means the Revolving Credit Maturity Date or the Term Loan Maturity Date, as the case may be.

“Maximum Rate” has the meaning assigned to such term in Section 9.14.

“Moody’s” means Moody’s Investors Service, Inc.

“Multiemployer Plan” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which the Company or an ERISA Affiliate is making, is obligated to make, or has been obligated to make during the last six years, contributions on behalf of participants who are or were employed by the Company or ERISA Affiliate.

“Net Leverage Ratio” has the meaning assigned to such term in Section 6.05(a).

“Non-Consenting Lender” has the meaning assigned to such term in Section 9.02(d).

“NYFRB” means the Federal Reserve Bank of New York.

“NYFRB Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m., New York City time, on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“NYFRB’s Website” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“Obligations” means all unpaid principal of and accrued and unpaid interest on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations and indebtedness (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), obligations and liabilities of any of the Loan Parties to any of the Lenders, the Administrative Agent, any Issuing Bank or any indemnified party under this Agreement or any other Loan Document, individually or collectively, existing on the Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured,

arising by contract, operation of law or otherwise, arising or incurred under this Agreement or any of the other Loan Documents or in respect of any of the Loans made or reimbursement or other obligations incurred under any of the Letters of Credit.

“OFAC” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“Original Credit Agreement” means that certain Credit Agreement, dated April 16, 2014, by and among the Borrowers, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent thereunder (which Credit Agreement was amended and restated by the Existing Credit Agreement).

“Original Effective Date” means April 16, 2014.

“Other Benchmark Rate Election” means, with respect to any Loan denominated in Dollars, if the then-current Benchmark is the LIBO Rate, the occurrence of:

(a) a request by the Borrower to the Administrative Agent to notify each of the other parties hereto that, at the determination of the Borrower, Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed), in lieu of a LIBOR-based rate, a term benchmark rate as a benchmark rate, and

(b) the Administrative Agent, in its sole discretion, and the Borrower jointly elect to trigger a fallback from the LIBO Rate and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower and the Lenders.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan, Letter of Credit or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the NYFRB Rate and (b) with respect to any amount denominated in a Foreign Currency, the rate of interest per annum as determined by the Administrative Agent at which overnight or weekend deposits in the relevant currency (or if such amount due remains unpaid for more than three (3) Business Days, then for such other period of time as the Administrative Agent may elect) for delivery in immediately available and freely transferable funds would be offered by the Administrative Agent to major banks in the interbank market upon request of such major banks for the relevant currency as determined above and in an amount

comparable to the unpaid principal amount of the related Credit Event, plus any taxes, levies, imposts, duties, deductions, charges or withholdings imposed upon, or charged to, the Administrative Agent by any relevant correspondent bank in respect of such amount in such relevant currency.

“Participant” has the meaning assigned to such term in Section 9.04(c).

“Participant Register” has the meaning assigned to such term in Section 9.04(c).

“Participating Member State” means any member state of the European Union that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Union relating to economic and monetary union.

“Patriot Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“Payment” has the meaning assigned to such term in Section 9.20(a).

“Payment Notice” has the meaning assigned to such term in Section 9.20(b).

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Permitted Encumbrances” means:

(a) Liens imposed by any Governmental Authority for Taxes, assessments, governmental charges or similar obligations that are not yet due, remain payable without a penalty or are being contested in good faith and by appropriate proceedings;

(b) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s, construction contractors’ or and other like Liens, arising in the ordinary course of business and securing obligations that are not overdue by more than sixty (60) days or are being contested in good faith and by appropriate proceedings;

(c) pledges and deposits made (i) in the ordinary course of business in compliance with workers’ compensation, unemployment insurance and other social security laws or regulations or (ii) securing liability for customary reimbursement and indemnification obligations of insurance carriers or (iii) in connection with self-insurance programs;

(d) deposits to secure the performance of (i) bids, trade contracts, leases, statutory obligations, surety bonds, performance bonds, public utility agreements and other obligations of a like nature, in each case in the ordinary course of business, (ii) stay or appeal bonds, (iii) indemnity, performance or similar bonds in the ordinary course of business, (iv) in connection with contested amounts;

(e) judgment or attachment Liens that do not constitute an Event of Default under clause (k) of Article VII;

(f) easements, zoning restrictions, rights-of-way, and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Company or any Subsidiary;

(g) deposits for the benefit of a seller in connection with a proposed Acquisition pursuant to and in accordance with a letter of intent or acquisition or purchase agreement related thereto;

(h) leases, licenses, subleases or sublicenses granted to third parties in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Company or any Subsidiary; and

(i) other Liens incidental to the conduct of its business or the ownership of its assets which were not incurred in connection with the borrowing of money and which do not, in the aggregate, materially detract from the value of its assets or materially impair the use thereof in the operation of its business (including, without limitation, Liens with respect to leases, subleases, licenses and sublicenses, and liens of depository or collecting banks (including rights of set-off));

provided that the term “Permitted Encumbrances” shall not include any Lien securing Indebtedness.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Company or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

“Platform” means Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system chosen by the Administrative Agent to be its electronic transmission system.

“Pounds Sterling” means the lawful currency of the United Kingdom.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as reasonably determined by the Administrative Agent) or any similar release by the Board (as reasonably determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support” has the meaning assigned to it in Section 9.18.

“Recipient” means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

“Reference Time” with respect to any setting of the then-current Benchmark means (i) if such Benchmark is the LIBO Rate, 11:00 a.m., London time, on the day that is two (2) London banking days preceding the date of such setting, (ii) if such Benchmark is the EURIBO Rate, 11:00 a.m., Brussels time two (2) TARGET Days preceding the date of such setting, (iii) if the RFR for such Benchmark is SONIA, then five (5) Business Days prior to such setting or (iv) if such Benchmark is none of the LIBO Rate, the EURIBO Rate or SONIA, the time determined by the Administrative Agent in its reasonable discretion.

“Register” has the meaning assigned to such term in Section 9.04(b).

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents, advisors and representatives of such Person and such Person’s Affiliates.

“Relevant Governmental Body” means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board and/or the NYFRB, or a committee officially endorsed or convened by the Board and/or the NYFRB or, in each case, any successor thereto, (ii) with respect to a Benchmark Replacement in respect of Loans denominated in Pounds Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, (iii) with respect to a Benchmark Replacement in respect of Loans denominated in euro, the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or, in each case, any successor thereto and (iv) with respect to a Benchmark Replacement in respect of Loans denominated in any other currency, (a) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement or (b) any working group or committee officially endorsed or convened by (1) the central bank for the currency in which such Benchmark Replacement is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement, (3) a group of those central banks or other supervisors or (4) the Financial Stability Board or any part thereof.

“Relevant Rate” means (i) with respect to any Eurocurrency Borrowing denominated in Dollars, the LIBO Rate, (ii) with respect to any Eurocurrency Borrowing denominated in euro, the EURIBO Rate, (iii) with respect to any Eurocurrency Borrowing denominated in Canadian Dollars, the CDOR Rate or (iv) with respect to any Borrowing denominated in Pounds Sterling, the Daily Simple RFR, as applicable.

“Relevant Screen Rate” means (i) with respect to any Eurocurrency Borrowing denominated in Dollars, the LIBO Screen Rate, (ii) with respect to any Eurocurrency Borrowing denominated in euro, the EURIBO Screen Rate or (iii) with respect to any Eurocurrency Borrowing denominated in Canadian Dollars, the CDOR Screen Rate, as applicable.

“Required Lenders” means, at any time, Lenders having Credit Exposures and unused Commitments representing more than 50% of the sum of the total Credit Exposures and unused Commitments at such time.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means any of the chief executive officer, president, chief operating officer, treasurer, any other Financial Officer, general counsel or other chief legal officer of the Company.

“Reuters” means, as applicable, Thomson Reuters Corp., Refinitiv, or any successor thereto.

“Revolving Commitment” means, with respect to each Lender, the commitment, if any, to make Revolving Loans and to acquire participations in Letters of Credit hereunder, expressed as an amount representing the maximum aggregate amount of such Lender’s Revolving Credit Exposure hereunder, as such commitment may be (a) reduced or terminated from time to time pursuant to Section 2.09, (b) increased from time to time pursuant to Section 2.20 and (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender’s Revolving Commitment is set forth on Schedule 2.01, or in the applicable documentation pursuant to which such Lender shall have assumed its Revolving Commitment pursuant to the terms hereof, as applicable. The initial aggregate amount of the Revolving Lenders’ Revolving Commitments is \$800,000,000.

“Revolving Credit Exposure” means, with respect to any Lender at any time, the sum of the outstanding principal Dollar Amount of such Lender’s Revolving Loans and its LC Exposure at such time.

“Revolving Credit Maturity Date” means the date that occurs on the fifth (5th) anniversary of the Effective Date, subject to extension (in the case of each Revolving Lender consenting thereto) as provided in Section 2.24; provided, however, in each case, if such date is not a Business Day, the Revolving Credit Maturity Date shall be the next preceding Business Day.

“Revolving Lender” means, as of any date of determination, each Lender that has a Revolving Commitment or, if the Revolving Commitments have terminated or expired, a Lender with Revolving Credit Exposure.

“Revolving Loan” means a Loan made by a Revolving Lender pursuant to Section 2.01.

“RFR” means, for any RFR Loan denominated in Pounds Sterling, SONIA.

“RFR Administrator” means the SONIA Administrator.

“RFR Borrowing” means, as to any Borrowing, the RFR Loans comprising such Borrowing.

“RFR Business Day” means, for any Loan denominated in Pounds Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London.

“RFR Interest Day” has the meaning specified in the definition of “Daily Simple RFR”.

“RFR Loan” means a Loan that bears interest at a rate based on Daily Simple RFR.

“S&P” means S&P Global Ratings (formerly Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business).

“Sale and Leaseback Transaction” means any sale or other transfer of any property or asset by any Person with the intent to lease such property or asset as lessee.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state or Her Majesty’s Treasury of the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country, or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“Sanctions” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union, any European Union member state or Her Majesty’s Treasury of the United Kingdom.

“SEC” means the United States Securities and Exchange Commission.

“Secured Letter of Credit” means a Letter of Credit in respect of which the Company has deposited an amount in cash equal to 100% of the face amount of such Letter of Credit prior to the issuance thereof in the manner described in Section 2.06(j) and otherwise on terms and conditions reasonably acceptable to the applicable Issuing Bank and the Administrative Agent.

“Securities Act” means the United States Securities Act of 1933.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding Business Day.

“SOFR Administrator” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SONIA” means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator’s Website on the immediately succeeding Business Day.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator’s Website” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, Adjusted EURIBO Rate or Adjusted CDOR Rate, as applicable, for eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D of the Board) or any other reserve ratio or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans. Such reserve percentage shall include those imposed pursuant to Regulation D of the Board. Eurocurrency Loans shall

be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D of the Board or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“Subordinated Indebtedness” means any Indebtedness of the Company or any Subsidiary the payment of which is subordinated to payment of the obligations under the Loan Documents.

“subsidiary” means, with respect to any Person (the “parent”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, Controlled or held.

“Subsidiary” means any subsidiary of the Company.

“Subsidiary Borrower” means any Eligible Subsidiary that becomes a Subsidiary Borrower pursuant to Section 2.23 and that has not ceased to be a Subsidiary Borrower pursuant to such Section.

“Supported QFC” has the meaning assigned to it in Section 9.18.

“Swap Agreement” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Company or the Subsidiaries shall be a Swap Agreement.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

“TARGET Day” means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, reasonably determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in euro.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), value added taxes, or any other goods and services, use or sales taxes, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Lender” means, as of any date of determination, each Lender that holds Term Loans.

“Term Loan Commitment” means, as to any Term Lender, such Term Lender’s Applicable Percentage of the Term Loans.

“Term Loan Maturity Date” means the date that occurs on the fifth (5th) anniversary of the Effective Date, subject to extension (in the case of each Term Lender consenting thereto) as provided in Section 2.24; provided, however, in each case, if such date is not a Business Day, the Term Loan Maturity Date shall be the next preceding Business Day.

“Term Loans” means the term loans made by the Term Lenders to the Company on the Original Effective Date pursuant to the Original Credit Agreement. The aggregate outstanding principal amount of the Term Loans as of the Effective Date is \$250,000,000 and each Term Lender’s respective portion of the Term Loans on the Effective Date is set forth on Schedule 2.01.

“Term SOFR” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Term SOFR Notice” means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.

“Term SOFR Transition Event” means the determination by the Administrative Agent that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt-in Election, as applicable (and, for the avoidance of doubt, not in the case of an Other Benchmark Rate Election), has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.14 that is not Term SOFR.

“Transactions” means the execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents, the borrowing of Loans and other credit extensions, the use of proceeds thereof and the issuance of Letters of Credit hereunder.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, the Adjusted EURIBO Rate, the Adjusted CDOR Rate, the Alternate Base Rate or the Daily Simple RFR.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unsecured Letter of Credit” means a Letter of Credit that is not a Secured Letter of Credit.

“U.S. Person” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“U.S. Special Resolution Regime” has the meaning assigned to it in Section 9.18.

“U.S. Tax Compliance Certificate” has the meaning assigned to such term in Section 2.17(f)(ii)(B)(3).

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “Revolving Loan”) or by Type (e.g., a “Eurocurrency Loan” or an “RFR Loan”) or by Class and Type (e.g., a “Eurocurrency Revolving Loan” or an “RFR Revolving Loan”). Borrowings also may be classified and referred to by Class (e.g., a “Revolving Borrowing”) or by Type (e.g., a “Eurocurrency Borrowing” or an “RFR Borrowing”) or by Class and Type (e.g., a “Eurocurrency Revolving Borrowing” or an “RFR Revolving Borrowing”).

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The word “law” shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law), and all judgments, orders and decrees, of all Governmental Authorities. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.04. Accounting Terms; GAAP; Pro Forma Calculations. (a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Company notifies the

Administrative Agent that the Company requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Company that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Financial Accounting Standards Board Accounting Standards Codification 825 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Company or any Subsidiary at "fair value", as defined therein and (ii) without giving effect to any treatment of Indebtedness under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

(b) All pro forma computations required to be made hereunder giving effect to any Acquisition or disposition, or issuance, incurrence or assumption of Indebtedness, or other transaction shall in each case be calculated giving pro forma effect thereto (and, in the case of any pro forma computation made hereunder to determine whether such Acquisition, disposition, issuance, incurrence or assumption of Indebtedness, or other transaction is permitted to be consummated hereunder, to any other such transaction consummated since the first day of the period covered by any component of such pro forma computation and on or prior to the date of such computation) as if such transaction had occurred on the first day of the period of four consecutive fiscal quarters ending with the most recent fiscal quarter for which financial statements shall have been delivered pursuant to Section 5.01(a) or 5.01(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04(a)), including:

(i) all Indebtedness (whether under this Agreement or otherwise) and any other balance sheet adjustments incurred or made in connection with such Acquisition, if any, which shall be deemed to have been incurred or made on the first day of such period, and all Indebtedness of the Person to be acquired in such Acquisition which was repaid concurrently with the consummation of such Acquisition, if any, which shall be deemed to have been repaid on the first day of such period concurrently with the deemed incurrence of the Indebtedness, if any, incurred in connection with such Acquisition; and

(ii) if any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Swap Agreement applicable to such Indebtedness);

provided that, notwithstanding the foregoing, any of the determinations made pursuant to this Section 1.04(b) shall be made subject to the limitations set forth in the definition of Consolidated EBITDA.

SECTION 1.05. Status of Obligations. In the event that the Company or any other Loan Party shall at any time issue or have outstanding any Subordinated Indebtedness, the Company shall take or cause such other Loan Party to take all such actions as shall be necessary to cause the Obligations to constitute senior indebtedness (however denominated) in respect of such Subordinated Indebtedness and to enable the Administrative Agent and the Lenders to have and exercise any payment blockage or other

remedies available or potentially available to holders of senior indebtedness under the terms of such Subordinated Indebtedness. Without limiting the foregoing, the Obligations are hereby designated as “senior indebtedness” and as “designated senior indebtedness” and words of similar import under and in respect of any indenture or other agreement or instrument under which such Subordinated Indebtedness is outstanding and are further given all such other designations as shall be required under the terms of any such Subordinated Indebtedness in order that the Lenders may have and exercise any payment blockage or other remedies available or potentially available to holders of senior indebtedness under the terms of such Subordinated Indebtedness.

SECTION 1.06. Amendment and Restatement of the Existing Credit Agreement.

(a) The parties to this Agreement agree that, on the Effective Date, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to be, and shall not constitute, a novation. All Revolving Loans and Term Loans made, and Obligations incurred, under the Existing Credit Agreement which are outstanding on the Effective Date shall continue as Revolving Loans, Term Loans and Obligations, respectively, under (and shall be governed by the terms of) this Agreement and the other Loan Documents.

(b) Without limiting the foregoing, upon the effectiveness of the amendment and restatement contemplated hereby on the Effective Date:

(i) all references in the “Loan Documents” (as defined in the Existing Credit Agreement) to the “Administrative Agent”, the “Credit Agreement” and the “Loan Documents” shall be deemed to refer to the Administrative Agent, this Agreement and the Loan Documents;

(ii) the “Revolving Commitments” (as defined in the Existing Credit Agreement) shall be redesignated as Revolving Commitments hereunder as set forth on Schedule 2.01;

(iii) the “Term Loans” (as defined in the Existing Credit Agreement) shall be redesignated as Term Loans hereunder in such amounts as set forth on Schedule 2.01;

(iv) the Administrative Agent shall make such reallocations, sales, assignments or other relevant actions in respect of, in the case of a “Revolving Lender”, its “Revolving Commitments” and “Revolving Credit Exposure” and, in the case of a “Term Lender”, its “Term Loans” (each as defined in and in effect under the Existing Credit Agreement) as are necessary in order that each such Lender’s Revolving Credit Exposure and outstanding Term Loans hereunder reflects such Lender’s Applicable Percentage thereof on the Effective Date, and the Company and each Lender that was a Lender under the Existing Credit Agreement (constituting the “Required Lenders” under and as defined therein) hereby agrees (with effect immediately prior to the Effective Date) that (x) such reallocation, sales and assignments shall be deemed to have been effected by way of, and subject to the terms and conditions of, Assignment and Assumptions, without the payment of any related assignment fee, and, except for promissory notes requested by a Lender in accordance with the terms hereof, no other documents or instruments shall be, or shall be required to be, executed in connection with such assignments (all of which are hereby waived), (y) such reallocation shall satisfy the assignment provisions of Section 9.02(d)(i) of the Existing Credit Agreement and (z) in connection with such reallocation, the Borrower shall pay all interest and fees on the outstanding Loans accrued to the date hereof to the Administrative Agent for the account of the Lenders party hereto other than “breakage” costs waived pursuant to Section 1.06(vi)(y) below;

(v) for the avoidance of doubt, as a result of the immediately preceding clause (iv), the revolving loans and term loans previously made to the Borrowers by each Departing Lender under the Existing Credit Agreement which remain outstanding as of the date of this Agreement shall be repaid in full (accompanied by any accrued and unpaid interest and fees thereon and any losses, costs and expenses incurred by such Departing Lender under Section 2.16 of the Existing Credit Agreement), each Departing Lender's "Commitments" under the Existing Credit Agreement shall be terminated and each Departing Lender shall not be a Lender hereunder; and

(vi) each Lender who was a Lender under the Existing Credit Agreement hereby agrees to waive (x) any requirement under the Existing Credit Agreement for prior notice of any termination or reduction of Commitments under (and as defined in) the Existing Credit Agreement or prepayment of Loans outstanding under (and as defined in) the Existing Credit Agreement, in each case, to the extent required, to be made on the Effective Date as provided herein and (y) all losses, costs and expenses incurred by such Lender under Section 2.16 hereof in connection with the sale and assignment of any Eurocurrency Loans (including the "Eurocurrency Loans" under the Existing Credit Agreement) and such reallocation described in this Section 1.06.

SECTION 1.07. Interest Rates; LIBOR Notification. The interest rate on a Loan denominated in an Agreed Currency may be derived from an interest rate benchmark that is, or may in the future become, the subject of regulatory reform. Regulators have signaled the need to use alternative benchmark reference rates for some of these interest rate benchmarks and, as a result, such interest rate benchmarks may cease to comply with applicable laws and regulations, may be permanently discontinued, and/or the basis on which they are calculated may change. The London interbank offered rate ("LIBOR") is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. On March 5, 2021, the U.K. Financial Conduct Authority ("FCA") publicly announced that: immediately after December 31, 2021, publication of all seven euro LIBOR settings, all seven Swiss Franc LIBOR settings, the spot next, 1-week, 2-month and 12-month Japanese Yen LIBOR settings, the overnight, 1-week, 2-month and 12-month Pound Sterling LIBOR settings, and the 1-week and 2-month U.S. Dollar LIBOR settings will permanently cease; immediately after June 30, 2023, publication of the overnight and 12-month U.S. Dollar LIBOR settings will permanently cease; immediately after December 31, 2021, the 1-month, 3-month and 6-month Japanese Yen LIBOR settings and the 1-month, 3-month and 6-month Pound Sterling LIBOR settings will cease to be provided or, subject to consultation by the FCA, be provided on a changed methodology (or "synthetic") basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored; and immediately after June 30, 2023, the 1-month, 3-month and 6-month U.S. Dollar LIBOR settings will cease to be provided or, subject to the FCA's consideration of the case, be provided on a synthetic basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored. There is no assurance that dates announced by the FCA will not change or that the administrator of LIBOR and/or regulators will not take further action that could impact the availability, composition, or characteristics of LIBOR or the currencies and/or tenors for which LIBOR is published. Each party to this agreement should consult its own advisors to stay informed of any such developments. Public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of LIBOR. Upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event, an Early Opt-in Election or an Other Benchmark Rate Election, Section 2.14(b) and Section 2.14(c) provide a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Company, pursuant to Section 2.14(e), of any change to the reference rate upon which the interest rate on Eurocurrency Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to the Daily Simple RFR, LIBOR, EURIBOR or other rates in the definition of "LIBO Rate" (or "EURIBO Rate", or "CDOR Rate", as applicable) or with respect to any

alternative or successor rate thereto, or replacement rate thereof other than as expressly set forth herein (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.14(b) or Section 2.14(c), whether upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event, an Early Opt-in Election or an Other Benchmark Rate Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.14(d)), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the Daily Simple RFR, the LIBO Rate (or the EURIBO Rate, or the CDOR Rate, as applicable) or have the same volume or liquidity as did LIBOR (or the euro interbank offered rate (“EURIBOR”), or the Canadian Dollar offered rate (“CDOR”), as applicable) prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any Daily Simple RFR, any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Company. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any RFR, Daily Simple RFR or any rate with respect to any Eurocurrency Loan, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Company, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service except, solely with respect to the administration of such rate by the Administrative Agent, to the extent of direct and actual damages as are determined by a court of competent jurisdiction to have resulted from the Administrative Agent’s gross negligence or willful misconduct in its administration of such rate.

SECTION 1.08. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.09. Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the amount of such Letter of Credit available to be drawn at such time; provided that, with respect to any Letter of Credit that, by its terms or the terms of any Letter of Credit Agreement related thereto, provides for one or more automatic increases in the available amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum amount is available to be drawn at such time.

ARTICLE II

The Credits

SECTION 2.01. Re-Evidence of Existing Loans; Revolving Commitments. Prior to the Effective Date, certain term loans were previously made to the Company under the Existing Credit Agreement which remain outstanding as of the Effective Date (such outstanding loans being hereinafter referred to as the “Existing Loans”). Subject to the terms and conditions set forth in this Agreement, the parties hereto agree that on the Effective Date, but subject to the reallocation and other transactions described in Section 1.06, the Existing Loans shall be re-evidenced as Term Loans under this Agreement and the terms of the Existing Loans shall be restated in their entirety and shall be evidenced by this

Agreement. Furthermore, subject to the terms and conditions set forth herein, each Revolving Lender (severally and not jointly) agrees to make Revolving Loans to the Borrowers in Agreed Currencies from time to time during the Availability Period in an aggregate principal amount that will not result in, subject to Sections 2.04 and 2.11(b), (i) the Dollar Amount of such Lender's Revolving Credit Exposure exceeding such Lender's Revolving Commitment or (ii) the sum of the Dollar Amount of the total Revolving Credit Exposures exceeding the aggregate Revolving Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans. The Term Loans have been funded and may not be reborrowed. Amounts repaid or prepaid in respect of Term Loans may not be reborrowed.

SECTION 2.02. Loans and Borrowings. Each Loan shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the applicable Lenders ratably in accordance with their respective Commitments of the applicable Class. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required. The Term Loans shall amortize as set forth in Section 2.10.

(b) Subject to Section 2.14, each Revolving Borrowing and Term Loan Borrowing shall be comprised (i) in the case of Borrowings in Dollars, entirely of ABR Loans or Eurocurrency Loans and (ii) in the case of Borrowings in any other Agreed Currency, entirely of Eurocurrency Loans or RFR Loans, as applicable, in each case of the same Agreed Currency, as the relevant Borrower may request in accordance herewith; provided that each ABR Loan shall only be made in Dollars. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and in the case of an Affiliate, the provisions of Sections 2.14, 2.15, 2.16 and 2.17 shall apply to such Affiliate to the same extent as to such Lender); provided that any exercise of such option shall not affect the obligation of the relevant Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurocurrency Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 (or, if such Borrowing is denominated in a Foreign Currency, 1,000,000 units of such currency) and not less than \$1,000,000 (or, if such Borrowing is denominated in a Foreign Currency, 1,000,000 units of such currency). At the time that each ABR Borrowing and/or RFR Borrowing is made, such Borrowing shall be in an aggregate Dollar Amount that is an integral multiple of \$500,000 and not less than \$1,000,000; provided that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the aggregate Revolving Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e). Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of twelve (12) Eurocurrency Borrowings or RFR Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, no Borrower shall be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the applicable Maturity Date.

SECTION 2.03. Requests for Borrowings. To request a Borrowing, the applicable Borrower, or the Company on behalf of the applicable Borrower, shall notify the Administrative Agent of such request (a) by irrevocable written notice (via a written Borrowing Request signed by the Borrower) (i) in the case of a Eurocurrency Borrowing denominated in Dollars, not later than 11:00 a.m., New York City time, three (3) Business Days before the date of the proposed Borrowing, (ii) in the case of a Eurocurrency Borrowing denominated in euro or Canadian Dollars, not later than 11:00 a.m., New York City time, four (4) Business Days before the date of the proposed Borrowing and (iii) in the case of an RFR Borrowing

denominated in Pounds Sterling, not later than 11:00 a.m., New York City time, five (5) RFR Business Days before the date of the proposed Borrowing or (b) by irrevocable written notice (via a written Borrowing Request signed by the Borrower) in the case of an ABR Borrowing, not later than 12:00 noon, New York City time, on the date of the proposed Borrowing. Each such Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the name of the applicable Borrower;
- (ii) the Agreed Currency and aggregate principal amount of the requested Borrowing;
- (iii) the date of such Borrowing, which shall be a Business Day;
- (iv) whether such Borrowing is to be an ABR Borrowing, a Eurocurrency Borrowing or an RFR Borrowing;
- (v) in the case of a Eurocurrency Borrowing, the Agreed Currency and initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and
- (vi) the location and number of the applicable Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

Borrowing Requests submitted pursuant to this Section 2.03 may be delivered via email.

If no election as to the currency of a Borrowing is specified, then the requested Borrowing shall be made in Dollars. If no election as to the Type of Borrowing is specified, then, in the case of a Borrowing denominated in Dollars, the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurocurrency Borrowing, then the relevant Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04. Determination of Dollar Amounts. The Administrative Agent will determine the Dollar Amount of:

- (a) any Loan denominated in a Foreign Currency, on each of the following: (i) the date of the Borrowing of such Loan and (ii) (A) with respect to a Eurocurrency Loan, each date of a conversion or continuation of such Loan pursuant to the terms of this Agreement and (B) with respect to an RFR Loan, each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month),
- (b) any Letter of Credit denominated in a Foreign Currency, on each of the following: (i) the date on which such Letter of Credit is issued, (ii) the first Business Day of each calendar quarter and (iii) the date of any amendment of such Letter of Credit that has the effect of increasing the face amount thereof, and
- (c) any Credit Event, on any additional date as the Administrative Agent may determine at any time when an Event of Default exists.

Each day upon or as of which the Administrative Agent determines Dollar Amounts as described in the preceding clauses (a), (b) and (c) is herein described as a "Computation Date" with respect to each Credit Event for which a Dollar Amount is determined on or as of such day.

SECTION 2.05. [Intentionally Omitted].

SECTION 2.06. Letters of Credit. General. Subject to the terms and conditions set forth herein, the Company may request the issuance of Letters of Credit denominated in Agreed Currencies as the applicant thereof for the support of its or its Subsidiaries' obligations, in a form reasonably acceptable to the Administrative Agent and the relevant Issuing Bank, at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Company to, or entered into by the Company with, the relevant Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. No Issuing Bank shall be under any obligation to issue any Letter of Credit if (i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Bank from issuing such Letter of Credit, or any law applicable to such Issuing Bank shall prohibit, or require that such Issuing Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Bank is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon such Issuing Bank any unreimbursed loss, cost or expense that was not applicable on the Effective Date and that such Issuing Bank in good faith deems material to it or (ii) the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank applicable to letters of credit generally. The Company unconditionally and irrevocably agrees that, in connection with any Letter of Credit issued for the support of any Subsidiary's obligations as provided in the first sentence of this paragraph, the Company will be fully responsible for the reimbursement of LC Disbursements in accordance with the terms hereof, the payment of interest thereon and the payment of fees due under Section 2.12(b) to the same extent as if it were the sole account party in respect of such Letter of Credit (the Company hereby irrevocably waiving any defenses that might otherwise be available to it as a guarantor or surety of the obligations of such a Subsidiary that is an account party in respect of any such Letter of Credit).

(b) Notice of Issuance, Amendment, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment or extension of an outstanding Letter of Credit), the Company shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the relevant Issuing Bank) to the relevant Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment or extension, but in any event no less than three (3) Business Days) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended or extended, and specifying the date of issuance, amendment or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the Agreed Currency applicable thereto, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend or extend such Letter of Credit. In addition, as a condition to any such Letter of Credit issuance, the Company shall have entered into a continuing agreement (or other letter of credit agreement) for the issuance of letters of credit and/or shall submit a letter of credit application, in each case, as required by the applicable Issuing Bank and using such Issuing Bank's standard form (each, a "Letter of Credit Agreement"). In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any Letter of Credit Agreement, the terms and conditions of this Agreement shall control. A Letter of Credit shall be issued at the discretion of the applicable Issuing Bank following receipt of the relevant request delivered by the Company pursuant to this Section 2.06(b). In each case, a Letter of Credit shall be issued, amended or extended only if (and upon issuance, amendment or extension of each Letter of Credit the Company shall be deemed to represent and

warrant that), after giving effect to such issuance, amendment or extension subject to Sections 2.04 and 2.11(b), (i) the Dollar Amount of the LC Exposure shall not exceed \$50,000,000, (ii) the sum of the Dollar Amount of the total Revolving Credit Exposures shall not exceed the aggregate Revolving Commitments and (iii) the Dollar Amount of each Lender's Revolving Credit Exposure (solely in such Person's capacity as a Lender and not as an Issuing Bank) shall not exceed such Lender's Revolving Commitment.

(c) Expiration Date. Each Letter of Credit shall expire (or be subject to termination by notice from the applicable Issuing Bank to the beneficiary thereof) at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any extension thereof, one year after such extension) and (ii) the date that is five (5) Business Days prior to the Revolving Credit Maturity Date; provided that, if requested by the Company or a Subsidiary Borrower (or the Company on behalf of a Subsidiary Borrower), a Letter of Credit issued by such Issuing Bank may provide for the extension thereof for additional one year periods containing an expiry date of more than twelve months after the date of issuance (which expiry date shall not extend beyond the date referred to in the foregoing clause (ii)). Notwithstanding the foregoing, any Letter of Credit issued in the final year of this Agreement may expire no later than one year after the Revolving Credit Maturity Date so long as the Company cash collateralizes an amount equal to 105% of the face amount of such Letter of Credit, concurrently with the issuance of such Letter of Credit, in the manner described in Section 2.06(j) and otherwise on terms and conditions reasonably acceptable to the applicable Issuing Bank and the Administrative Agent.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the relevant Issuing Bank or the Revolving Lenders, the relevant Issuing Bank hereby grants to each Revolving Lender, and each Revolving Lender hereby acquires from the relevant Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the relevant Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Company on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Company for any reason, including after the Revolving Credit Maturity Date. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If the relevant Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Company shall reimburse such LC Disbursement by paying to the Administrative Agent in Dollars the Dollar Amount equal to such LC Disbursement, calculated as of the date such Issuing Bank made such LC Disbursement (or if such Issuing Bank shall so elect in its sole discretion by notice to the Company, in such other Agreed Currency which was paid by such Issuing Bank pursuant to such LC Disbursement in an amount equal to such LC Disbursement) not later than 12:00 noon, Local Time, on the Business Day following the date that the Company shall have received notice of such LC Disbursement; provided that the Company may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with (i) to the extent such LC Disbursement was made in Dollars, an ABR Revolving Borrowing or Eurocurrency Revolving Borrowing in Dollars in an amount equal to such LC Disbursement or (ii) to the extent that such LC Disbursement was made in a Foreign Currency, a Eurocurrency Revolving Borrowing in such Foreign Currency in an amount equal to such LC Disbursement and, in each case, to the extent so financed, the Company's obligation to

make such payment shall be discharged and replaced by the resulting ABR Revolving Borrowing or Eurocurrency Revolving Borrowing, as applicable. If the Company fails to make such payment when due, the Administrative Agent shall notify each Revolving Lender of the applicable LC Disbursement, the payment then due from the Company in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Revolving Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Company, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the relevant Issuing Bank the amounts so received by it from the Revolving Lenders. Promptly following receipt by the Administrative Agent of any payment from the Company pursuant to this paragraph, the Administrative Agent shall distribute such payment to the relevant Issuing Bank or, to the extent that Revolving Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Revolving Lender pursuant to this paragraph to reimburse the relevant Issuing Bank for any LC Disbursement (other than the funding of Revolving Loans as contemplated above) shall not constitute a Loan and shall not relieve the Company of its obligation to reimburse such LC Disbursement. If the Company's reimbursement of, or obligation to reimburse, any amounts in any Foreign Currency would subject the Administrative Agent, any Issuing Bank or any Lender to any stamp duty, ad valorem charge or similar tax that would not be payable if such reimbursement were made or required to be made in Dollars, the Company shall, at its option, either (x) pay the amount of any such tax requested by the Administrative Agent, the relevant Issuing Bank or the relevant Lender or (y) reimburse each LC Disbursement made in such Foreign Currency in Dollars, in an amount equal to the Dollar Amount thereof calculated on the date such LC Disbursement is made.

(f) Obligations Absolute. The Company's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, any Letter of Credit Agreement or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the relevant Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Company's obligations hereunder, or (v) any adverse change in the relevant exchange rates or in the availability of the relevant Foreign Currency to the Company or any Subsidiary or in the relevant currency markets generally. Neither the Administrative Agent, the Revolving Lenders nor the Issuing Banks, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms, any error in translation or any consequence arising from causes beyond the control of the relevant Issuing Bank; provided that the foregoing shall not be construed to excuse the relevant Issuing Bank from liability to the Company to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Company to the extent permitted by applicable law) suffered by the Company that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of any Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be

deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, each Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. Each Issuing Bank shall, within the time allowed by applicable law or the specific terms of the Letter of Credit following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. Each Issuing Bank shall promptly after such examination notify the Administrative Agent and the Company by telephone (confirmed by telecopy or email) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Company of its obligation to reimburse such Issuing Bank and the Revolving Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If any Issuing Bank shall make any LC Disbursement, then, unless the Company shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Company reimburses such LC Disbursement, at the rate per annum then applicable to ABR Revolving Loans (or in the case such LC Disbursement is denominated in a Foreign Currency, at the Overnight Rate for such Agreed Currency plus the then effective Applicable Rate with respect to Eurocurrency Revolving Loans) and such interest shall be due and payable on the date when such reimbursement is payable; provided that, if the Company fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(d) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the relevant Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement and Resignation of any Issuing Bank.

(i) Any Issuing Bank may be replaced at any time by written agreement among the Company, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Revolving Lenders of any such replacement of any Issuing Bank. At the time any such replacement shall become effective, the Company shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit then outstanding and issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit or extend or otherwise amend any existing Letter of Credit.

(ii) Subject to the appointment and acceptance of a successor Issuing Bank that is reasonably acceptable to the Company (provided that no such consent shall be required if an Event of Default under paragraphs (a), (b), (h) or (i) of Article VII shall have occurred and be continuing), the relevant Issuing Bank may resign as an Issuing Bank at any time upon thirty days' prior written

notice to the Administrative Agent, the Company and the Lenders, in which case, such Issuing Bank shall be replaced in accordance with Section 2.06(i)(i) above.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Company receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Revolving Loans has been accelerated, Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Company shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Revolving Lenders (the "LC Collateral Account"), an amount in cash equal to 105% of the Dollar Amount of the LC Exposure as of such date; provided that (i) the portions of such amount attributable to undrawn Foreign Currency Letters of Credit or LC Disbursements in a Foreign Currency that the Company is not late in reimbursing shall be deposited in the applicable Foreign Currencies in the actual amounts of such undrawn Letters of Credit and LC Disbursements and (ii) the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Company described in clause (h) or (i) of Article VII. For the purposes of this paragraph, the Foreign Currency LC Exposure shall be calculated using the applicable Dollar Amount on the date notice demanding cash collateralization is delivered to the Company. The Company also shall deposit cash collateral pursuant to this paragraph as and to the extent required by Section 2.11(b). Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Obligations. In addition, and without limiting the foregoing or Section 2.06(c), if any LC Exposure remains outstanding after the expiration date specified in Section 2.06(c), the Borrower shall immediately deposit into the LC Collateral Account an amount in cash equal to 105% of the Dollar Amount of such LC Exposure as of such date plus any accrued and unpaid interest thereon. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent in consultation with the Company and at the Company's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the relevant Issuing Bank for LC Disbursements for which it has not been reimbursed, together with related fees, costs and customary processing charges, and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Company for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other Obligations. If the Company is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Company (with accrued interest thereon, if applicable) within three (3) Business Days after all Events of Default have been cured or waived.

(k) Issuing Bank Agreements. Each Issuing Bank agrees that, unless otherwise requested by the Administrative Agent, such Issuing Bank shall report in writing to the Administrative Agent (i) on or prior to each Business Day on which such Issuing Bank expects to issue, amend or extend any Letter of Credit, the date of such issuance, amendment or extension, and the aggregate face amount and currency of the Letters of Credit to be issued, amended or extended by it and outstanding after giving effect to such issuance, amendment or extension occurred (and whether the amount thereof changed), (ii) on each Business Day on which such Issuing Bank pays any amount in respect of one or more drawings under Letters of Credit, the date of such payment(s) and the amount and currency of such payment(s), (iii) on any Business Day on which the Company fails to reimburse any amount required to be reimbursed to such Issuing Bank on such day, the date of such failure and the amount and currency of such payment in respect of Letters of Credit and (iv) on any other Business Day, such other information as the Administrative Agent shall reasonably request.

SECTION 2.07. Funding of Borrowings. Each Lender shall make each Revolving Loan to be made by it hereunder on the proposed date thereof solely by wire transfer of immediately available funds (i) in the case of Loans denominated in Dollars, by 1:00 p.m., New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders and (ii) in the case of each Loan denominated in a Foreign Currency, by 12:00 noon, Local Time, in the city of the Administrative Agent's Eurocurrency Payment Office for such currency and at such Eurocurrency Payment Office for such currency. The Administrative Agent will make such Loans available to the relevant Borrower by promptly crediting the amounts so received, in like funds, to (x) an account of such Borrower designated by such Borrower in the applicable Borrowing Request, in the case of Loans denominated in Dollars and (y) an account of such Borrower in the relevant jurisdiction and designated by such Borrower in the applicable Borrowing Request, in the case of Loans denominated in a Foreign Currency; provided that Revolving Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the relevant Issuing Bank.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing (or in the case of an ABR Borrowing, prior to 1:00 p.m., New York City time, on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the relevant Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and such Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the applicable Overnight Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of such Borrower, until the date of repayment thereof, at the interest rate applicable to such Loans; provided that if the Lender and a Borrower shall both pay such interest amounts, the amount paid by such Borrower shall be returned thereto. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.08. Interest Elections. Each Borrowing initially shall be of the Type and Agreed Currency specified in the applicable Borrowing Request and, in the case of a Eurocurrency Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the relevant Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurocurrency Borrowing, may elect Interest Periods therefor, all as provided in this Section. A Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, a Borrower, or the Company on its behalf, shall notify the Administrative Agent of such election (by irrevocable written notice (via an Interest Election Request signed by such Borrower, or the Company on its behalf) by the time that a Borrowing Request would be required under Section 2.03 if such Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Notwithstanding any contrary provision herein, this Section shall not be construed to permit any Borrower to (i) change the currency of any Borrowing, (ii) elect an Interest Period for Eurocurrency Loans that does not comply with Section 2.02(d) or (iii) convert any Borrowing to a Borrowing of a Type not available under the Class of Commitments pursuant to which such Borrowing was made.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the name of the applicable Borrower and the Agreed Currency and principal amount of the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurocurrency Borrowing; and

(iv) if the resulting Borrowing is a Eurocurrency Borrowing, the Interest Period and Agreed Currency to be applicable thereto after giving effect to such election, which Interest Period shall be a period contemplated by the definition of the term "Interest Period".

Interest Election Requests submitted pursuant to this Section 2.08 may be delivered via email.

If any such Interest Election Request requests a Eurocurrency Borrowing but does not specify an Interest Period, then the applicable Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the relevant Borrower fails to deliver a timely Interest Election Request with respect to a Eurocurrency Borrowing denominated in Dollars prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a Eurocurrency Borrowing in Dollars with an Interest Period of one month's duration. If the relevant Borrower fails to deliver a timely and complete Interest Election Request with respect to a Eurocurrency Borrowing denominated in a Foreign Currency prior to the end of the Interest Period therefor, then, unless such Eurocurrency Borrowing is repaid as provided herein, such Borrower shall be deemed to have selected that such Eurocurrency Borrowing shall automatically be continued as a Eurocurrency Borrowing in its original Agreed Currency with an Interest Period of one month at the end of such Interest Period. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Company, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Eurocurrency Borrowing and (ii) unless repaid, (x) each Eurocurrency Borrowing denominated in Dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto and (y) each Eurocurrency Borrowing denominated in a Foreign Currency shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected Eurocurrency Loans denominated in any Foreign Currency shall either be (A) converted to an ABR Borrowing denominated in Dollars (in an amount equal to the Dollar Amount of such Foreign Currency) at the end of the Interest Period therefor or (B) prepaid at the end of the applicable Interest Period in full; provided that if no election is made by the relevant Borrower by the earlier of (x) the date that is three (3) Business Days after receipt by the Company of such notice and (y) the last day of the

current Interest Period for the applicable Eurocurrency Loan, such Borrower shall be deemed to have elected clause (A) above.

SECTION 2.09. Termination and Reduction of Commitments. Unless previously terminated, all Revolving Commitments shall terminate on the Revolving Credit Maturity Date.

(b) The Company may at any time terminate, or from time to time reduce, the Revolving Commitments; provided that (i) each reduction of the Revolving Commitments shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Company shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, (A) the Dollar Amount of any Revolving Lender's Revolving Credit Exposure would exceed its Revolving Commitment or (B) the Dollar Amount of the sum of the Revolving Credit Exposures would exceed the aggregate Revolving Commitments.

(c) The Company shall notify the Administrative Agent of any election to terminate or reduce the Revolving Commitments under paragraph (b) of this Section at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Company pursuant to this Section shall be irrevocable; provided that a notice of termination of the Revolving Commitments delivered by the Company may state that such notice is conditioned upon the effectiveness of other credit facilities or other transactions specified therein, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Revolving Commitments shall be permanent. Each reduction of the Revolving Commitments shall be made ratably among the Lenders in accordance with their respective Revolving Commitments.

SECTION 2.10. Repayment and Amortization of Loans; Evidence of Debt. Each Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Revolving Lender the then unpaid principal amount of each Revolving Loan made to such Borrower on the Revolving Credit Maturity Date in the currency of such Loan. The Company shall repay Term Loans on each date set forth below in the aggregate principal amount set forth opposite such date (as adjusted from time to time pursuant to Section 2.11(a)):

<u>Date</u>	<u>Amount</u>
December 31, 2021	\$3,125,000
March 31, 2022	\$3,125,000
June 30, 2022	\$3,125,000
September 30, 2022	\$3,125,000
December 31, 2022	\$3,125,000
March 31, 2023	\$3,125,000
June 30, 2023	\$3,125,000
September 30, 2023	\$3,125,000
December 31, 2023 and the last day of each calendar quarter ending thereafter	\$6,250,000

To the extent not previously repaid, all unpaid Term Loans shall be paid in full in Dollars by the Company on the Term Loan Maturity Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Loan made by

such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Class, Agreed Currency and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein absent demonstrable error; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the Obligations.

(e) Any Lender may request that Loans made by it to any Borrower be evidenced by a promissory note. In such event, the relevant Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered permitted assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the payee named therein (or, if any such promissory note is a registered note, to such payee and its registered permitted assigns).

SECTION 2.11. Prepayment of Loans.

(a) Any Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with the provisions of this Section 2.11(a). The applicable Borrower, or the Company on behalf of the applicable Borrower, shall notify the Administrative Agent by written notice of any prepayment hereunder (i) (x) in the case of prepayment of a Eurocurrency Borrowing denominated in Dollars, not later than 11:00 a.m., New York City time, three (3) Business Days before the date of prepayment, (y) in the case of prepayment of a Eurocurrency Borrowing denominated in euro or Canadian Dollars, not later than 11:00 a.m., New York City time, four (4) Business Days before the date of prepayment and (z) in the case of prepayment of an RFR Borrowing denominated in Pounds Sterling, not later than 11:00 a.m., New York City time, five (5) RFR Business Days before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that a notice of prepayment delivered by the Company may state that such notice is conditioned upon the effectiveness of other credit facilities or other transactions specified therein, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Revolving Borrowing shall be applied ratably to the Revolving Loans included in the prepaid Revolving Borrowing and each voluntary prepayment of a Term Loan Borrowing shall be applied ratably to the Term Loans included in the prepaid Term Loan Borrowing in such order of application as directed by the Company. Prepayments shall be accompanied by (i) accrued interest to the extent required by Section 2.13 and (ii) break funding payments to the extent required by Section 2.16.

(b) If at any time, (i) other than as a result of fluctuations in currency exchange rates, the sum of the aggregate principal Dollar Amount of all of the Revolving Credit Exposures (calculated, with respect to those Obligations denominated in Foreign Currencies, as of the most recent Computation Date with respect thereto) exceeds the aggregate Revolving Commitments or (ii) solely as a result of fluctuations in currency exchange rates, the sum of the aggregate principal Dollar Amount of all of the Revolving Credit Exposures (calculated, with respect to those Obligations denominated in Foreign Currencies, as of the most recent Computation Date with respect thereto) exceeds 105% of the aggregate Revolving Commitments, the Borrowers shall in each case immediately repay Revolving Borrowings or cash collateralize LC Exposure in an account with the Administrative Agent pursuant to Section 2.06(j), as applicable, in an aggregate principal amount sufficient to cause the aggregate Dollar Amount of all Revolving Credit Exposures (so calculated) to be less than or equal to the aggregate Revolving Commitments.

SECTION 2.12. Fees. The Company agrees to pay to the Administrative Agent for the account of each Revolving Lender a facility fee, which shall accrue at the applicable Facility Fee Rate (as specified in the definition of Applicable Rate) on the average daily amount of the Revolving Commitment of such Lender (whether used or unused) during the period from and including the Effective Date to but excluding the date on which such Revolving Commitment terminates; provided that, if such Lender continues to have any Revolving Credit Exposure after its Revolving Commitment terminates, then such facility fee shall continue to accrue on the daily amount of such Lender's Revolving Credit Exposure from and including the date on which its Revolving Commitment terminates to but excluding the date on which such Lender ceases to have any Revolving Credit Exposure. Accrued facility fees shall be payable in arrears on the fifteenth (15th) day following the last day of March, June, September and December of each year and on the date on which the Revolving Commitments terminate, commencing on the first such date to occur after the Effective Date; provided that any facility fees accruing after the date on which the Revolving Commitments terminate shall be payable within one (1) Business Day following demand therefor. All facility fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day and the last day of each period but excluding the date on which the Revolving Commitments terminate).

(b) The Company agrees to pay (i) to the Administrative Agent for the account of each Revolving Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at (x) in the case of any Secured Letter of Credit, the rate equal to fifty percent (50%) of the same Applicable Rate used to determine the interest rate applicable to Eurocurrency Revolving Loans on the average daily Dollar Amount of such Lender's LC Exposure in respect of Secured Letters of Credit (excluding any portion thereof attributable to unreimbursed LC Disbursements in respect of Secured Letters of Credit) and (y) in the case of any Unsecured Letter of Credit, the same Applicable Rate used to determine the interest rate applicable to Eurocurrency Revolving Loans on the average daily Dollar Amount of such Lender's LC Exposure in respect of Unsecured Letters of Credit (excluding any portion thereof attributable to unreimbursed LC Disbursements in respect of Unsecured Letters of Credit), in each case during the period from and including the Effective Date to but excluding the later of the date on which such Revolving Lender's Revolving Commitment terminates and the date on which such Lender ceases to have any LC Exposure in respect of the applicable type of Letters of Credit and (ii) to the relevant Issuing Bank for its own account a fronting fee, which shall accrue at the rate per annum separately agreed between the Company and such Issuing Bank on the average daily Dollar Amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) attributable to Letters of Credit issued by such Issuing Bank during the period from and including the Effective Date to but excluding the later of the date of termination of the Revolving Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuing Bank's standard fees and commissions with respect to the issuance, amendment, cancellation, negotiation, transfer, presentment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on or prior to the

fifteenth (15th) day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Revolving Commitments terminate and any such fees accruing after the date on which the Revolving Commitments terminate shall be payable within one (1) Business Day following demand therefor. Any other fees payable to any Issuing Bank pursuant to this paragraph shall be payable within ten (10) days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Participation fees and fronting fees in respect of Letters of Credit denominated in Dollars shall be paid in Dollars, and participation fees and fronting fees in respect of Letters of Credit denominated in a Foreign Currency shall be paid in Dollars in the Dollar Amount thereof.

(c) The Company agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Company and the Administrative Agent.

(d) All fees payable hereunder shall be paid on the dates due, in Dollars (except as otherwise expressly provided in this Section 2.12) and immediately available funds, to the Administrative Agent (or to each Issuing Bank, in the case of fees payable to it) for distribution, in the case of facility fees and participation fees, to the applicable Lenders. Fees paid shall not be refundable under any circumstances.

SECTION 2.13. Interest. The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Eurocurrency Borrowing shall bear interest at the Adjusted LIBO Rate, the Adjusted EURIBO Rate or the Adjusted CDOR Rate, as applicable, for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Each RFR Loan shall bear interest at a rate per annum equal to the Daily Simple RFR plus the Applicable Rate.

(d) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by any Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(e) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and, in the case of Revolving Loans, upon termination of the Revolving Commitments; provided that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable within one (1) Business Day following demand therefor, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurocurrency Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) Interest computed by reference to the LIBO Rate or the EURIBO Rate hereunder shall be computed on the basis of a year of 360 days. Interest computed by reference to the Daily Simple RFR with respect to Pounds Sterling, the CDOR Rate or the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in

a leap year). In each case interest shall be payable for the actual number of days elapsed (including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. The applicable Alternate Base Rate, Adjusted LIBO Rate, LIBO Rate, Adjusted EURIBO Rate, EURIBO Rate, Adjusted CDOR Rate, CDOR Rate or Daily Simple RFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

(g) Interest in respect of Loans denominated in Dollars shall be paid in Dollars, and interest in respect of Loans denominated in a Foreign Currency shall be paid in such Foreign Currency.

SECTION 2.14. Alternate Rate of Interest.

(a) Subject to clauses (b), (c), (d), (e), (f) and (g) of this Section 2.14:

(i) if the Administrative Agent determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Eurocurrency Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate, the LIBO Rate, the Adjusted EURIBO Rate, the EURIBO Rate, the Adjusted CDOR Rate or the CDOR Rate (including because the Relevant Screen Rate is not available or published on a current basis), for the applicable Agreed Currency and such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Daily Simple RFR or RFR for the applicable Agreed Currency; or

(ii) if the Administrative Agent is advised by the Required Lenders that (A) prior to the commencement of any Interest Period for a Eurocurrency Borrowing, the Adjusted LIBO Rate, the LIBO Rate, the Adjusted EURIBO Rate, the EURIBO Rate, the Adjusted CDOR Rate or the CDOR Rate for the applicable Agreed Currency and such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for the applicable Agreed Currency and such Interest Period or (B) at any time, the applicable Daily Simple RFR or RFR for the applicable Agreed Currency will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for the applicable Agreed Currency;

then the Administrative Agent shall give notice thereof to the Company and the Lenders by telephone, telecopy or email as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurocurrency Borrowing in the applicable currency or for the applicable Interest Period, as the case may be, shall be ineffective, (ii) if any Borrowing Request requests a Eurocurrency Borrowing in Dollars, such Borrowing shall be made as an ABR Borrowing and (iii) if any Borrowing Request requests a Eurocurrency Borrowing or an RFR Borrowing for the relevant rate above in a Foreign Currency, then such request shall be ineffective; provided that if the circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Eurocurrency Loan or RFR Loan in any Agreed Currency is outstanding on the date of the Company's receipt of the notice from the Administrative Agent referred to in this Section 2.14(a) with respect to a Relevant Rate applicable to such Eurocurrency Loan or RFR Loan, then until the Administrative Agent notifies the Company and the Lenders that the circumstances giving rise to such notice no longer exist, (1) if such Eurocurrency Loan is denominated in Dollars, then on the last day of the Interest Period applicable to such Eurocurrency Loan (or the next succeeding Business Day if such day is not a Business Day), such Eurocurrency Loan shall be converted by the Administrative Agent to, and shall constitute, an ABR Loan denominated in Dollars on such day, (2) if such Eurocurrency Loan is denominated in any Agreed Currency other than Dollars, then

such Eurocurrency Loan shall, on the last day of the Interest Period applicable to such Eurocurrency Loan (or the next succeeding Business Day if such day is not a Business Day) bear interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected Eurocurrency Loans denominated in any Agreed Currency other than Dollars shall, at the relevant Borrower's election prior to such day: (A) be prepaid by such Borrower on such day or (B) solely for the purpose of calculating the interest rate applicable to such Eurocurrency Loan, such Eurocurrency Loan denominated in any Agreed Currency other than Dollars shall be deemed to be a Eurocurrency Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Eurocurrency Loans denominated in Dollars at such time or (3) if such RFR Loan is denominated in any Agreed Currency other than Dollars, then such RFR Loan shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected RFR Loans denominated in any Agreed Currency, at relevant Borrower's election, shall either (x) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Foreign Currency) immediately or (y) be prepaid in full immediately.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event, an Early Opt-in Election or an Other Benchmark Rate Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" with respect to Dollars for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" with respect to any Agreed Currency for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m., New York City time, on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, with respect to a Loan denominated in Dollars, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that, this clause (c) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Company a Term SOFR Notice. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term SOFR Notice after the occurrence of a Term SOFR Transition Event and may do so in its sole discretion.

(d) In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time

to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(e) The Administrative Agent will promptly notify the Company and the Lenders of (i) any occurrence of a Benchmark Transition Event, an Early Opt-in Election or an Other Benchmark Rate Election, as applicable, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(f) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR, the LIBO Rate, the EURIBO Rate or the CDOR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(g) Upon the Company's receipt of notice of the commencement of a Benchmark Unavailability Period, the relevant Borrower may revoke any request for a Eurocurrency Borrowing or RFR Borrowing of, conversion to or continuation of Eurocurrency Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, either (x) such Borrower will be deemed to have converted any request for a Eurocurrency Borrowing denominated in Dollars into a request for a Borrowing of or conversion to ABR Loans or (y) any request for a Eurocurrency Borrowing or an RFR Borrowing denominated in a Foreign Currency shall be ineffective. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Eurocurrency Loan or RFR Loan in any Agreed Currency is outstanding on the date of the Company's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Eurocurrency Loan or RFR Loan, then until such time as a Benchmark Replacement for such Agreed Currency is implemented pursuant to this Section 2.14, (i) if such Eurocurrency Loan is denominated in Dollars, then on the last day of the Interest Period applicable to such Eurocurrency Loan (or the next succeeding Business Day if such day is not a Business Day), such Eurocurrency Loan shall be converted by the Administrative Agent to, and shall constitute, an ABR Loan denominated in Dollars on such day, (ii) if such Eurocurrency Loan is denominated in any Agreed Currency other than Dollars, then such Eurocurrency Loan shall, on the last day of the Interest Period applicable to such Eurocurrency Loan (or the next succeeding Business Day if

such day is not a Business Day) bear interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected Eurocurrency Loans denominated in any Agreed Currency other than Dollars shall, at the relevant Borrower's election prior to such day: (A) be prepaid by such Borrower on such day or (B) solely for the purpose of calculating the interest rate applicable to such Eurocurrency Loan, such Eurocurrency Loan denominated in any Agreed Currency other than Dollars shall be deemed to be a Eurocurrency Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Eurocurrency Loans denominated in Dollars at such time or (iii) if such RFR Loan is denominated in any Agreed Currency other than Dollars, then such RFR Loan shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected RFR Loans denominated in any Agreed Currency, at the relevant Borrower's election, shall either (A) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Foreign Currency) immediately or (B) be prepaid in full immediately.

SECTION 2.15. Increased Costs. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate, the Adjusted EURIBO Rate or the Adjusted CDOR Rate, as applicable) or any Issuing Bank;

(ii) impose on any Lender or any Issuing Bank or the London or other applicable offshore interbank market for the applicable Agreed Currency any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing, converting or maintaining any Loan or of maintaining its obligation to make any such Loan or to increase the cost to such Lender, such Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender, such Issuing Bank or such other Recipient hereunder, whether of principal, interest or otherwise, then the applicable Borrower will pay to such Lender, such Issuing Bank or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, such Issuing Bank or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or any Issuing Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's or such Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and

the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy and liquidity), then from time to time the applicable Borrower will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or an Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Company and shall be conclusive absent manifest error. The Company shall pay, or cause the other Borrowers to pay, such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(d) Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Company shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Company of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.16. Break Funding Payments.

(a) With respect to Loans that are not RFR Loans, in the event of (i) the payment of any principal of any Eurocurrency Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or as a result of any prepayment pursuant to Section 2.11), (ii) the conversion of any Eurocurrency Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any Eurocurrency Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(a) and is revoked in accordance therewith), (iv) the assignment of any Eurocurrency Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Company pursuant to Section 2.19 or 9.02(d) or (v) the failure by any Borrower to make any payment of any Loan or drawing under any Letter of Credit (or interest due thereof) denominated in a Foreign Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the Borrowers shall compensate each Lender for the loss and any reasonable cost and expense attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (x) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate, the Adjusted EURIBO Rate or the Adjusted CDOR Rate, as applicable, (but excluding the margin) that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (y) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the relevant Agreed Currency of a comparable amount and period from other banks in the applicable offshore market for such Agreed Currency. A certificate of any Lender setting forth in reasonable detail any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the applicable Borrower and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(b) With respect to RFR Loans, in the event of (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default or as a result of any prepayment pursuant to Section 2.11), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(a) and is revoked in accordance therewith), (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Borrower pursuant to Section 2.19 or 9.02(d) or (iv) the failure by any Borrower to make any payment of any Loan or drawing under any Letter of Credit (or interest due thereof) denominated in a Foreign Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the Borrowers shall compensate each Lender for the loss and any reasonable cost and expense attributable to such event. A certificate of any Lender setting forth in reasonable detail any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the applicable Borrower and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

SECTION 2.17. Taxes. Payments Free of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.17) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Borrowers. The relevant Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(c) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.17, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Loan Parties. The Loan Parties shall indemnify each Recipient, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; provided that such Recipient provides the Company the original or a copy of a receipt evidencing payment thereof or other evidence reasonably acceptable to the Company. A certificate as to the amount of such payment or liability prepared in good faith and delivered to the relevant Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, in each case, accompanied by a written statement thereof setting forth in reasonable detail the basis and calculation of such amounts, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Status of Lenders. Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrowers and the Administrative Agent, at the time or times required by applicable law or as reasonably requested by the Borrowers or the Administrative Agent, such properly completed and executed documentation required by applicable law or as reasonably requested by the Borrowers or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if required by applicable law or as reasonably requested by the Borrowers or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrowers or the Administrative Agent as will enable the Borrowers or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Person:

(A) any Lender that is a U.S. Person shall deliver to such Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), an executed copy of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S.

federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) in the case of a Foreign Lender claiming that its extension of credit will generate U.S. effectively connected income, an executed copy of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of such Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable; or

(4) to the extent a Foreign Lender is not the beneficial owner, an executed copy of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit such Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to such Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to

determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Company and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.17 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(i) Defined Terms. For purposes of this Section 2.17, the term "Lender" includes each Issuing Bank and the term "applicable law" includes FATCA.

(j) Certain FATCA Matters. Solely for purposes of determining withholding Taxes imposed under FATCA, from and after the Effective Date, the Borrowers and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement and the Loans as not qualifying as "grandfathered obligations" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

SECTION 2.18. Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

(a) Each Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) prior to (i) in the case of payments denominated in Dollars, 12:00 noon, New York City time and (ii) in the case of payments denominated in a Foreign Currency, 12:00 noon, Local Time, in the city of the Administrative Agent's Eurocurrency Payment Office for such currency, in each case on the date when due, in immediately available funds, without set-off, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for

purposes of calculating interest thereon. All such payments shall be made (i) in the same currency in which the applicable Credit Event was made (or where such currency has been converted to euro, in euro) and (ii) to the Administrative Agent at its offices at 10 South Dearborn Street, Chicago, Illinois 60603 or, in the case of a Credit Event denominated in a Foreign Currency, the Administrative Agent's Eurocurrency Payment Office for such currency, except payments to be made directly to the relevant Issuing Bank as expressly provided herein and except that payments pursuant to Sections 2.15, 2.16, 2.17 and 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments denominated in the same currency received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. Notwithstanding the foregoing provisions of this Section, if, after the making of any Credit Event in any Foreign Currency, currency control or exchange regulations are imposed in the country which issues such currency with the result that the type of currency in which the Credit Event was made (the "Original Currency") no longer exists or any Borrower is not able to make payment to the Administrative Agent for the account of the Lenders in such Original Currency, then all payments to be made by such Borrower hereunder in such currency shall instead be made when due in Dollars in an amount equal to the Dollar Amount (as of the date of repayment) of such payment due, it being the intention of the parties hereto that the Borrowers take all risks of the imposition of any such currency control or exchange regulations.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) At the election of the Company, all payments of principal, interest, LC Disbursements, fees, premiums, reimbursable expenses (including, without limitation, all reimbursement for fees and expenses pursuant to Section 9.03), and other sums payable under the Loan Documents, may be paid from the proceeds of Borrowings made hereunder whether made following a request by a Borrower (or the Company on behalf of a Borrower) pursuant to Section 2.03 or a deemed request as provided in this Section or may be deducted from any deposit account of such Borrower maintained with the Administrative Agent. Each Borrower hereby irrevocably authorizes, at the Company's request, (i) the Administrative Agent to make a Borrowing for the purpose of paying each payment of principal, interest and fees as it becomes due hereunder or any other amount due under the Loan Documents and agrees that all such amounts charged shall constitute Loans and that all such Borrowings shall be deemed to have been requested pursuant to Sections 2.03 and (ii) the Administrative Agent to charge any deposit account of the relevant Borrower maintained with the Administrative Agent for each payment of principal, interest and fees as it becomes due hereunder or any other amount due under the Loan Documents.

(d) If, except as expressly provided herein, any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other similarly situated Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by all such Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements; provided that (i)

if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Company or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation in accordance with the terms of this Agreement.

(e) Unless the Administrative Agent shall have received notice from the relevant Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Banks hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Banks, as the case may be, the amount due. In such event, if such Borrower has not in fact made such payment, then each of the Lenders or the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or such Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the applicable Overnight Rate.

(f) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.06(d) or (e), 2.07(b), 2.18(e) or 9.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender and for the benefit of the Administrative Agent or the relevant Issuing Banks to satisfy such Lender's obligations to it under such Section until all such unsatisfied obligations are fully paid and/or (ii) hold any such amounts in a segregated account over which the Administrative Agent shall have exclusive control as cash collateral for, and application to, any future funding obligations of such Lender under any such Section; in the case of each of clauses (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

SECTION 2.19. Mitigation Obligations; Replacement of Lenders. If any Lender (or its Affiliate) requests compensation under Section 2.15, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender (or its Affiliate) or any Governmental Authority for the account of any Lender (or its Affiliate) pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender (or its Affiliate) to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender (or its Affiliate). The Company hereby agrees to pay all reasonable costs and expenses incurred by any Lender (or its Affiliate) in connection with any such designation or assignment.

(b) If (i) any Lender (or its Affiliate) requests compensation under Section 2.15, (ii) any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender (or its Affiliate) or any Governmental Authority for the account of any Lender (or its Affiliate) pursuant to Section 2.17 or (iii) any Lender becomes a Defaulting Lender, then the Company may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without

recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Sections 2.15 or 2.17) and obligations under the Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) such assignment is made in accordance with the terms of Section 9.04, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Company (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Company to require such assignment and delegation cease to apply. Each party hereto agrees that (i) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Company, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and such parties are participants), and (ii) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.20. Expansion Option. The Company may from time to time elect to increase the Revolving Commitments or enter into one or more tranches of incremental term loans (each an “Incremental Term Loan”), in each case in minimum increments of \$15,000,000 so long as, after giving effect thereto, the aggregate amount of such increases in Revolving Commitments and all such Incremental Term Loans does not exceed \$500,000,000. The Company may arrange for any such increase or tranche to be provided by one or more Lenders (each Lender so agreeing to an increase in its Revolving Commitment or provide a Revolving Commitment (in the case of an existing Term Lender), or to participate in such Incremental Term Loans, an “Increasing Lender”), or by one or more new banks, financial institutions or other entities (each such new bank, financial institution or other entity, an “Augmenting Lender”; provided that no Ineligible Institution may be an Augmenting Lender), which agree to increase their existing Revolving Commitments, or to participate in such Incremental Term Loans, or provide new Revolving Commitments, as the case may be; provided that (i) each Augmenting Lender, shall be subject to the approval of the Company and the Administrative Agent (which approvals shall not be unreasonably withheld and shall be evidenced by the Administrative Agent’s execution of the agreement substantially in the form of Exhibit C or Exhibit D, as the case may be) and (ii) (x) in the case of an Increasing Lender, the Company and such Increasing Lender execute an agreement substantially in the form of Exhibit C hereto, and (y) in the case of an Augmenting Lender, the Company and such Augmenting Lender execute an agreement substantially in the form of Exhibit D hereto. No consent of any Lender (other than the Lenders participating in the increase or any Incremental Term Loan, which consent shall be deemed to have occurred upon execution of an agreement substantially in the form of Exhibit C or Exhibit D, as the case may be) shall be required for any increase in Revolving Commitments or Incremental Term Loan pursuant to this Section 2.20. Increases and new Revolving Commitments and Incremental Term Loans created pursuant to this Section 2.20 shall become effective on the date agreed by the Company, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Revolving Commitments (or in the Revolving Commitment of any Lender) or tranche of Incremental Term Loans shall become effective under this paragraph unless, (i) on the proposed date of the effectiveness of such increase or, in the case of Incremental Term Loans, on the date specified in the agreement substantially in the form of Exhibit C or

Exhibit D, as the case may be, (A) the conditions set forth in paragraphs (a) and (b) of Section 4.02 shall be satisfied or waived by the Administrative Agent, the Increasing Lenders and the Augmenting Lenders and the Administrative Agent shall have received a certificate to that effect dated such date and executed by a Financial Officer of the Company and (B) the Company shall be in compliance (on a pro forma basis) with the covenants contained in Section 6.05 and (ii) the Administrative Agent shall have received (to the extent not previously received, or to the extent reasonably requested, in each case by the Administrative Agent) documents and opinions consistent with those delivered on the Effective Date as to the organizational power and authority of the Borrowers to borrow hereunder after giving effect to such increase. On the effective date of any increase in the Revolving Commitments or any Incremental Term Loans being made, (i) each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such increase and the use of such amounts to make payments to such other Lenders, each Lender's portion of the outstanding Revolving Loans of all the Lenders to equal its Applicable Percentage of such outstanding Revolving Loans, and (ii) the Borrowers shall be deemed to have repaid and reborrowed all outstanding Revolving Loans as of the date of any increase in the Revolving Commitments (with such reborrowing to consist of the Types of Revolving Loans, with related Interest Periods if applicable, specified in a notice delivered by the applicable Borrower, or the Company on behalf of the applicable Borrower, in accordance with the requirements of Section 2.03). The deemed payments made pursuant to clause (ii) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Eurocurrency Loan, shall be subject to indemnification by the Borrowers pursuant to the provisions of Section 2.16 if the deemed payment occurs other than on the last day of the related Interest Periods. The Incremental Term Loans (a) shall rank pari passu in right of payment with the Revolving Loans and the initial Term Loans, (b) shall not mature earlier than the latest Maturity Date hereunder (but may have amortization prior to such date) and (c) shall be treated substantially the same as (and in any event no more favorably than) the Revolving Loans and the initial Term Loans; provided that (i) the terms and conditions applicable to any tranche of Incremental Term Loans maturing after the latest Maturity Date hereunder then in effect at the time of the effectiveness of such tranche of Incremental Term Loans may provide for material additional or different financial or other covenants or prepayment requirements applicable only during periods after such Maturity Date or, so long as also applying for the benefit of the Term Loans and Revolving Loans outstanding prior to giving effect thereto, may provide for additional covenants and/or events of default agreed upon by the Company, the Administrative Agent, the Augmenting Lenders and the Increasing Lenders and (ii) the Incremental Term Loans may be priced differently than the Revolving Loans and the initial Term Loans and may provide for amortization payments as agreed upon by the Company, the Administrative Agent, the Augmenting Lenders and the Increasing Lenders. Incremental Term Loans may be made hereunder pursuant to an amendment or restatement (an "Incremental Term Loan Amendment") of this Agreement and, as appropriate, the other Loan Documents, executed by the Borrowers, each Increasing Lender participating in such tranche, each Augmenting Lender participating in such tranche, if any, and the Administrative Agent. The Incremental Term Loan Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.20. Nothing contained in this Section 2.20 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Revolving Commitment hereunder, or provide Incremental Term Loans, at any time (other than as otherwise expressly agreed to by any applicable Lender in the agreements substantially in the form of Exhibit C and Exhibit D as provided above). In connection with any increase of the Revolving Commitments or Incremental Term Loans pursuant to this Section 2.20, any Augmenting Lender becoming a party hereto shall (1) execute such documents and agreements as the Administrative Agent may reasonably request and (2) in the case of any Augmenting Lender that is organized under the laws of a jurisdiction outside of the United States of America, provide to the Administrative Agent, its name, address, tax identification number and/or such other information as shall be necessary for the Administrative Agent

to comply with “know your customer” and anti-money laundering rules and regulations, including without limitation, the Patriot Act.

SECTION 2.21. Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from any Borrower hereunder in the currency expressed to be payable herein (the “specified currency”) into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the specified currency with such other currency at the Administrative Agent’s main New York City office on the Business Day preceding that on which final, non-appealable judgment is given. The obligations of each Borrower in respect of any sum due to any Lender or the Administrative Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Administrative Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Administrative Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Administrative Agent, as the case may be, in the specified currency, each Borrower agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Administrative Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Administrative Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 2.18, such Lender or the Administrative Agent, as the case may be, agrees to remit such excess to such Borrower.

SECTION 2.22. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Bank hereunder; third, to cash collateralize LC Exposure with respect to such Defaulting Lender in accordance with this Section; fourth, as the Company may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Company, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender’s potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize future LC Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with this Section; sixth, to the payment of any amounts owing to the Lenders or the Issuing Banks as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Banks against such Defaulting Lender as a result of such Defaulting Lender’s breach of its obligations under this Agreement or under any other Loan Document; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment

of a court of competent jurisdiction obtained by the Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or LC Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LC Disbursements owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure are held by the Lenders pro rata in accordance with the Commitments without giving effect to clause (d) below. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto;

(c) the Commitment and Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 9.02); provided, that, except as otherwise provided in Section 9.02, this clause (b) shall not apply to the vote of a Defaulting Lender except as expressly permitted by the last sentence set forth in Section 9.02(b);

(d) if any LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent that (x) the sum of all non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Revolving Commitments and (y) such reallocation does not, as to any non-Defaulting Lender, cause such non-Defaulting Lender's Revolving Credit Exposure to exceed its Revolving Commitment;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Company shall within two (2) Business Days following notice by the Administrative Agent cash collateralize for the benefit of the relevant Issuing Banks only the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.06(j) for so long as such LC Exposure is outstanding or such Person remains a Defaulting Lender;

(iii) if the Company cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrowers shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the relevant Issuing Bank or any other Lender hereunder, all facility fees that otherwise

would have been payable to such Defaulting Lender (solely with respect to the portion of such Defaulting Lender's Commitment that was utilized by such LC Exposure) and letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to such Issuing Bank until and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

(e) so long as such Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and the Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Revolving Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Company in accordance with Section 2.22(d), and participating interests in any such newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.22(d)(i) (and such Defaulting Lender shall not participate therein).

If (i) a Bankruptcy Event or a Bail-In Action with respect to a Lender Parent shall occur following the date hereof and for so long as such event shall continue or (ii) any Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless such Issuing Bank shall have entered into arrangements with the Company or such Lender, satisfactory to such Issuing Bank to defease any risk to it in respect of such Lender hereunder.

In the event that the Administrative Agent, the Company and each Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage. At such time, any cash collateral provided by the Company in accordance with Section (d)(ii) above shall be promptly returned to the Company.

SECTION 2.23. Designation of Subsidiary Borrowers. The Company may at any time and from time to time designate any Eligible Subsidiary as a Subsidiary Borrower by delivery to the Administrative Agent of a Borrowing Subsidiary Agreement executed by such Subsidiary and the Company and the satisfaction of the other conditions precedent set forth in Section 4.03, and upon such delivery and satisfaction such Subsidiary shall for all purposes of this Agreement be a Subsidiary Borrower and a party to this Agreement. Each Subsidiary Borrower shall remain a Subsidiary Borrower until the Company shall have executed and delivered to the Administrative Agent a Borrowing Subsidiary Termination with respect to such Subsidiary, whereupon such Subsidiary shall cease to be a Subsidiary Borrower and a party to this Agreement. Notwithstanding the preceding sentence, no Borrowing Subsidiary Termination will become effective as to any Subsidiary Borrower at a time when any principal of or interest on any Loan to such Borrower shall be outstanding hereunder, provided that such Borrowing Subsidiary Termination shall be effective to terminate the right of such Subsidiary Borrower to make further Borrowings under this Agreement. As soon as practicable upon receipt of a Borrowing Subsidiary Agreement, the Administrative Agent shall furnish a copy thereof to each Lender.

Notwithstanding anything set forth herein or in any other Loan Document to the contrary, (i) the parties agree that the obligations of Borrowers hereunder to make payments of principal and interest regarding the Loans are not joint and several obligations of Borrowers (other than as expressly set forth in Article X solely with respect to the Company), and (ii) the parties agree that the Subsidiary Borrowers are not obligated to pay, and do not guaranty, collaterally support or otherwise have any responsibility with respect to, the obligations of the Company.

SECTION 2.24. Extension of Maturity Date.

(a) Requests for Extension. The Company may, by notice to the Administrative Agent (who shall promptly notify the applicable Class of Lenders) not earlier than 180 days and not later than 30 days prior to each anniversary of the Effective Date (each such date, an “Extension Date”), request that each Lender extend such Lender’s Revolving Credit Maturity Date or Term Loan Maturity Date, as the case may be, to the date that is one year after the applicable Maturity Date then in effect for such Lender (the “Existing Maturity Date”).

(b) Lender Elections to Extend. Each Lender of the applicable Class, acting in its sole and individual discretion, shall, by notice to the Administrative Agent given not later than the date that is 15 days after the date on which the Administrative Agent received the Company’s extension request (the “Lender Notice Date”), advise the Administrative Agent whether or not such Lender agrees to such extension (each applicable Lender that determines to so extend its Revolving Credit Maturity Date or Term Loan Maturity Date, as the case may be, an “Extending Lender”). Each Lender of the applicable Class that determines not to so extend its Revolving Credit Maturity Date or Term Loan Maturity Date, as the case may be (a “Non-Extending Lender”), shall notify the Administrative Agent of such fact promptly after such determination (but in any event no later than the Lender Notice Date), and any Lender of the applicable Class that does not so advise the Administrative Agent on or before the Lender Notice Date shall be deemed to be a Non-Extending Lender. The election of any Lender to agree to such extension shall not obligate any other Lender to so agree, and it is understood and agreed that no Lender shall have any obligation whatsoever to agree to any request made by the Company for extension of the Revolving Credit Maturity Date or the Term Loan Maturity Date.

(c) Notification by Administrative Agent. The Administrative Agent shall notify the Company of each applicable Lender’s determination under this Section no later than the date that is the earlier of (i) 15 days prior to the applicable Extension Date (or, if such date is not a Business Day, on the next preceding Business Day) and (ii) 20 days following the Lender Notice Date.

(d) Additional Commitment Lenders. The Company shall have the right, but shall not be obligated, on or before the applicable Maturity Date for any Non-Extending Lender to replace such Non-Extending Lender with, and add as “Revolving Lenders” (in the case of any extension of the Revolving Credit Maturity Date) or add as “Term Lenders” (in the case of any extension of the Term Loan Maturity Date) under this Agreement in place thereof, one or more financial institutions (other than any Ineligible Institution) (each, an “Additional Commitment Lender”) approved by the Administrative Agent in accordance with the procedures provided in Section 2.19(b), each of which applicable Additional Commitment Lenders shall have entered into an Assignment and Assumption (in accordance with and subject to the restrictions contained in Section 9.04, with the Company or replacement Lender obligated to pay any applicable processing or recordation fee) with such Non-Extending Lender (and each Non-Extending Lender agrees to so execute such Assignment and Assumption), pursuant to which such Additional Commitment Lenders shall, effective on or before the applicable Maturity Date for such Non-Extending Lender, assume a Revolving Commitment or Term Loan Commitment, as the case may be (and, if any such Additional Commitment Lender is already a Lender of the applicable Class, its Commitment of such Class shall be in addition to such Lender’s Commitment of such Class hereunder on such date). Prior to any Non-Extending Lender being replaced by one or more Additional Commitment Lenders pursuant hereto, such Non-Extending Lender may elect, in its sole discretion, by giving irrevocable notice thereof to the Administrative Agent and the Company (which notice shall set forth such Lender’s new Maturity Date), to become an Extending Lender. The Administrative Agent may effect such amendments to this Agreement as are reasonably necessary to provide for any such extensions with the consent of the Company but without the consent of any other Lenders; provided that any amendments to the scheduled amortization of the Term

Loans held by Extending Lenders and any Additional Commitment Lenders shall be subject to the consent of the applicable Extending Lenders and Additional Commitment Lenders.

(e) Minimum Extension Requirement. If (and only if) the total of the applicable Commitments of the Lenders of the applicable Class that have agreed to extend their Maturity Date and the new or increased Commitments of such Class of any Additional Commitment Lenders is more than 50% of the aggregate amount of the Commitments of such Class in effect immediately prior to the applicable Extension Date, then, effective as of the applicable Extension Date, the applicable Maturity Date of each Extending Lender and of each Additional Commitment Lender of the applicable Class shall be extended to the date that is one year after the Existing Maturity Date for such Class of Commitments (except that, if such date is not a Business Day, such Maturity Date as so extended shall be the next preceding Business Day) and each Additional Commitment Lender of such Class shall thereupon become a “Revolving Lender” or a “Term Lender”, as the case may be, for all purposes of this Agreement and shall be bound by the provisions of this Agreement as a Revolving Lender or a Term Lender, as the case may be, hereunder and shall have the obligations of a Revolving Lender or a Term Lender, as the case may be, hereunder.

(f) Conditions to Effectiveness of Extension. Notwithstanding the foregoing, (x) no more than two (2) extensions of the Revolving Credit Maturity Date and no more than two (2) extensions of the Term Loan Maturity Date shall be permitted hereunder and (y) any extension of any Maturity Date pursuant to this Section 2.24 shall not be effective with respect to any Extending Lender and each Additional Commitment Lender unless:

(i) the Company, the Administrative Agent, each Extending Lender and each Additional Commitment Lender (if any) shall have entered into a letter agreement confirming the applicable extension (the date of such letter agreement, the “Confirmation Date”);

(ii) no Default or Event of Default shall have occurred and be continuing on the applicable Confirmation Date and immediately after giving effect thereto;

(iii) the representations and warranties of the Company set forth in this Agreement (excluding the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) are true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect, in all respects) on and as of the applicable Confirmation Date and after giving effect (including pro forma effect) thereto, as though made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date); and

(iv) the Administrative Agent shall have received a certificate from the Company signed by a Financial Officer of the Company (A) certifying the accuracy of the foregoing clauses (ii) and (iii) and (B) certifying and attaching the resolutions (if any are required) adopted by each Borrower approving or consenting to such extension.

(g) Maturity Date for Non-Extending Lenders. On the applicable Maturity Date of each Non-Extending Lender of the relevant Class, (i) the Commitment of each Non-Extending Lender of such Class shall automatically terminate and (ii) the Company shall repay such Non-Extending Lender of such Class in accordance with Section 2.10 (and shall pay to such Non-Extending Lender all of the other Obligations owing to it under this Agreement) and after giving effect thereto shall prepay any Loans of the applicable Class outstanding on such date (and pay any additional amounts required pursuant to Section 2.16) to the extent necessary to keep outstanding Loans of the applicable Class ratable with any revised Applicable Percentages of the respective Lenders of such Class effective as of such date, and the Administrative Agent shall administer any necessary reallocation of the applicable Credit Exposures

(without regard to any minimum borrowing, pro rata borrowing and/or pro rata payment requirements contained elsewhere in this Agreement).

(h) Conflicting Provisions. This Section shall supersede any provisions in Section 2.18 or Section 9.02 to the contrary.

ARTICLE III

Representations and Warranties

Each Borrower represents and warrants to the Lenders that:

SECTION 3.01. Organization; Powers; Subsidiaries. Each of the Company and its Subsidiaries is duly organized, validly existing and in good standing (to the extent such concept is applicable in the relevant jurisdiction) under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing (to the extent such concept is applicable) in, every jurisdiction where such qualification is required. Schedule 3.01 hereto identifies, as of the Effective Date, each Subsidiary, noting the jurisdiction of its incorporation or organization, as the case may be, the percentage of issued and outstanding shares of each class of its capital stock or other equity interests owned by the Company and the other Subsidiaries and, if such percentage is not 100% (excluding directors' qualifying shares as required by law), a description of each class issued and outstanding. All of the outstanding shares of capital stock and other equity interests of each Subsidiary are validly issued and outstanding and fully paid and nonassessable and all such shares and other equity interests owned by the Company or another Subsidiary are owned, beneficially and of record, by the Company or any Subsidiary free and clear of all Liens other than Liens permitted under Section 6.02. As of the Effective Date, there are no outstanding commitments or other obligations of the Company or any Subsidiary to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other equity interests of any Subsidiary.

SECTION 3.02. Authorization; Enforceability. The Transactions are within each Loan Party's organizational powers and have been duly authorized by all necessary organizational actions and, if required, actions by equity holders. The Loan Documents to which each Loan Party is a party have been duly executed and delivered by such Loan Party and constitute a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.03. Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (b) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of the Company or any of its Subsidiaries or any order of any Governmental Authority, (c) will not violate or result in a default under any material indenture, material agreement or other material instrument binding upon the Company or any of its Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by the Company or any of its Subsidiaries, and (d) will not result in the creation or imposition of any Lien on any asset of the Company or any of its Subsidiaries.

SECTION 3.04. Financial Condition; No Material Adverse Change. The Company has heretofore furnished to the Lenders its consolidated balance sheet and statements of income, stockholders

equity and cash flows (i) as of and for the fiscal year ended December 31, 2020 reported on by Deloitte & Touche LLP, independent public accountants and (ii) as of and for the fiscal quarter and the portion of the fiscal year ended March 31, 2021 and June 30, 2021, certified by a Financial Officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Company and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) Since December 31, 2020, there has been no material adverse change in the business, assets, operations or financial condition of the Company and its Subsidiaries, taken as a whole.

SECTION 3.05. Properties. Each of the Company and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to the conduct of the business of the Company and its Subsidiaries taken as a whole, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes.

(b) Each of the Company and its Subsidiaries owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property material to its business, and the use thereof by the Company and its Subsidiaries does not, to the Company's knowledge, infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.06. Litigation and Environmental. There are no actions, suits, proceedings or investigations by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Borrower, threatened against or affecting the Company or any of its Subsidiaries (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve this Agreement or any other Loan Document or any of the transactions contemplated hereby.

(b) Except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Company nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law or (ii) has become subject to or knows of any basis for any Environmental Liability.

SECTION 3.07. Compliance with Laws and Agreements. Each of the Company and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.08. Investment Company Status. Neither the Company nor any of its Subsidiaries is, or is required to be registered as, an "investment company" as defined in the Investment Company Act of 1940.

SECTION 3.09. Taxes. Each of the Company and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Company or such Subsidiary, as applicable, has set aside on its

books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10. ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11. Disclosure. Neither the Information Memorandum nor any of the other material written reports, financial statements, certificates or other information furnished by or on behalf of the Company or any Subsidiary (other than projections, forward looking statements and other than information of a general economic or industry specific nature) to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished and when taken as a whole) contained when furnished any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, with respect to projected financial information, the Borrowers represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time prepared; it being understood that such projected financial information is as to future events and is not to be viewed as facts, projections are subject to significant uncertainties and contingencies, many of which are beyond the Company's and its Subsidiaries' control and no assurance can be given that any particular projections will be realized and actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material. As of the Effective Date, to the best knowledge of the Company, the information included in the Beneficial Ownership Certification, if any, provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all respects.

SECTION 3.12. Federal Reserve Regulations. No part of the proceeds of any Loan have been used or will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.

SECTION 3.13. No Default. No Default or Event of Default has occurred and is continuing.

SECTION 3.14. Anti-Corruption Laws and Sanctions. The Company has implemented and maintains in effect policies and procedures designed to ensure compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws, the Patriot Act and applicable Sanctions, and the Company, its Subsidiaries and their respective officers and employees and to the knowledge of the Company its directors and agents, are in compliance with Anti-Corruption Laws, the Patriot Act and applicable Sanctions in all material respects and, in the case of any Subsidiary Borrower, is not knowingly engaged in any activity that could reasonably be expected to result in such Borrower being designated as a Sanctioned Person. None of (a) the Company, any Subsidiary or to the knowledge of the Company or such Subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of the Company, any agent of the Company or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person or is in violation of the Patriot Act. No Borrowing or Letter of Credit, use of proceeds or other Transactions will be used by the Company or any Subsidiary Borrower in a manner which would violate Anti-Corruption Laws or applicable Sanctions or for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country.

SECTION 3.15. Affected Financial Institutions. No Loan Party is an Affected Financial Institution.

ARTICLE IV

Conditions

SECTION 4.01. Effective Date. The obligations of the Lenders to make Revolving Loans and to continue to make available the Term Loans, and of each Issuing Bank to issue Letters of Credit hereunder, in each case shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received (i) from each party hereto a counterpart of this Agreement signed on behalf of such party (which, subject to Section 9.06, may include any Electronic Signatures transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page) and (ii) duly executed copies of the Loan Documents and such other legal opinions, certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with the Transactions, all in form and substance satisfactory to the Administrative Agent and its counsel and as further described in the list of closing documents attached as Exhibit E.

(b) The Administrative Agent shall have received favorable written opinions (in each case addressed to the Administrative Agent and the Lenders and dated the Effective Date) of counsels for the Loan Parties covering such matters relating to the Loan Parties, the Loan Documents or the Transactions as the Administrative Agent shall reasonably request. The Company hereby requests such counsel to deliver such opinions.

(c) The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of the initial Loan Parties, the authorization of the Transactions and any other legal matters relating to such Loan Parties, the Loan Documents or the Transactions, all in form and substance satisfactory to the Administrative Agent and its counsel and as further described in the list of closing documents attached as Exhibit E.

(d) The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the President, a Vice President or a Financial Officer of the Company, certifying (i) that the representations and warranties contained in Article III are true and correct as of such date and (ii) that no Default or Event of Default has occurred and is continuing as of such date.

(e) The Administrative Agent shall have received from the Company, for the benefit of each "Term Lender" under (and as defined in) the Existing Credit Agreement prepayment of the outstanding principal amount of all "Term Loans" under (and as defined in) the Existing Credit Agreement (and all accrued interest thereon) such that the outstanding principal amount of the Term Loans under this Agreement after giving effect to such prepayment is equal to \$250,000,000.

(f) (i) The Administrative Agent shall have received, at least five (5) days prior to the Effective Date, all documentation and other information regarding the Borrower requested in connection with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, to the extent requested in writing of the Borrower at least ten (10) days prior to the Effective Date and (ii) to the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, at least five (5) days prior to the Effective Date, any Lender that has requested, in a written notice to the Borrower at least ten (10) days prior to the Effective Date, a Beneficial Ownership Certification in relation to the Borrower shall have received such Beneficial Ownership Certification

(provided that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (f) shall be deemed to be satisfied).

(g) (i) The Administrative Agent shall have received, or, substantially concurrently herewith shall receive, all fees and other amounts due and payable on or prior to the Effective Date, including, to the extent invoiced at least one (1) Business Day prior to the Effective Date, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Company hereunder (which fees and expenses may be paid from the proceeds of the Loans funded on the Effective Date) and (ii) each Joint Bookrunner shall have received, or, substantially concurrently herewith shall receive, all fees as agreed upon between such Joint Bookrunner and the Company (which fees and expenses may be paid from the proceeds of the Loans funded on the Effective Date).

The Administrative Agent shall notify the Company and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Each Lender, by delivering its signature page to this Agreement, shall be deemed to have consented to and approved, each Loan Document and each other document required to be approved by any Lender on the Effective Date.

SECTION 4.02. Each Credit Event. The obligation of each Lender to make a Loan (excluding any continuation or conversion of a Eurocurrency Loan, any loans “deemed” made under this Agreement in respect of any reallocation expressly provided herein and any Incremental Term Loan (which shall be governed by Section 2.20)) and of each Issuing Bank to issue, increase or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Borrowers set forth in this Agreement (excluding the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) shall be true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect, in all respects) on and as of the date of such Loan or the date of issuance, increase or extension of such Letter of Credit, as applicable, other than any such representation or warranty given as of a particular date in which case they shall be true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect, in all respects) as of such date.

(b) At the time of and immediately after giving effect to such Loan or the issuance, increase or extension of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

The making of each Loan (other than as excluded pursuant to the first sentence of this Section 4.02) and each issuance, increase, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrowers on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section.

SECTION 4.03. Designation of a Subsidiary Borrower. The designation of a Subsidiary Borrower pursuant to Section 2.23 is subject to the condition precedent that the Company or such proposed Subsidiary Borrower shall have furnished or caused to be furnished to the Administrative Agent:

(a) Copies, certified by the Secretary or Assistant Secretary of such Subsidiary, of its Board of Directors’ resolutions (and resolutions of other bodies, if any are deemed necessary by counsel for the Administrative Agent) approving the Borrowing Subsidiary Agreement and any other Loan Documents to which such Subsidiary is becoming a party and such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of such Subsidiary;

(b) An incumbency certificate, executed by the Secretary or Assistant Secretary of such Subsidiary, which shall identify by name and title and bear the signature of the officers of such Subsidiary authorized to request Borrowings hereunder and sign the Borrowing Subsidiary Agreement and the other Loan Documents to which such Subsidiary is becoming a party, upon which certificate the Administrative Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Company or such Subsidiary;

(c) Opinions of counsel to such Subsidiary, in form and substance reasonably satisfactory to the Administrative Agent and its counsel, with respect to the laws of its jurisdiction of organization and such other matters as are reasonably requested by counsel to the Administrative Agent and addressed to the Administrative Agent and the Lenders;

(d) Any promissory notes requested by any Lender, and any other instruments and documents reasonably requested by the Administrative Agent; and

(e) Any documentation and other information that is reasonably requested by the Administrative Agent or any of the Lenders and that is required by regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.

ARTICLE V

Affirmative Covenants

Commencing on the Effective Date and until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit shall have expired, terminated or been cash collateralized as provided herein, in each case, without any pending draw, and all LC Disbursements shall have been reimbursed, the Company covenants and agrees with the Lenders that:

SECTION 5.01. Financial Statements and Other Information. The Company will furnish to the Administrative Agent:

(a) within ninety (90) days after the end of each fiscal year of the Company (or, if earlier, by the date that the Annual Report on Form 10-K of the Company for such fiscal year would be required to be filed under the rules and regulations of the SEC, giving effect to any extension available thereunder for the filing of such form pursuant to Rule 12(b)-25 of the United States Securities Exchange Act of 1934), its audited consolidated balance sheet and related statements of operations, stockholders’ equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Deloitte & Touche LLP or other independent public accountants of recognized national standing (without a “going concern” or like qualification or exception and without any qualification or exception as to the scope of such audit (other than such exception or qualification that is with respect to, or expressly resulting solely from, the occurrence of an upcoming Maturity Date under this Agreement that is scheduled to occur within one year from the time such report and opinion are delivered)) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Company and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied;

(b) within sixty (60) days after the end of each of the first three fiscal quarters (commencing with the fiscal quarter ending on or about September 30, 2021) of each fiscal year of the Company (or, if earlier, by the date that the Quarterly Report on Form 10-Q of the Company for such fiscal

quarter would be required to be filed under the rules and regulations of the SEC, giving effect to any extension available thereunder for the filing of such form pursuant to Rule 12(b)-25 of the United States Securities Exchange Act of 1934), its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Company and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate of a Financial Officer of the Company in the form of Exhibit B attached hereto (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto and (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.05;

(d) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Company or any Subsidiary with the SEC, or any Governmental Authority succeeding to any or all of the functions of said commission, or with any national securities exchange;

(e) promptly after the Company becomes aware that Moody's or S&P shall have announced a change in the rating established for the Index Debt, written notice of such rating change; and

(f) promptly following any request therefor, (x) such other information regarding the operations, business affairs and financial condition of the Company or any Subsidiary, or compliance with the terms of this Agreement, as the Administrative Agent or any Lender may reasonably request and (y) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to clauses (a), (b) and (d) of this Section 5.01 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are filed for public availability on the SEC's Electronic Data Gathering and Retrieval System; provided that the Company shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the filing of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Notwithstanding anything contained herein, in every instance the Company shall be required to provide paper copies of the compliance certificates required by clause (c) of this Section 5.01 to the Administrative Agent.

SECTION 5.02. Notices of Material Events. The Company will furnish written notice to the Administrative Agent promptly upon a Responsible Officer of the Company obtaining knowledge thereof:

(a) the occurrence of any Default;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Company or any Affiliate thereof that could reasonably be expected to result in a Material Adverse Effect;

(c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(d) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect; and

(e) any change in the information provided in the Beneficial Ownership Certification, if any, delivered to such Lender that would result in a change to the list of beneficial owners identified in such certification.

Each notice delivered under this Section (i) shall contain a heading or a reference line that reads “Notice under Section 5.02 of the Brown & Brown Second Amended and Restated Credit Agreement dated October 27, 2021” and (ii) shall be accompanied by a statement of a Financial Officer or other executive officer of the Company setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

SECTION 5.03. Existence; Conduct of Business. The Company will, and will cause each of its Material Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence in its jurisdiction of organization and the rights, qualifications, licenses, permits, privileges, franchises, governmental authorizations and intellectual property rights material to the conduct of its business; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution not prohibited herein.

SECTION 5.04. Payment of Taxes. The Company will, and will cause each of its Subsidiaries to, pay its Tax liabilities that, if not paid, could reasonably be expected to result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, and (b) the Company or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

SECTION 5.05. Maintenance of Properties; Insurance. The Company will, and will cause each of its Subsidiaries to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

SECTION 5.06. Books and Records; Inspection Rights. The Company will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. The Company will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent, upon reasonable prior notice to a Financial Officer and during regular business hours, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested; provided that (i) a Financial Officer or other officer appointed by a Financial Officer shall be given notice and an opportunity to participate with any discussions with officers and independent accountants, and (ii) so long as no Event of Default has occurred and is continuing, the Administrative Agent shall not exercise such rights set forth in this sentence more one time in any twelve month period. Notwithstanding anything to the contrary in this Section, none of the Company nor any Subsidiary will be required to disclose or permit the inspection of any document, information or other matter (x) in respect of which disclosure to the Administrative Agent (or its representatives or contractors) is prohibited by law or any binding agreement not entered not in contemplation of avoiding such inspection and disclosure rights

or (y) that is subject to attorney-client or similar privilege or constitutes attorney work product. The Company acknowledges that the Administrative Agent, after exercising its rights of inspection, may prepare and distribute to the Lenders certain reports pertaining to the Company and its Subsidiaries' assets for internal use by the Administrative Agent and the Lenders.

SECTION 5.07. Compliance with Laws. The Company will, and will cause each of its Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property (including without limitation Environmental Laws), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Company will maintain in effect and enforce policies and procedures designed to ensure compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

SECTION 5.08. Use of Proceeds. The proceeds of the Loans (other than the initial Term Loans) will be used only to refinance certain existing Indebtedness of the Company and for general corporate purposes (including Acquisitions, investments and other transactions not prohibited by the terms hereof) of the Company and its Subsidiaries. The proceeds of the initial Term Loans shall be used as provided in the Existing Credit Agreement. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X. No Borrower will request any Borrowing or Letter of Credit, and no Borrower shall use, and the Company shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, business or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or in a European Union member state or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

ARTICLE VI

Negative Covenants

Commencing on the Effective Date and until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full and all Letters of Credit have expired, terminated or been cash collateralized as provided herein, in each case, without any pending draw, and all LC Disbursements shall have been reimbursed, the Company covenants and agrees with the Lenders that:

SECTION 6.01. Indebtedness. The Company will not permit any Subsidiary (other than any Subsidiary Borrower) to, create, incur, assume or permit to exist any Indebtedness, except:

(a) the Obligations;

(b) Indebtedness existing on the date hereof and set forth in Schedule 6.01, including, without limitation, any borrowings or other extensions of credit under revolving lines of credit reflected on such schedule in an amount up to the commitment under such lines of credit as in effect on the date hereof and extensions, renewals and replacements of any such Indebtedness with Indebtedness of a similar type that does not increase the outstanding principal amount (or commitment amount, as the case may be) thereof;

(c) Intercompany Loans;

(d) Guarantees by any Subsidiary of Indebtedness of the Company or any other Subsidiary;

(e) Indebtedness of any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; provided that (i) such Indebtedness is incurred prior to or within ninety (90) days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this clause (e), together with the aggregate principal amount of all Indebtedness and other obligations secured by Liens permitted pursuant to Section 6.02(d), shall not exceed \$100,000,000 at any time outstanding;

(f) Indebtedness of any Subsidiary as an account party in respect of letters of credit or bankers' acceptances;

(g) Insurance Company Payables and Guarantees by any Subsidiary in respect thereof;

(h) hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk;

(i) Indebtedness to banks and other financial institutions in respect of employee credit card programs, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;

(j) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations not in connection with money borrowed, in each case provided in the ordinary course of business or consistent with past practice and Indebtedness incurred by any Subsidiary in the form of customary obligations under indemnification, incentive, non-compete, deferred compensation, or other similar arrangements in the ordinary course of business; and

(k) other Indebtedness of the Subsidiaries so long as the aggregate outstanding principal amount of all such Indebtedness permitted pursuant to this clause (k), together with the aggregate outstanding principal amount of all Indebtedness secured by Liens permitted pursuant to Section 6.02(g), does not, at the time of incurrence of any such Indebtedness and after giving pro forma effect thereto, exceed the greater of (i) \$900,000,000 and (ii) an amount equal to 12.5% of Consolidated Total Assets as of the most recent fiscal quarter for which financial statements shall have been delivered pursuant to Section 5.01(a) or 5.01(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04(a)).

SECTION 6.02. Liens. The Company will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it except:

(a) Permitted Encumbrances;

(b) any Lien on any property or asset of the Company or any Subsidiary existing on the date hereof and set forth in Schedule 6.02; provided that (i) such Lien shall not apply to any other property or asset of the Company or any Subsidiary and (ii) such Lien shall secure only those obligations which it

secures on the date hereof and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(c) any Lien existing on any property or asset prior to the acquisition thereof by the Company or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of the Company or any Subsidiary and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(d) Liens on fixed or capital assets acquired, constructed or improved by the Company or any Subsidiary; provided that (i) such security interests secure an aggregate principal amount of Indebtedness and other obligations, together with the aggregate principal amount of all Indebtedness permitted pursuant to Section 6.01(e), not in excess of \$100,000,000 at any time outstanding, (ii) such security interests and the Indebtedness secured thereby are incurred prior to or within ninety (90) days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such security interests shall not apply to any other property or assets of the Company or any Subsidiary;

(e) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(f) Liens on cash collateral securing letter of credit or bankers acceptance obligations or facilities permitted hereunder;

and

(g) Liens on assets of the Company and its Subsidiaries not otherwise permitted above so long as:

(i) the aggregate outstanding principal amount of all Indebtedness subject to Liens permitted by this Section 6.02(g), together with the aggregate outstanding principal amount of all Indebtedness permitted pursuant to Section 6.01(k), does not, at the time of incurrence of any Indebtedness subject to such Liens and after giving pro forma effect thereto, exceed the greater of (x) \$900,000,000 and (y) an amount equal to 12.5% of Consolidated Total Assets as of the most recent fiscal quarter for which financial statements shall have been delivered pursuant to Section 5.01(a) or 5.01(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04(a)); and

(ii) the aggregate outstanding principal amount of all Indebtedness plus the outstanding amount of other obligations, in each case subject to Liens permitted by this Section 6.02(g), does not, at the time of incurrence of any Indebtedness or other obligations subject to such Liens and after giving pro forma effect thereto, exceed the greater of (x) \$900,000,000 and (y) an amount equal to 12.5% of Consolidated Total Assets as of the most recent fiscal quarter for which financial statements shall have been delivered pursuant to Section 5.01(a) or 5.01(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04(a)).

SECTION 6.03. Fundamental Changes and Asset Sales. The Company will not, and will not permit any Subsidiary to, merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in

a series of transactions) all or substantially all of the assets of the Company and its Subsidiaries (taken as a whole), (including pursuant to a Sale and Leaseback Transaction), or all or substantially all of the Equity Interests of its Subsidiaries (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing:

(i) any Person (including any Subsidiary that is not a Loan Party) may merge into the Company or a Subsidiary in a transaction in which the Company or such Subsidiary is the surviving corporation (provided that any such merger involving the Company must result in the Company as the surviving entity);

(ii) any Subsidiary may merge into a Loan Party in a transaction in which the surviving entity is such Loan Party (provided that any such merger involving the Company must result in the Company as the surviving entity);

(iii) any Subsidiary may sell, transfer, lease or otherwise dispose of its assets to the Company or another Subsidiary; and

(iv) any Subsidiary that is not a Loan Party may liquidate or dissolve if the Company determines in good faith that such liquidation or dissolution is in the best interests of the Company and is not materially disadvantageous to the Lenders.

(b) The Company will not, and will not permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Company and its Subsidiaries on the date of execution of this Agreement and businesses reasonably related thereto. Without the prior written consent of the Administrative Agent, other than Wright National Flood Insurance Company, neither the Company nor any Subsidiary may engage in any business in the nature of an insurance company, in which the Company or such Subsidiary assumes the risk as an insurer.

(c) The Company will not, nor will it permit any of its Subsidiaries to, change its fiscal year from the basis in effect on the Effective Date.

SECTION 6.04. Transactions with Affiliates. The Company will not, and will not permit any of its Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) at prices and on terms and conditions not less favorable to the Company or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among the Company and its Subsidiaries (or entities that will become Subsidiaries immediately after giving effect to such transaction) not involving any other Affiliate, (c) any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Company or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Company or any Subsidiary or any option, warrant or other right to acquire any such Equity Interests in the Company or any Subsidiary, (d) employment and severance or termination arrangements between the Company or its Subsidiaries and their respective officers and employees (including management and employee benefit plans or agreements, subscription agreements or similar agreements pertaining to the repurchase of Equity Interests or similar rights with current or former employees, officers, directors or other service providers and stock option or incentive plans and other compensation arrangements) and (e) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, officers and employees.

SECTION 6.05. Financial Covenants.

(a) Maximum Net Leverage Ratio. The Company will not permit the ratio (the “Net Leverage Ratio”), determined as of the end of each of its fiscal quarters ending on and after September 30, 2021, of (i) Consolidated Net Indebtedness to (ii) Consolidated EBITDA for the period of four (4) consecutive fiscal quarters ending with the end of such fiscal quarter, all calculated for the Company and its Subsidiaries on a consolidated basis, to be greater than 3.50 to 1.00; provided, that the Company may, on not more than two (2) occasions during the term of this Agreement, elect to increase the maximum Net Leverage Ratio permitted under this Section 6.05(a) to 4.00 to 1.00 for a period of six (6) consecutive fiscal quarters in connection with, and commencing with the first fiscal quarter ending after, an Acquisition or series of consecutive Acquisitions occurring during a consecutive ninety (90) day period if (x) the aggregate consideration paid or to be paid in respect of such Acquisitions equals or exceeds \$300,000,000 or (y) EBITDA of the targets acquired in connection with such Acquisitions equal or exceeds an amount equal to 10% of Consolidated EBITDA of the Company and its Subsidiaries (calculated without giving effect to such Acquisitions) for the period of four consecutive fiscal quarters ending with the most recent fiscal quarter for which financial statements shall have been delivered pursuant to Section 5.01(a) or 5.01(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04(a)) (each such period, an “Adjusted Covenant Period”).

(b) Minimum Interest Coverage Ratio. The Company will not permit the ratio, determined as of the end of each of its fiscal quarters ending on and after September 30, 2021, of (i) Consolidated EBITDA to (ii) Consolidated Interest Expense, in each case for the period of four (4) consecutive fiscal quarters ending with the end of such fiscal quarter, all calculated for the Company and its Subsidiaries on a consolidated basis, to be less than 4.00 to 1.00.

ARTICLE VII

Events of Default

If any of the following events (“Events of Default”) shall occur:

(a) any Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise (including, without limitation, pursuant to Article X);

(b) any Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three (3) Business Days;

(c) any representation or warranty made or deemed made by or on behalf of any Borrower in or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder shall prove to have been incorrect in any material respect when made or deemed made;

(d) any Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02, 5.03 (with respect to any Borrower’s existence) or 5.08 or in Article VI;

(e) any Borrower shall fail to observe or perform any covenant or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Article) or any other Loan

Document, and such failure shall continue unremedied for a period of thirty (30) days after notice thereof from the Administrative Agent to the Company (which notice will be given at the request of any Lender);

(f) the Company or any Material Subsidiary shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable (after the expiration of any applicable grace or cure periods provided for in the applicable agreement or instrument under which such Indebtedness was created);

(g) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice but after the expiration of any applicable grace or cure periods provided for in the applicable agreement or instrument under which such Indebtedness was created) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Company or any Material Subsidiary or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or any Material Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) the Company or any Material Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or any Material Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) one or more judgments for the payment of money in an aggregate amount in excess of \$100,000,000 (in excess of insurance coverage provided by a creditworthy unaffiliated insurer that has not denied coverage) and not covered by indemnifications for which an unaffiliated creditworthy third party is contractually liable and has not denied coverage) shall be rendered against the Company, any Subsidiary or any combination thereof and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Company or any Subsidiary to enforce any such judgment;

(k) an ERISA Event shall have occurred that when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect; or

(l) a Change in Control shall occur;

then, and in every such event (other than an event with respect to any Borrower described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent, at the request, or at the direction, of the Required Lenders shall, by notice to the Company, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations of the Borrowers accrued hereunder and under the other Loan Documents, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers and (iii) require cash collateral for the LC Exposure in accordance with Section 2.06(j) hereof; and in case of any event with respect to any Borrower described in clause (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding and cash collateral for the LC Exposure, together with accrued interest thereon and all fees and other Obligations accrued hereunder and under the other Loan Documents, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent at the request, or at the direction, of the Required Lenders shall, exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity.

ARTICLE VIII

The Administrative Agent

Each of the Lenders and the Issuing Banks hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of the other Loan Documents, and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto. It is understood and agreed that the use of the term “agent” as used herein or in any other Loan Documents (or any similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Company or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The

Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct as determined by a final nonappealable judgment of a court of competent jurisdiction. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until written notice thereof is given to the Administrative Agent by the Company or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or in connection with any Loan Document, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page) or (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Company. Upon any such resignation, the Required Lenders shall have the right, with the consent of the Company (provided that no such consent shall be required if an Event of Default under paragraphs (a), (b), (h) or (i) of Article VII shall have occurred and be continuing), to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by any Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between such Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents

and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Each Lender and each Issuing Bank acknowledges and agrees that (i) the Loan Documents set forth the terms of a commercial lending facility, (ii) it is engaged in making, acquiring or holding commercial loans and in providing other facilities set forth herein as may be applicable to such Lender or such Issuing Bank, in each case in the ordinary course of business, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument (and each Lender and each Issuing Bank agrees not to assert a claim in contravention of the foregoing), (iii) it has, independently and without reliance upon the Administrative Agent, the Joint Bookrunners or any other Lender or other Issuing Bank, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder and (iv) it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender or such Issuing Bank, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities. Each Lender and each Issuing Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Joint Bookrunners or any other Lender or other Issuing Bank, or any of the Related Parties of any of the foregoing, and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Company and its Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder and in deciding whether or to the extent to which it will continue as a Lender or assign or otherwise transfer its rights, interests and obligations hereunder.

None of the Lenders or their Affiliates, if any, identified in this Agreement as a Joint Bookrunner, Co-Syndication Agent, Co-Documentation Agent or joint lead arranger shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than, in the case of Lenders, those applicable to all Lenders as such. Without limiting the foregoing, none of such Lenders or such Affiliates shall have or be deemed to have a fiduciary relationship with any Lender. Each Lender hereby makes the same acknowledgments with respect to the relevant Lenders and their Affiliates in their respective capacities as Joint Bookrunners, Co-Syndication Agents, Co-Documentation Agents or joint lead arrangers, as applicable, as it makes with respect to the Administrative Agent in the preceding paragraph.

The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender. The Administrative Agent shall have the exclusive right on behalf of the Lenders to enforce the payment of the principal of and interest on any Loan after the date such principal or interest has become due and payable pursuant to the terms of this Agreement.

ARTICLE IX

Miscellaneous

SECTION 9.01. Notices. Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to any Borrower, to it c/o Brown & Brown, Inc., 300 North Beach Street, Daytona Beach, Florida 32114, Attention of R. Andrew Watts, Chief Financial Officer (Telecopy No. 386) 239-7284; Telephone No. (386) 239-5770);

(ii) if to the Administrative Agent, (A) in the case of Borrowings denominated in Dollars, to JPMorgan Chase Bank, N.A., 10 South Dearborn Street, Floor 7, Chicago, Illinois 60603, Attention of Tiara Smith (email: tiara.n.smith@jpmorgan.com, with a copy to email: jpm.agency.cri@jpmorgan.com) and (B) in the case of Borrowings denominated in Foreign Currencies, to J.P. Morgan Europe Limited, 25 Bank Street, Canary Wharf, London E14 5JP, Attention of The Manager, Loan & Agency Services (Telecopy No. 44 207 777 2360; Email: loan_and_agency_london@jpmorgan.com) and (C) for all other notices, to JPMorgan Chase Bank, N.A., 270 Park Avenue, 41st Floor, New York, New York 10017, Attention of Hector Varona (Telecopy No. (646) 534-2235);

(iii) if to JPMorgan Chase Bank, N.A. in its capacity as an Issuing Bank, to it at JPMorgan Chase Bank, N.A., 10 South Dearborn Street, Floor 7, Chicago, Illinois 60603, Attention of CB Trade Execution Team (email: cb.trade.execution.team@chase.com, with a copy to email: tiara.n.smith@jpmorgan.com); and

(iv) if to any other Lender or Issuing Bank, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through Electronic Systems, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Notices and other communications to the Lenders and the Issuing Banks hereunder may be delivered or furnished by using Electronic Systems pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(c) Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(d) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

(e) Posting of Communications.

(i) The Company agrees that the Administrative Agent may, but shall not be obligated to, make Communications (as defined below) available to the Issuing Banks and the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak, ClearPar or a substantially similar Electronic System.

(ii) Although the Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Platform is secured through a per-deal authorization method whereby each user may access the Platform only on a deal-by-deal basis, each of the Lenders, the Issuing Banks and the Borrowers acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Platform, and that there may be confidentiality and other risks associated with such distribution. Each of the Lenders, the Issuing Banks and the Borrowers hereby approves distribution of the Communications through the Platform and understands and assumes the risks of such distribution.

(iii) The Platform and the Communications are provided “as is” and “as available.” The Agent Parties (as defined below) do not warrant the accuracy or completeness of the Communications or the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Platform and the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or any Electronic System. In no event shall the Administrative Agent, the Joint Bookrunners or any of their respective Related Parties (collectively, the “Agent Parties”) have any liability to any Loan Party, any Lender, any Issuing Bank or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party’s or the Administrative Agent’s transmission of Communications through the internet or the Platform, except to the extent of direct or actual damages as are determined by a court of competent jurisdiction to have resulted from such Agent Parties’ gross negligence or willful misconduct or the intentional breach of the confidentiality provisions set forth in Section 9.12 by such Agent Party. “Communications” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent, any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through the Platform.

(iv) Each Lender and each Issuing Bank agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender or such Issuing Bank, as applicable, for purposes of the Loan Documents. Each Lender and each Issuing Bank agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender’s or such Issuing Bank’s (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(v) Each of the Lenders, the Issuing Banks and the Borrowers agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated

to, store the Communications on the Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(vi) Nothing herein shall prejudice the right of the Administrative Agent, any Lender or any Issuing Bank to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

SECTION 9.02. Waivers; Amendments. No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Except as provided in Section 2.20 with respect to an Incremental Term Loan Amendment or as provided in Section 2.24 with respect to the extension of any Maturity Date or as provided in Section 2.14(b), Section 2.14(c) and Section 2.14(d), and subject to clauses (c) and (e) below, neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders or by the Borrowers and the Administrative Agent with the consent of the Required Lenders; provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender directly affected thereby (except that any amendment or modification of the financial covenants in this Agreement (or defined terms used in the financial covenants in this Agreement) shall not constitute a reduction in the rate of interest or fees for purposes of this clause (ii) and this clause (ii) shall not be deemed to include a waiver of default interest), (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly affected thereby (provided that this clause (iii) shall not be deemed to include a waiver of default interest), (iv) change Section 2.09(c) or Section 2.18(b) or (d) in a manner that would alter the ratable reduction of the Revolving Commitments or the pro rata sharing of payments required thereby, without the written consent of each Lender adversely affected thereby, (v) change the payment waterfall provisions of Section 2.22(b) without the written consent of each Lender, (vi) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender (it being understood that, solely with the consent of the parties prescribed by Section 2.20 to be parties to an Incremental Term Loan Amendment, Incremental Term Loans may be included in the determination of Required Lenders on substantially the same basis as the Commitments and the Revolving Loans are included on the Effective Date) or (vii) release the Company from its obligations under Article X without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or any Issuing Bank hereunder without the prior written consent of the Administrative Agent or such Issuing Bank, as the case may be (it being

understood that any change to Section 2.22 shall require the consent of the Administrative Agent and each Issuing Bank); provided further, that no such agreement shall amend or modify the provisions of Section 2.06 or any letter of credit application and any bilateral agreement between the Company and any Issuing Bank regarding the respective rights and obligations between the Company and such Issuing Bank in connection with the issuance of Letters of Credit without the prior written consent of the Administrative Agent, the Company and such Issuing Bank (or each Issuing Bank in the case of any amendment or modification of Section 2.06), respectively. Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

(c) Notwithstanding the foregoing, this Agreement and any other Loan Document may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrowers (x) to add one or more credit facilities (in addition to the Incremental Term Loans pursuant to an Incremental Term Loan Amendment) to this Agreement and to permit extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Revolving Loans, the initial Term Loans, Incremental Term Loans and the accrued interest and fees in respect thereof and (y) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and Lenders.

(d) If, in connection with any proposed amendment, waiver or consent requiring the consent of “each Lender” or “each Lender directly affected thereby,” the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but not obtained being referred to herein as a “Non-Consenting Lender”), then the Company may elect to replace a Non-Consenting Lender as a Lender party to this Agreement, provided that, concurrently with such replacement, (i) another bank or other entity (including an existing Lender, an Affiliate of a Lender or an Approved Fund) which is reasonably satisfactory to the Company and the Administrative Agent shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption (which such Non-Consenting Lender hereby agrees to execute and deliver) and to become a Lender for all purposes under this Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date and to comply with the requirements of clause (b) of Section 9.04, or (ii) each Borrower shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (1) the outstanding principal amount of its Loans and participations in LC Disbursements and all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by such Borrower hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Sections 2.15 and 2.17, and (2) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 2.16 had the Loans of such Non-Consenting Lender been prepaid on such date rather than sold to the replacement Lender. Each party hereto agrees that (i) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Company, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and such parties are participants), and (ii) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

(e) Notwithstanding anything to the contrary herein the Administrative Agent may, with the consent of the Borrowers only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency.

(f) Notwithstanding the foregoing, no amendment or amendment and restatement of this Agreement requiring the consent of “each Lender” or “each Lender directly affected thereby,” which is in all other respects approved by the applicable Lenders in accordance with this Section 9.02, shall require the consent or approval of any Lender (i) which immediately after giving effect to such amendment or amendment and restatement, shall have no Commitment or other obligation to maintain or extend credit under this Agreement (as so amended or amended and restated), including, without limitation, any obligation in respect of any drawing under or participation in any Letter of Credit and (ii) which, substantially contemporaneously with the effectiveness of such amendment or amendment and restatement, is paid in full all amounts owing to it hereunder (including, without limitation principal, interest and fees, but excluding unmatured contingent obligations). From and after the effectiveness of any such amendment or amendment and restatement, any such Lender shall be deemed to no longer be a “Lender” hereunder or a party hereto; provided, that any such Lender shall retain the benefit of indemnification and other provisions hereof which, by the terms hereof would survive a termination of this Agreement.

SECTION 9.03. Expenses; Indemnity; Damage Waiver. The Company shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (which, in the case of counsel, shall be limited to the reasonable fees, charges and disbursements of one primary counsel, and one local counsel in each applicable jurisdiction) in connection with the syndication and distribution (including, without limitation, via the internet or through a service such as Intralinks) of the credit facilities provided for herein, the preparation and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by any Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any Issuing Bank or any Lender (which, in the case of counsel, shall be limited to the reasonable fees, charges and disbursements of one primary counsel and one local counsel in each applicable jurisdiction for the Administrative Agent and one counsel for all of the Lenders other than the Administrative Agent, taken as a whole, and in the case of an actual or reasonably perceived potential conflict of interest, one additional counsel for each group of affected Lenders similarly situated, taken as a whole) in connection with the enforcement or protection of its rights in connection with this Agreement and any other Loan Document, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) The Company shall indemnify the Administrative Agent, each Joint Bookrunner, each Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (which, in the case of counsel, shall be limited to the reasonable fees, charges and disbursements of one primary counsel and one local counsel in each applicable jurisdiction for all Indemnitees, taken as a whole, and in the case of an actual or reasonably perceived potential conflict of interest, one additional counsel for each group of affected Indemnitees similarly situated, taken as a whole) incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Loan Document or any agreement or instrument contemplated thereby (including, without limitation, any commitment letter in respect thereof), the performance by the parties hereto of their respective obligations thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any Issuing Bank to honor a demand for payment under a

Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Company or any of its Subsidiaries, or any Environmental Liability related in any way to the Company or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Company or any of its Subsidiaries, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (x) the gross negligence or willful misconduct of such Indemnitee or any Related Indemnified Party thereof, (y) the material breach by such Indemnitee or any Related Indemnified Party thereof of its express obligations under this Agreement pursuant to a claim initiated by any Borrower or (z) any dispute solely among Indemnitees (other than (A) claims against any of the Administrative Agent or the Lenders or any of their Affiliates in its capacity or in fulfilling its role as the Administrative Agent, an Issuing Bank, a lead arranger, a bookrunner or any similar role under this Agreement and (B) arising as a result of an act or omission by the Company or any of its Affiliates). As used herein, any “Related Indemnified Party” of a Person means (1) any Controlling Person or Controlled Affiliate of such Indemnitee, (2) the respective directors, officers, advisers, auditors, accountants or employees of such Indemnitee or any of its Controlling Persons or Controlled Affiliates and (3) the respective agents or representatives of such Indemnitee or any of its Controlling Persons or Controlled Affiliates, in the case of this clause (3), acting on behalf of or at the instructions of such Indemnitee, Controlling Person or such Controlled Affiliate; provided that each reference to a Controlled Affiliate in this sentence pertains to a Controlled Affiliate involved in the arrangement, negotiation or syndication of this Agreement and the credit facilities hereunder. Each of the Administrative Agent and the Lenders hereby agrees, on behalf of itself and its Related Indemnified Parties, that any settlement entered into by the Administrative Agent or such Lender, respectively, and its Related Indemnified Party in connection with a claim or proceeding for which an indemnity claim is made against any Borrower pursuant to the preceding sentence shall be so entered into in good faith and not on an arbitrary or capricious basis. This Section 9.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims or damages arising from any non-Tax claim.

(c) To the extent that the Company fails to pay any amount required to be paid by it to the Administrative Agent or any Issuing Bank under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent, and each Revolving Lender severally agrees to pay to the applicable Issuing Bank such Lender’s Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount (it being understood that the Company’s failure to pay any such amount shall not relieve the Company of any default in the payment thereof); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the applicable Issuing Bank in its capacity as such.

(d) To the extent permitted by applicable law, no Borrower shall assert, and each Borrower hereby waives, any claim against any of the Administrative Agent, each Joint Bookrunner, each Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Lender-Related Person”) for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet), except to the extent of direct or actual damages as are determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of, or intentional breach of the confidentiality provisions set forth in Section 9.12 by, such Lender-Related Person. Each party hereto hereby agrees not to assert and hereby waives any claim against any other party hereto on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or

any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; provided that nothing contained in this sentence shall limit the Company's indemnification obligations to Indemnitees in respect of claims made by third parties as set forth in Section 9.03(b).

(e) All amounts due under this Section shall be payable not later than fifteen (15) days after written demand therefor.

SECTION 9.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank (in accordance with the definition of Issuing Bank) that issues any Letter of Credit), except that (i) no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank (in accordance with the definition of Issuing Bank) that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments, participations in Letters of Credit and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Company (provided that the Company shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof); provided, further, that no consent of the Company shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if any Event of Default described in clause (a), (b), (h) or (i) of Article VII has occurred and is continuing, any other assignee;

(B) the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment of all or any portion of a Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) each Issuing Bank; provided that no consent of an Issuing Bank shall be required for an assignment of all or any portion of a Term Loan.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 (in the case of Revolving Commitments and Revolving Loans) or \$1,000,000 (in the case of a Term Loan) unless

each of the Company and the Administrative Agent otherwise consent, provided that no such consent of the Company shall be required if an Event of Default under clauses (a), (b), (h) or (i) thereof has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of \$3,500, such fee to be paid by either the assigning Lender or the assignee Lender or shared between such Lenders; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Company and its Affiliates and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including federal and state securities laws.

For the purposes of this Section 9.04(b), the terms "Approved Fund" and "Ineligible Institution" have the following meanings:

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Ineligible Institution" means (a) a natural person, (b) a Defaulting Lender or its Lender Parent, (c) the Company, any of its Subsidiaries or any of its Affiliates, or (d) a company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of each Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent, the Issuing Banks and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Company, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee’s completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b)(ii)(C) of this Section and any written consent to such assignment required by paragraph (b)(i) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.06(d) or (e), 2.07(b), 2.18(e) or 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) Any Lender may, without the consent of any Borrower, the Administrative Agent or any Issuing Bank, sell participations to one or more banks or other entities (a “Participant”), other than an Ineligible Institution, in all or a portion of such Lender’s rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (A) such Lender’s obligations under this Agreement shall remain unchanged; (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (C) the Borrowers, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. Each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein, including the requirements under Section 2.17(f) (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 2.18 and 2.19 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 2.15 or 2.17, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Company’s request and expense, to use reasonable efforts to cooperate with the Company to effectuate the provisions of Section 2.19(b) with respect to any Participant.

To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.18(d) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or Section 1.163-5(b) of the Proposed United States Treasury Regulations (or, in each case, any amended or successor version) or to establish that a Loan Party has fulfilled its reporting and withholding obligations under FATCA. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority having jurisdiction over such Lender, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 9.05. Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any other Loan Document or any provision hereof or thereof.

SECTION 9.06. Counterparts; Integration; Effectiveness; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties

hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 9.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an “Ancillary Document”) that is an Electronic Signature transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Company or any other Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each party hereto hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders, the Company and the other Loan Parties, Electronic Signatures transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (ii) agrees that the other parties hereto may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person’s business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any other party hereto for any Liabilities arising solely from any other party’s reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of such party to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

SECTION 9.07. Severability. Any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time,

to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final and in whatever currency denominated) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of any Borrower against any of and all of the Obligations held by such Lender. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have. Each Lender shall use its commercially reasonable efforts to notify the Company promptly upon the exercise of any such set off rights; provided that the failure to provide such notice shall not modify, limit or otherwise mitigate such Lender's (and its Affiliates') rights under this Section.

SECTION 9.09. Governing Law; Jurisdiction; Consent to Service of Process. This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the Lenders and the Administrative Agent hereby irrevocably and unconditionally agrees that, notwithstanding the governing law provisions of any applicable Loan Document, any claims brought against the Administrative Agent by any Lender relating to this Agreement, any other Loan Document or the consummation or administration of the transactions contemplated hereby or thereby shall be construed in accordance with and governed by the law of the State of New York.

(c) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

(d) Each of the parties hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (c) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) Each of the parties hereto hereby irrevocably consents to service of process in the manner provided for notices in Section 9.01. Each Subsidiary Borrower irrevocably designates and appoints the Company, as its authorized agent, to accept and acknowledge on its behalf, service of any and all process which may be served in any suit, action or proceeding of the nature referred to in Section 9.09(b) in any federal or New York State court sitting in New York City. The Company hereby represents, warrants and confirms that the Company has agreed to accept such appointment. Said designation and appointment shall be irrevocable by each such Subsidiary Borrower until all Loans, all reimbursement obligations, interest thereon and all other amounts payable by such Subsidiary Borrower hereunder and under the other Loan Documents shall have been paid in full in accordance with the provisions hereof and thereof and such Subsidiary Borrower shall have been terminated as a Borrower hereunder pursuant to Section 2.23. Each

Subsidiary Borrower hereby consents to process being served in any suit, action or proceeding of the nature referred to in Section 9.09(b) in any federal or New York State court sitting in New York City by service of process upon the Company as provided in this Section 9.09(d); provided that, to the extent lawful and possible, notice of said service upon such agent shall be mailed by registered or certified air mail, postage prepaid, return receipt requested, to the Company and (if applicable to) such Subsidiary Borrower at its address set forth in the Borrowing Subsidiary Agreement to which it is a party or to any other address of which such Subsidiary Borrower shall have given written notice to the Administrative Agent (with a copy thereof to the Company). Each Subsidiary Borrower irrevocably waives, to the fullest extent permitted by law, all claim of error by reason of any such service in such manner and agrees that such service shall be deemed in every respect effective service of process upon such Subsidiary Borrower in any such suit, action or proceeding and shall, to the fullest extent permitted by law, be taken and held to be valid and personal service upon and personal delivery to such Subsidiary Borrower. To the extent any Subsidiary Borrower that is a Foreign Subsidiary has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether from service or notice, attachment prior to judgment, attachment in aid of execution of a judgment, execution or otherwise), such Subsidiary Borrower hereby irrevocably waives such immunity in respect of its obligations under the Loan Documents. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12. Confidentiality. Each of the Administrative Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process (in which case such Person agrees, to the extent practicable and not prohibited by applicable law or regulation, to inform the Company promptly thereof prior to disclosure), (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in (in each case other than an Ineligible Institution), any of its rights or obligations under this Agreement or (ii) any

actual counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) with the consent of the Company, (h) on a confidential basis to (i) any rating agency in connection with rating the Company or its Subsidiaries or the credit facilities provided for herein or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the credit facilities provided for herein or (i) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis from a source other than the Company that is not known to the Administrative Agent, such Issuing Bank or such Lender to be subject to a duty of confidentiality to the Company or its Subsidiaries. For the purposes of this Section, "Information" means all information received from the Company relating to the Company or its business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by the Company and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN THE IMMEDIATELY PRECEDING PARAGRAPH FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE COMPANY AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE COMPANY OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE COMPANY, THE OTHER LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE COMPANY AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

SECTION 9.13. USA PATRIOT Act. Each Lender that is subject to the requirements of the Patriot Act and the requirements of the Beneficial Ownership Regulation hereby notifies the Borrowers that, pursuant to the requirements of the Patriot Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name, address and tax identification number of the Borrowers and other information that will allow such Lender to identify the Borrowers in accordance with the Patriot Act and the Beneficial Ownership Regulation and other applicable "know your customer" and anti-money laundering rules and regulations.

SECTION 9.14. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest

payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the applicable Overnight Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.15. No Advisory or Fiduciary Responsibility.

(a) Each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Credit Party will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to such Borrower with respect to the Loan Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, such Borrower or any other person. Each Borrower agrees that it will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, each Borrower acknowledges and agrees that no Credit Party is advising such Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. Each Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Loan Documents, and the Credit Parties shall have no responsibility or liability to any Borrower with respect thereto.

(b) Each Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, such Borrower, its Subsidiaries and other companies with which such Borrower or any of its Subsidiaries may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its Affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which such Borrower or any of its Subsidiaries may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from any Borrower by virtue of the transactions contemplated by the Loan Documents or its other relationships with such Borrower in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Borrower also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to such Borrower or any of its Subsidiaries, confidential information obtained from other companies.

SECTION 9.16. Prepayment of Loans under the Existing Credit Agreement. Each of the signatories hereto that is also a party to the Existing Credit Agreement hereby agrees that any and all required notice periods under the Existing Credit Agreement in connection with the prepayment (if any) on

the Effective Date of any “Loans” under the Existing Credit Agreement are hereby waived and of no force and effect.

SECTION 9.17. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 9.18. Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States).

In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing,

it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

SECTION 9.19. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Joint Bookrunners and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Joint Bookrunners, the Co-Syndication Agents, the Co-Documentation Agents or any of their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that none of the Administrative Agent, or the Joint Bookrunners, the Co-Syndication Agents, the Co-Documentation Agents or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any

rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

(c) The Administrative Agent, each Joint Bookrunner, each Co-Syndication Agent and each Co-Documentation Agent hereby informs the Lenders that each such Person is not undertaking to provide investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments, this Agreement and any other Loan Documents, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, commitment fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent fees or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

SECTION 9.20. Erroneous Payments.

(a) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 9.20 shall be conclusive, absent manifest error.

(b) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate

determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Company and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations (or any other Obligations) owed by the Company or any other Loan Party, except to the extent such erroneous Payment is, and solely with respect to the amount of such erroneous Payment that is, comprised of funds received by the Administrative Agent from the Company or any other Loan Party for the purpose of satisfying an Obligation (or any other Obligation); provided that this Section 9.20(c) shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), any Obligations of the Company or any other Loan Party relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such erroneous Payment not been made by the Administrative Agent.

(d) Each party's obligations under this Section 9.20 shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

ARTICLE X

Company Guarantee

In order to induce the Lenders to extend credit to the other Borrowers hereunder, but subject to the last sentence of this Article X, the Company hereby absolutely and irrevocably and unconditionally guarantees, as a primary obligor and not merely as a surety, the payment when and as due of the Obligations. The Company further agrees that the due and punctual payment of such Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee hereunder notwithstanding any such extension or renewal of any such Obligation. The Company hereby irrevocably and unconditionally agrees that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify (subject to the limitations and carve-outs in Section 9.03) the Administrative Agent, the Issuing Banks and the Lenders immediately on demand against any cost, loss or liability they incur as a result of any other Borrower or any of its Affiliates not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by such Borrower under this Article X on the date when it would have been due (but so that the amount payable by the Company under this indemnity will not exceed the amount which it would have had to pay under this Article X if the amount claimed had been recoverable on the basis of a guarantee).

The Company waives presentment to, demand of payment from and protest to any Borrower (other than to the Company) of any of the Obligations, and also waives notice of acceptance of its obligations and notice of protest for nonpayment. The obligations of the Company hereunder shall not be affected by (a) the failure of the Administrative Agent, any Issuing Bank or any Lender to assert any claim or demand or to enforce any right or remedy against any Borrower under the provisions of this Agreement, any other Loan Document or otherwise; (b) any extension or renewal of any of the Obligations; (c) any rescission, waiver, amendment or modification of, or release from, any of the terms or provisions of this Agreement, or any other Loan Document or agreement other than as a result of the payment in full in cash; (d) any default, failure or delay, willful or otherwise, in the performance of any of the Obligations; (e) the failure of the Administrative Agent to take any steps to perfect and maintain any security interest in,

or to preserve any rights to, any security or collateral for the Obligations, if any; (f) any change in the corporate, partnership or other existence, structure or ownership of any Borrower or any other guarantor of any of the Obligations; (g) the enforceability or validity of the Obligations or any part thereof or the genuineness, enforceability or validity of any agreement relating thereto or with respect to any collateral securing the Obligations or any part thereof, or any other invalidity or unenforceability relating to or against any Borrower or any other guarantor of any of the Obligations, for any reason related to this Agreement, any other Loan Document, or any provision of applicable law, decree, order or regulation of any jurisdiction purporting to prohibit the payment by such Borrower or any other guarantor of the Obligations, of any of the Obligations or otherwise affecting any term of any of the Obligations; or (h) any other act, omission or delay to do any other act (other than payment in full in cash) which may or might in any manner or to any extent vary the risk of the Company or otherwise operate as a discharge of a guarantor as a matter of law or equity or which would impair or eliminate any right of the Company to subrogation.

The Company further agrees that its agreement hereunder constitutes a guarantee of payment when due (whether or not any bankruptcy or similar proceeding shall have stayed the accrual or collection of any of the Obligations or operated as a discharge thereof) and not merely of collection, and waives any right to require that any resort be had by the Administrative Agent, any Issuing Bank or any Lender to any balance of any deposit account or credit on the books of the Administrative Agent, any Issuing Bank or any Lender in favor of any Borrower or any other Person.

The obligations of the Company hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever, by reason of the invalidity, illegality or unenforceability of any of the Obligations, any impossibility in the performance of any of the Obligations or otherwise.

The Company further agrees that its obligations hereunder shall constitute a continuing and irrevocable guarantee of all Obligations now or hereafter existing and shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation (including a payment effected through exercise of a right of setoff) is rescinded, or is or must otherwise be restored or returned by the Administrative Agent, any Issuing Bank or any Lender upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise (including pursuant to any settlement entered into by a holder of Obligations in its discretion).

In furtherance of the foregoing and not in limitation of any other right which the Administrative Agent, any Issuing Bank or any Lender may have at law or in equity against any Borrower by virtue hereof, upon the failure of any other Borrower to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, the Company hereby promises to and will, upon receipt of written demand by the Administrative Agent, any Issuing Bank or any Lender, forthwith pay, or cause to be paid, to the Administrative Agent, any Issuing Bank or any Lender in cash an amount equal to the unpaid principal amount of the Obligations then due, together with accrued and unpaid interest thereon. The Company further agrees that if payment in respect of any Obligation shall be due in a currency other than Dollars and/or at a place of payment other than New York, Chicago or any other Eurocurrency Payment Office and if, by reason of any Change in Law, disruption of currency or foreign exchange markets, war or civil disturbance or other event, payment of such Obligation in such currency or at such place of payment shall be impossible or disadvantageous to the Administrative Agent, any Issuing Bank or any Lender in any material respect, then, at the election of the Administrative Agent, the Company shall make payment of such Obligation in Dollars (based upon the applicable Equivalent Amount in effect on the date of payment) and/or in New York, Chicago or such other Eurocurrency Payment Office as is designated by the Administrative Agent and, as a separate and independent obligation, shall reimburse the Administrative Agent, any Issuing Bank and any Lender against any losses or reasonable out-of-pocket expenses that it shall sustain as a result of such alternative payment.

Upon payment by the Company of any sums as provided above, all rights of the Company against any Borrower arising as a result thereof by way of right of subrogation or otherwise shall in all respects be subordinated and junior in right of payment to the prior indefeasible payment in full in cash of all the Obligations owed by the Company to the Administrative Agent, the Issuing Banks and the Lenders.

Nothing shall discharge or satisfy the liability of the Company hereunder except the full performance and payment in cash of the Obligations.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

BROWN & BROWN, INC.,
as the Company

By /s/ Barrett Brown
Name: Barrett Brown
Title: Executive Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

JPMORGAN CHASE BANK, N.A., individually as a Lender, as an Issuing Bank and as the Administrative Agent

By /s/ Milena Kolev
Name: Milena Kolev
Title: VP

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

BANK OF AMERICA, N.A., individually as a Lender, as an Issuing Bank
and as a Co-Syndication Agent

By /s/ Cameron Cardozo
Name: Cameron Cardozo
Title: Senior Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

BMO HARRIS BANK N.A., individually as a Lender, as an Issuing Bank
and as a Co-Syndication Agent

By /s/ Brij Grewal
Name: Brij Grewal
Title: Managing Director

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

TRUIST BANK, individually as a Lender, as an Issuing Bank and as a Co-Syndication Agent

By /s/ Richard W. Jantzen, III
Name: Richard W. Jantzen, III
Title: Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

FIFTH THIRD BANK, NATIONAL ASSOCIATION, individually as a
Lender and as a Co-Documentation Agent

By /s/ David A. Austin
Name: David A. Austin
Title: Senior Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

PNC BANK, NATIONAL ASSOCIATION, individually as a Lender and as a
Co-Documentation Agent

By /s/ Paul Gleason
Name: Paul Gleason
Title: Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

U.S. BANK NATIONAL ASSOCIATION, individually as a Lender and as a
Co-Documentation Agent

By /s/ Callen M. Strunk
Name: Callen M. Strunk
Title: Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

WELLS FARGO BANK, NATIONAL ASSOCIATION, individually as a
Lender and as a Co-Documentation Agent

By /s/ William R. Goley
Name: William R. Goley
Title: Managing Director

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

CITIZENS BANK, N.A., individually as a Lender and as a Co-Documentation Agent

By /s/ Kyle Giesel
Name: Kyle Giesel
Title: Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

MORGAN STANLEY BANK, N.A., individually as a Lender

By /s/ Michael King
Name: Michael King
Title: Authorized Signatory

MORGAN STANLEY SENIOR FUNDING, INC., as a Co-Documentation Agent

By /s/ Michael King
Name: Michael King
Title: Authorized Signatory

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

CADENCE BANK, N.A., as a Lender

By /s/ Donald G. Preston
Name: Donald G. Preston
Title: Senior Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

HANCOCK WHITNEY BANK, as a Lender

By /s/ Kenneth C. Misemer
Name: Kenneth C. Misemer
Title: Senior Vice President

Signature Page to Second Amended and Restated Credit Agreement
Brown & Brown, Inc. *et al*

SCHEDULE 2.01

COMMITMENTS

<u>LENDER</u>	<u>REVOLVING COMMITMENT</u>	<u>OUTSTANDING TERM LOANS</u>
JPMORGAN CHASE BANK, N.A.	\$99,047,619.05	\$30,952,380.95
BANK OF AMERICA, N.A.	\$91,428,571.43	\$28,571,428.57
BMO HARRIS BANK N.A.	\$91,428,571.43	\$28,571,428.57
TRUIST BANK	\$91,428,571.43	\$28,571,428.57
FIFTH THIRD BANK, NATIONAL ASSOCIATION	\$72,380,952.38	\$22,619,047.62
PNC BANK, NATIONAL ASSOCIATION	\$72,380,952.38	\$22,619,047.62
U.S. BANK NATIONAL ASSOCIATION	\$72,380,952.38	\$22,619,047.62
WELLS FARGO BANK, NATIONAL ASSOCIATION	\$72,380,952.38	\$22,619,047.62
CITIZENS BANK, N.A.	\$53,333,333.33	\$16,666,666.67
MORGAN STANLEY BANK, N.A.	\$53,333,333.33	\$16,666,666.67
CADENCE BANK, N.A.	\$15,238,095.24	\$4,761,904.76
HANCOCK WHITNEY BANK	\$15,238,095.24	\$4,761,904.76
AGGREGATE COMMITMENT	\$800,000,000.00	\$250,000,000.00

SCHEDULE 3.01
SUBSIDIARIES

The Company owns 100% of the capital stock or other equity interests of the following Subsidiaries, either directly or indirectly:

Subsidiary	Jurisdiction of Incorporation/Organization
Acumen Re Management Corporation	DE
Adeo Solutions, LLC	MA
Advocate Insurance Services Corp.	DE
Advocator Group Holding Company, Inc.	FL
Aevo Insurance Services, LLC	FL
AFC Insurance, Inc.	PA
AGIA Premium Finance Company, Inc.	CA
Allocation Services, Inc.	FL
American Claims Management - Atlantic Region, LLC	GA
American Claims Management, Inc.	CA
American Specialty Insurance & Risk Services, Inc.	IN
Apex Insurance Agency, LLC	VA
Argus Reinsurance, Ltd	Saint Kitts and Nevis
Arrowhead General Insurance Agency Holding Corp.	DE
Arrowhead General Insurance Agency Superholding Corp.	DE
Arrowhead General Insurance Agency, Inc.	MN
Arrowhead Insurance Risk Managers, LLC	GA
Arrowhead Online Insurance Services, LLC	CA
Artimis Reinsurance Limited	Saint Kitts and Nevis
Augustus Reinsurance, Limited	Turks and Caicos Islands
Avirs Acquisition, LLC	PA
Axiom RE, LP	FL
Azure International Holding Co.	DE
B&B Canada Holdco, Inc.	DE
B&B Fitness PG, Inc.	CO
B&B Metro Holding, Inc.	NJ
B&B PF, LLC	PA
B&B Protector Plans, Inc.	FL
B&B Tn Holding Company, Inc.	DE
Bb Fl Holding 2, LLC	FL
BB FL Holding, LLC	FL
BBVAS, LLC	FL
Beecher Carlson Bermuda, Ltd.	Bermuda
Beecher Carlson Brokerage, Ltd.	Bermuda
Beecher Carlson Cayman, Ltd.	Cayman Islands
Beecher Carlson Holdings, Inc.	DE
Beecher Carlson Insurance Services Of Colorado, LLC	CO
Beecher Carlson Insurance Services, LLC	CA
Beecher Carlson Of Florida, Inc.	FL
Benefit Integration Management Services, LLC	DE

Bridge Specialty Group, LLC	FL
Bridge Specialty Wholesale, Inc.	FL
Brown & Brown Benefit Advisors, Inc.	NJ
Brown & Brown Disaster Relief Foundation, Inc.	FL
Brown & Brown Insurance Agency Of Virginia, Inc.	VA
Brown & Brown Insurance Brokers Of Sacramento, Inc.	CA
Brown & Brown Insurance Of Arizona, Inc.	AZ
Brown & Brown Insurance Of Georgia, Inc.	GA
Brown & Brown Insurance Of Nevada, Inc.	NV
Brown & Brown Insurance Services Of California, Inc.	CA
Brown & Brown Lone Star Insurance Services, Inc.	TX
Brown & Brown Metro, LLC	NJ
Brown & Brown Nj Holding Co., Inc.	FL
Brown & Brown Of Arkansas, Inc.	AR
Brown & Brown of Canada, Inc.	Canada
Brown & Brown Of Central Carolina, LLC	NC
Brown & Brown Of Central Michigan, Inc.	MI
Brown & Brown Of Colorado, Inc.	CO
Brown & Brown Of Connecticut, Inc.	CT
Brown & Brown Of Delaware, Inc.	DE
Brown & Brown Of Detroit, Inc.	MI
Brown & Brown Of Florida, Inc.	FL
Brown & Brown Of Garden City, Inc.	FL
Brown & Brown Of Illinois, Inc.	IL
Brown & Brown of Indiana, LLC	IN
Brown & Brown Of Iowa, Inc.	IA
Brown & Brown Of Kentucky, Inc.	KY
Brown & Brown Of Lehigh Valley, LP	PA
Brown & Brown Of Louisiana, LLC	LA
Brown & Brown Of Massachusetts, LLC	MA
Brown & Brown Of Michigan, Inc.	MI
Brown & Brown Of Minnesota, Inc.	MN
Brown & Brown Of Mississippi, LLC	DE
Brown & Brown Of Missouri, Inc.	MO
Brown & Brown Of Nashville, Inc.	TN
Brown & Brown Of New Hampshire, Inc.	NH
Brown & Brown of New Jersey, LLC	NJ
Brown & Brown Of New Mexico, Inc.	NM
Brown & Brown Of New York, Inc.	NY
Brown & Brown Of North Dakota, Inc.	ND
Brown & Brown Of Ohio, LLC	OH
Brown & Brown Of Oklahoma, Inc.	OK
Brown & Brown of Oregon, LLC	OR
Brown & Brown Of Pennsylvania, LP	PA
Brown & Brown Of South Carolina, Inc.	SC
Brown & Brown Of Tennessee, Inc.	TN

Brown & Brown Of Washington, Inc.	WA
Brown & Brown Of West Virginia, Inc.	WV
Brown & Brown Of Wisconsin, Inc.	WI
Brown & Brown PA Holding Co. 2, LLC	FL
Brown & Brown PA Holding Co., LLC	FL
Brown & Brown Pacific Insurance Services, Inc.	HI
Brown & Brown Program Insurance Services, Inc.	CA
Brown & Brown Realty Co.	DE
Brown & Brown, Inc.	FL
Brown Holding, Inc.	IL
Brown Riverfront Esplanade Foundation, Inc.	FL
Colonial Premium Finance Company	NC
Coverhound, LLC	FL
Decus Holdings (UK) Limited	United Kingdom
Decus Insurance Brokers Limited	United Kingdom
DTBB, LLC	FL
ECC Insurance Brokers, LLC	IL
Elohssa, Inc.	FL
Fitness Underwriters RPG, Inc.	VA
Florida Intracoastal Underwriters, Limited Company	FL
Hays Companies, Inc.	FL
Health Special Risk, Inc.	MN
Healthcare Insurance Professionals, Inc.	TX
Hull & Company Of New York, Inc.	NY
Hull & Company, LLC	FL
ICA, LP	NC
Independent Consulting & Risk Management Services, Inc.	CA
Industry Consulting Group, Inc.	FL
International E & S Insurance Brokers, Inc.	CA
Irving Weber Associates, Inc.	NY
Macduff Underwriters, LLC	FL
Madoline Corporation	FL
Marquee Managed Care Solutions, Inc.	CA
Medval, LLC	MO
Monarch Management Corporation	KS
New Ssad Holding, LLC	DE
Onpoint Insurance Services, LLC	DE
Onpoint Underwriting, Inc.	DE
Pacific Resources Benefits Advisors, LLC	IL
Peachtree Special Risk Brokers Of New York, LLC	NY
Peachtree Special Risk Brokers, LLC	GA
Pillarrx Consulting, LLC	FL
Preferred Governmental Claim Solutions, Inc.	FL
Proctor Financial, Inc.	MI
Professional Disability Associates, LLC	ME
Program Management Services, Inc.	FL

Public Risk Underwriters Insurance Services Of Texas, LLC	TX
Public Risk Underwriters Of Florida, Inc.	FL
Public Risk Underwriters Of Illinois, LLC	IL
Public Risk Underwriters Of New Jersey, Inc.	NJ
Public Risk Underwriters Of The Midwest, LLC	IN
Public Risk Underwriters Of The Northwest, Inc.	WA
Public Risk Underwriters, LLC	FL
Risk Management Associates, Inc.	FL
Servco Insurance Services Washington LLC	DE
Social Security Advocates For The Disabled, LLC	DE
Special Risk Insurance Managers Ltd.	Canada
Spectrum Wholesale Insurance Services, LLC	DE
Superior Recovery Services, Inc.	CA
Texas Security General Insurance Agency, LLC	TX
The Advocate Group, LLC	FL
The Wright Insurance Group, LLC	DE
Title Pac, Inc.	OK
Tricoast Insurance Services, LLC	GA
Tryflood, LLC	FL
TSG Premium Finance, LLC	TX
Usis, Inc.	FL
Valiant Insurance Services, LLC	UT
Wright Managed Care, LLC	NY
Wright National Flood Insurance Company	TX
Wright National Flood Insurance Services Of New York LLC	NY
Wright National Flood Insurance Services, LLC	DE
Wright Program Management, LLC	DE
Wright Risk Consulting, LLC	DE
Wright Risk Management Company, LLC	DE
Wright RPG, LLC	DE
Wright Specialty Insurance Agency, LLC	DE
Wrm America Intermediate Holding Company, Inc.	DE
Youzoom Insurance Services, Inc.	CA
AG General Agency, Inc.	TX
AG Insurance Services, LLC	FL
American & British Excess, Inc.	VA
Apex Insurance Agency, Inc.	VA
Aquiline Wright Holdings 1, Inc.	DE
Aquiline Wright Holdings 2, Inc.	DE
Automobile Insurance Agency of Virginia, Inc.	VA
Axiom Re, Inc.	FL
Azure IV Acquisition Corporation	AZ
B&B Protector Plans Insurance Services Of Texas, LLC	TX
Balcones-Southwest, Inc.	TX
Beecher Carlson Insurance Agency, LLC	DE
Braishfield Associates of New York, Inc.	NY

Braishfield Associates, Inc.	FL
Brown & Brown Acquisition Group, LLC	DE
Brown & Brown Agency of Insurance Professionals, Inc.	OK
Brown & Brown Aircraft Acquisition Co.	DE
Brown & Brown Insurance Benefits, Inc.	TX
Brown & Brown Insurance Services of El Paso, Inc.	TX
Brown & Brown Insurance Services of Texas, Inc.	TX
Brown & Brown Insurance Services of The Bay Area, Inc.	CA
Brown & Brown Merger Co.	DE
Brown & Brown Metro, Inc.	NJ
Brown & Brown Newco Limited Liability Company	NJ
Brown & Brown of Bartlesville, Inc.	OK
Brown & Brown of GF/EGF, Inc.	ND
Brown & Brown of Indiana, Inc.	IN
Brown & Brown of Lehigh Valley, Inc.	PA
Brown & Brown of Louisiana, Inc.	LA
Brown & Brown Of Louisiana, LLC	VA
Brown & Brown of Mississippi, Inc.	MS
Brown & Brown of New Jersey, Inc.	NJ
Brown & Brown of North Carolina, Inc.	NC
Brown & Brown Of Northern Illinois, Inc.	DE
Brown & Brown of Ohio, Inc.	OH
Brown & Brown of Oregon, Inc.	OR
Brown & Brown of Pennsylvania, Inc.	DE
Brown & Brown of Pennsylvania, Inc.	PA
Brown & Brown of Southwest Indiana, Inc.	IN
Brown & Brown of Wyoming, Inc.	WY
Brown & Brown Premium Finance Company, Inc.	VA
Brown & Brown RE, Inc.	CT
Brown & Brown West Coast, Inc.	CA
CGI Acquisition Corp.	FL
Champion Underwriters, Inc.	FL
Colonial Claims Corporation	FL
Combined Group Insurance Services, Inc.	TX
Conduit Insurance Managers, Inc.	TX
Cumberland Special Risk Brokers, Inc.	TN
Dolphin Agency Inc	TX
ECC Insurance Brokers, Inc.	IL
EIB Acquisition Corp.	IL
Elohssa, Inc.	DE
Energy & Marine Underwriters, Inc.	LA
Fitness Insurance, LLC	CO
Flagship Group Insurance Agency, Ltd.	MA
Flagship Management Co.	VA
Flagship Maritime Adjusters, Inc.	VA
Graham-Rogers of Arkansas, Inc.	AR

Graham-Rogers, Inc.	OK
Green Insurance Company Limited	Bermuda
Grocer Re Insurance Ltd.	Cayman Islands
Halcyon Underwriters, Inc.	FL
Hardin & Wilson, Inc.	AR
Huffman & Associates, Inc.	GA
Hull & Company, Inc.	FL
Hull Acquisition Corp.	FL
Investigation Solutions, Inc.	CA
Lancer Claims Services, Inc.	NV
LDP Consulting Group, Inc.	NJ
Logan Insurance Agency, Inc.	VA
M & J Buildings, L.L.C.	ND
MacDuff America, Inc.	FL
Macduff E&S Insurance Brokers, Inc.	CA
MacDuff Pinellas Underwriters, Inc.	FL
MacDuff Underwriters, Inc.	FL
Mangus Insurance & Bonding, Inc.	FL
Mangus Insurance & Bonding, Inc.	VA
McKinnon & Mooney, Inc.	MI
National Connectforce Claims, Inc.	CA
Pacific Claims Service, Inc.	CA
Pacific Merger Corp.	DE
Payease Financial, Inc.	OK
Peachtree Special Risk Insurance Brokers of NV. Inc.	NV
Physicians Protector Plan RPG, Inc.	FL
Portland Insurance Agency, LLC	OR
Premier Interpreting & Transportation, Inc.	CA
Procor Solutions LLC	NJ
Program Management Services, Inc.	VA
Program Management Services, Inc.	FL
Public Risk Underwriters of Georgia, Inc.	GA
Public Risk Underwriters of Indiana, Inc.	IN
RAI of Mississippi, Inc.	MS
RAI of Oklahoma, Inc.	OK
RAI, Inc.	AR
Remedy Analytics, Inc.	DE
Roswell Insurance & Surety Agency	NM
Rowlands & Barranca Agency, Inc.	NY
Shapiro Insurance, Inc.	FL
SIM Insurance Services, LLC	TX
Statforce, LLC	NJ
Technical Risks, Inc.	TX
TES Acquisition Corp.	CA
The Connelly Insurance Group, Inc.	FL
The Flagship Group, Ltd.	VA

The Young Agency Inc.	NY
TPI Acquisition Corp.	OK
Tribal Nation Insurance Services, LLC	CT
Unified Seniors Association, Inc.	GA
Winston Financial Services, Inc.	NJ
WMH, Inc.	GA

SCHEDULE 6.01
EXISTING INDEBTEDNESS

None.

SCHEDULE 6.02
EXISTING LIENS

None.

EXHIBIT A

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the “Assignor”) and [Insert name of Assignee] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor:
2. Assignee: [and is an Affiliate/Approved Fund of [identify Lender]]
3. Borrower(s): Brown & Brown, Inc. and certain Subsidiary Borrowers
4. Administrative Agent: JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: The Second Amended and Restated Credit Agreement dated as of October 27, 2021 among Brown & Brown, Inc., the Subsidiary Borrowers from time to time party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other agents party thereto
6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans
	\$	\$	%
	\$	\$	%
	\$	\$	%

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The Assignee agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Company, the other Loan Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including federal and state securities laws.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:

JPMORGAN CHASE BANK, N.A., as
Administrative Agent [and an Issuing Bank]

By: _____
Title:

[OTHER ISSUING BANKS], as
an Issuing Bank

By: _____
Title:

[Consented to:]

BROWN & BROWN, INC.

By: _____
Title:

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Company, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, (iv) any requirements under applicable law for the Assignee to become a lender under the Credit Agreement or to charge interest at the rate set forth therein from time to time or (v) the performance or observance by the Company, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement and under applicable law that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent, any Joint Bookrunner, the Assignor or any other Lender or any of their respective Related Parties, and (vi) attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, any Joint Bookrunner, the Assignor or any other Lender or any of their respective Related Parties, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and

Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Acceptance and adoption of the terms of this Assignment and Assumption by the Assignee and the Assignor by Electronic Signature or delivery of an executed counterpart of a signature page of this Assignment and Assumption by any Electronic System shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

EXHIBIT B

FORM OF COMPLIANCE CERTIFICATE

BROWN & BROWN, INC.

COMPLIANCE CERTIFICATE

I, the undersigned, [Name of Financial Officer], [Title of Financial Officer] of Brown & Brown, Inc. (the “Company”), a Florida corporation, do hereby certify, solely in my capacity as an officer of the Company and not in my individual capacity, on behalf of the Company, that:

1. This Certificate is furnished pursuant to the Second Amended and Restated Credit Agreement, dated as of October 27, 2021, among the Company, the Lenders and agents party thereto, and JPMorgan Chase Bank, N.A. as Administrative Agent (as the same may be amended, supplemented or otherwise modified from time to time, the “Credit Agreement”). Unless otherwise defined herein, capitalized terms used in this Certificate shall have the meanings set forth in the Credit Agreement.

2. [**for quarterly financial statements**: The quarterly financial statements delivered herewith present fairly in all material respects the financial condition and results of operations of the Company and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes];

3. I have no knowledge of the existence of any Default as of the date of this Certificate [except as set forth below, which describes the nature of the condition or event that constitutes such Default the action which the Company has taken, is taking, or proposes to take with respect to each such condition or event]; and

4. Exhibit A attached hereto sets forth in reasonable detail financial data and computations evidencing the Company’s compliance with the financial covenants set forth in Section 6.05 of the Credit Agreement, all of which data and computations are true, complete and correct in all material respects.

Described below are the exceptions, if any, to paragraph 3 by listing, in reasonable detail, the nature of the condition or event, the period during which it has existed and the action which the Company has taken, is taking, or proposes to take with respect to each such condition or event:

[_____]

(signature page follows)

The foregoing certifications, together with the computations set forth in Exhibit A hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this ____ day of _____, 20__.

BROWN & BROWN INC.

By: _____
Name:
Title:

EXHIBIT A

Compliance as of _____, 20__ with
Section 6.05 of the Credit Agreement

[calculations attached]

EXHIBIT C

FORM OF INCREASING LENDER SUPPLEMENT

INCREASING LENDER SUPPLEMENT, dated as of _____, 20__ (this "Supplement"), by and among each of the signatories hereto, to the Second Amended and Restated Credit Agreement, dated as of October 27, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

WITNESSETH

WHEREAS, pursuant to Section 2.20 of the Credit Agreement, the Company has the right, subject to the terms and conditions thereof, to effectuate from time to time an increase in the aggregate Revolving Commitments and/or one or more tranches of Incremental Term Loans under the Credit Agreement by requesting one or more Lenders to increase the amount of its Revolving Commitment, provide a Revolving Commitment (in the case of an existing Term Lender) and/or to participate in such a tranche;

WHEREAS, the Company has given notice to the Administrative Agent of its intention to [increase the aggregate Revolving Commitments] [and] [enter into a tranche of Incremental Term Loans] pursuant to such Section 2.20; and

WHEREAS, pursuant to Section 2.20 of the Credit Agreement, the undersigned Increasing Lender now desires to [increase the amount of its Revolving Commitment/provide a Revolving Commitment] [and] [provide a commitment with respect to a tranche of Incremental Term Loans] under the Credit Agreement by executing and delivering to the Company and the Administrative Agent this Supplement;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Increasing Lender agrees, subject to the terms and conditions of the Credit Agreement, that on the date of this Supplement it shall [have its Revolving Commitment increased by \$[_____]], thereby making the aggregate amount of its total Revolving Commitments equal to \$[_____]] provide a Revolving Commitment of \$_____ [and] [provide a commitment in respect of Incremental Term Loans in an equal to \$[_____]] with respect thereto]. [Attached hereto as Annex I is the form of Incremental Term Loan Amendment agreed to by the parties hereto which Incremental Term Loan Amendment shall become effective on or prior to _____, 20__].
 2. The Company hereby represents and warrants that no Default or Event of Default has occurred and is continuing on and as of the date hereof.
 3. Terms defined in the Credit Agreement shall have their defined meanings when used herein.
 4. This Supplement shall be governed by, and construed in accordance with, the laws of the State of New York.
-

5. This Supplement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

[INSERT NAME OF INCREASING LENDER]

By: _____
Name:
Title:

Accepted and agreed to as of the date first written above:

BROWN & BROWN, INC.

By: _____
Name:
Title:

Acknowledged as of the date first written above:

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

By: _____
Name:
Title:

EXHIBIT D

FORM OF AUGMENTING LENDER SUPPLEMENT

AUGMENTING LENDER SUPPLEMENT, dated _____, 20__ (this "Supplement"), by and among each of the signatories hereto, to the Second Amended and Restated Credit Agreement, dated as of October 27, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

W I T N E S S E T H

WHEREAS, the Credit Agreement provides in Section 2.20 thereof that any bank, financial institution or other entity may [extend Revolving Commitments] [and] [participate in tranches of Incremental Term Loans] under the Credit Agreement subject to the approval of the Company and the Administrative Agent, by executing and delivering to the Company and the Administrative Agent a supplement to the Credit Agreement in substantially the form of this Supplement; and

WHEREAS, the undersigned Augmenting Lender was not an original party to the Credit Agreement but now desires to become a party thereto;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Augmenting Lender agrees to be bound by the provisions of the Credit Agreement and agrees that it shall, on the date of this Supplement, [become a Lender for all purposes of the Credit Agreement to the same extent as if originally a party thereto, with a Revolving Commitment of \$[_____]] [and] [provide a commitment with respect to Incremental Term Loans of \$[_____]]. Attached hereto as Annex I is the form of Incremental Term Loan Amendment agreed to by the parties hereto which Incremental Term Loan Amendment shall become effective on or prior to _____, 20__. As of the effective date of the Incremental Term Loan Amendment, the undersigned Augmenting Lender shall (automatically, and without further action by any party) become a Lender for all purposes of the Credit Agreement to the same extent as if originally a party thereto.

2. The undersigned Augmenting Lender (a) represents and warrants that it is legally authorized to enter into this Supplement; (b) confirms that it has received or has been accorded the opportunity to receive a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and has reviewed such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Supplement; (c) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender and (f) is not an Ineligible Institution.

3. The undersigned's address for notices for the purposes of the Credit Agreement is as follows:

[_____]

4. The Company hereby represents and warrants that no Default or Event of Default has occurred and is continuing on and as of the date hereof.

5. Terms defined in the Credit Agreement shall have their defined meanings when used herein.

6. This Supplement shall be governed by, and construed in accordance with, the laws of the State of New York.

7. This Supplement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

[remainder of this page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

[INSERT NAME OF AUGMENTING LENDER]

By: _____
Name:
Title:

Accepted and agreed to as of the date first written above:

BROWN & BROWN, INC.

By: _____
Name:
Title:

Acknowledged as of the date first written above:

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

By: _____
Name:
Title:

EXHIBIT E

LIST OF CLOSING DOCUMENTS

BROWN & BROWN, INC.

CERTAIN SUBSIDIARY BORROWERS

CREDIT FACILITIES

October 27, 2021

LIST OF CLOSING DOCUMENTS

A. LOAN DOCUMENTS

1. Second Amended and Restated Credit Agreement (the "Credit Agreement") by and among Brown & Brown, Inc., a Florida corporation (the "Company"), the Subsidiary Borrowers from time to time party thereto (collectively with the Company, the "Borrowers"), the institutions from time to time party thereto as Lenders (the "Lenders") and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the "Administrative Agent"), evidencing a revolving credit facility to the Borrowers from the Revolving Lenders in an initial aggregate principal amount of \$800,000,000 and a term loan facility to the Company from the Term Lenders in an initial aggregate principal amount of \$250,000,000.

SCHEDULES

Schedule 2.01	--	Commitments
Schedule 3.01	--	Subsidiaries
Schedule 6.01	--	Existing Indebtedness
Schedule 6.02	--	Existing Liens

EXHIBITS

Exhibit A	--	Form of Assignment and Assumption
Exhibit B	--	Form of Compliance Certificate
Exhibit C	--	Form of Increasing Lender Supplement
Exhibit D	--	Form of Augmenting Lender Supplement
Exhibit E	--	List of Closing Documents
Exhibit F-1	--	Form of Borrowing Subsidiary Agreement
Exhibit F-2	--	Form of Borrowing Subsidiary Termination
Exhibit G-1	--	Form of U.S. Tax Certificate (Foreign Lenders That Are Not Partnerships)
Exhibit G-2	--	Form of U.S. Tax Certificate (Foreign Participants That Are Not Partnerships)
Exhibit G-3	--	Form of U.S. Tax Certificate (Foreign Participants That Are Partnerships)
Exhibit G-4	--	Form of U.S. Tax Certificate (Foreign Lenders That Are Partnerships)
Exhibit H-1	--	Form of Borrowing Request
Exhibit H-2	--	Form of Interest Election Request

- Notes executed by the initial Borrowers in favor of each of the Lenders, if any, which has requested a note pursuant to Section 2.10(e) of the Credit Agreement.

B. CORPORATE DOCUMENTS

- Certificate of the Secretary or an Assistant Secretary of each Borrower certifying (i) that there have been no changes in the Certificate of Incorporation or other charter document of such Borrower, as attached thereto and as certified as of a recent date by the Secretary of State (or analogous governmental entity) of the jurisdiction of its organization, since the date of the certification thereof by such governmental entity, (ii) the By-Laws or other applicable organizational document, as attached thereto, of such Borrower as in effect on the date of such certification, (iii) resolutions of the Board of Directors or other governing body of such Borrower authorizing the execution, delivery and performance of each Loan Document to which it is a party, and (iv) the names and true signatures of the incumbent officers of each Borrower authorized to sign the Loan Documents to which it is a party, and authorized to request a Borrowing or the issuance of a Letter of Credit under the Credit Agreement.*
- Good Standing Certificate (or analogous documentation if applicable) for each Borrower from the Secretary of State (or analogous governmental entity) of the jurisdiction of its organization, to the extent generally available in such jurisdiction.*

C. OPINIONS

- Opinion of special outside counsel for the Company.*
- Opinion of internal counsel of the Company.*

E. CLOSING CERTIFICATES AND MISCELLANEOUS

- A Certificate signed by the President, a Vice President or a Financial Officer of the Company certifying the following: (i) that all of the representations and warranties contained in Article III of the Credit Agreement are true and correct and (ii) that no Default or Event of Default has occurred and is then continuing.*
 - An affidavit by a Financial Officer of each Borrower organized in the State of Florida that the Loan Documents executed by such Borrower have been executed and delivered outside of the State of Florida or evidence that all applicable stamp tax or other tax related to the Loan Documents are being paid.*
-

EXHIBIT F-1

[FORM OF]

BORROWING SUBSIDIARY AGREEMENT

BORROWING SUBSIDIARY AGREEMENT dated as of [____], among Brown & Brown, Inc., a Florida corporation (the “Company”), [Name of Subsidiary Borrower], a [_____] (the “New Borrowing Subsidiary”), and JPMorgan Chase Bank, N.A. as Administrative Agent (the “Administrative Agent”).

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among the Company, the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as Administrative Agent. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. Under the Credit Agreement, the Lenders have agreed, upon the terms and subject to the conditions therein set forth, to make Loans to certain Subsidiary Borrowers (collectively with the Company, the “Borrowers”), and the Company and the New Borrowing Subsidiary desire that the New Borrowing Subsidiary become a Subsidiary Borrower. In addition, the New Borrowing Subsidiary hereby authorizes the Company to act on its behalf as and to the extent provided for in Article II of the Credit Agreement. [Notwithstanding the preceding sentence, the New Borrowing Subsidiary hereby designates the following officers as being authorized to request Borrowings under the Credit Agreement on behalf of the New Subsidiary Borrower and sign this Borrowing Subsidiary Agreement and the other Loan Documents to which the New Borrowing Subsidiary is, or may from time to time become, a party: [_____].]

Each of the Company and the New Borrowing Subsidiary represents and warrants that the representations and warranties of the Company in the Credit Agreement relating to the New Borrowing Subsidiary and this Agreement (excluding the representations and warranties set forth in Sections 3.04(b) and 3.06(a) of the Credit Agreement) are true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect, in all respects), other than any such representations given as of a particular date, in which case they shall be true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect, in all respects) as of that date. [INSERT OTHER PROVISIONS REASONABLY REQUESTED BY ADMINISTRATIVE AGENT OR ITS COUNSELS] The Company agrees that the Guarantee of the Company contained in the Credit Agreement will apply to the Obligations of the New Borrowing Subsidiary. Upon execution of this Agreement by each of the Company, the New Borrowing Subsidiary and the Administrative Agent, the New Borrowing Subsidiary shall be a party to the Credit Agreement and shall constitute a “Subsidiary Borrower” for all purposes thereof, and the New Borrowing Subsidiary hereby agrees to be bound by all provisions of the Credit Agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers as of the date first appearing above.

BROWN & BROWN, INC.

By: _____
Name:
Title:

[NAME OF NEW BORROWING SUBSIDIARY]

By: _____
Name:
Title:

JPMORGAN CHASE BANK, N.A., as
Administrative Agent

By: _____
Name:
Title:

EXHIBIT F-2

[FORM OF]

BORROWING SUBSIDIARY TERMINATION

JPMorgan Chase Bank, N.A.
as Administrative Agent
for the Lenders referred to below
[10 South Dearborn Street]
[Chicago, Illinois 60603]
Attention: [_____]

[Date]

Ladies and Gentlemen:

The undersigned, Brown & Brown, Inc. (the "Company"), refers to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Company, the Subsidiary Borrowers from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Company hereby terminates the status of [_____] (the "Terminated Borrowing Subsidiary") as a Subsidiary Borrower under the Credit Agreement. [The Company represents and warrants that no Loans made to the Terminated Borrowing Subsidiary are outstanding as of the date hereof and that all amounts payable by the Terminated Borrowing Subsidiary in respect of interest and/or fees (and, to the extent notified by the Administrative Agent or any Lender, any other amounts payable under the Credit Agreement) pursuant to the Credit Agreement have been paid in full on or prior to the date hereof.] [The Company acknowledges that the Terminated Borrowing Subsidiary shall continue to be a Borrower until such time as all Loans made to the Terminated Borrowing Subsidiary shall have been prepaid and all amounts payable by the Terminated Borrowing Subsidiary in respect of interest and/or fees (and, to the extent notified by the Administrative Agent or any Lender, any other amounts payable under the Credit Agreement) pursuant to the Credit Agreement shall have been paid in full, provided that the Terminated Borrowing Subsidiary shall not have the right to make further Borrowings under the Credit Agreement.]

[Signature Page Follows]

This instrument shall be construed in accordance with and governed by the laws of the State of New York.

Very truly yours,

BROWN & BROWN, INC.

By: _____
Name:
Title:

Copy to: JPMorgan Chase Bank, N.A.
[10 South Dearborn Street]
[Chicago, Illinois 60603]

EXHIBIT G-1
[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto (collectively with the Company, the "Borrowers"), the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any promissory note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: _____, 20[__]

EXHIBIT G-2
[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto (collectively with the Company, the "Borrowers"), the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: _____, 20[___]

EXHIBIT G-3
[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto (collectively with the Company, the "Borrowers"), the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: _____, 20[___]

EXHIBIT G-4

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto (collectively with the Company, the "Borrowers"), the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any promissory note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any promissory note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: _____, 20[___]

FORM OF BORROWING REQUEST

JPMorgan Chase Bank, N.A.,
as Administrative Agent
for the Lenders referred to below

[10 South Dearborn
Chicago, Illinois 60603
Attention: [_____]]
Facsimile: [_____]]

With a copy to:

[_____]]
[_____]]
Attention: [_____]]
Facsimile: [_____]]

Re: Brown & Brown, Inc.

[Date]

Ladies and Gentlemen:

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. The [undersigned Borrower][Company, on behalf of [Subsidiary Borrower],] hereby gives you notice pursuant to Section 2.03 of the Credit Agreement that it requests a Borrowing under the Credit Agreement, and in that connection the [undersigned Borrower][Company, on behalf of [Subsidiary Borrower],] specifies the following information with respect to such Borrowing requested hereby:

1. Name of Borrower: _____
2. The requested Borrowing is in respect of the Revolving Commitment
3. Aggregate principal amount of Borrowing: _____
4. Date of Borrowing (which shall be a Business Day): _____
5. Type of Borrowing (ABR or Eurocurrency or RFR): _____
6. Interest Period (if a Eurocurrency Borrowing): _____

7. Agreed Currency: _____

8. Location and number of the applicable Borrower's account or any other account agreed upon by the Administrative Agent and such Borrower to which proceeds of Borrowing are to be disbursed: _____

[Signature Page Follows]

The undersigned hereby represents and warrants that the conditions to lending specified in Section[s] [4.01 and] 4.02 of the Credit Agreement are satisfied as of the date hereof.

Very truly yours,

[BROWN & BROWN, INC.,
as the Company]
[SUBSIDIARY BORROWER,
as a Borrower]

By: _____

Name:

Title:

FORM OF INTEREST ELECTION REQUEST

JPMorgan Chase Bank, N.A.,
as Administrative Agent
for the Lenders referred to below

[10 South Dearborn
Chicago, Illinois 60603
Attention: [_____]]
Facsimile: ([____]) [____]-[____]]

Re: Brown & Brown, Inc.

[Date]

Ladies and Gentlemen:

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of October 27, 2021 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Brown & Brown, Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. The [undersigned Borrower][Company, on behalf of [Subsidiary Borrower],] hereby gives you notice pursuant to Section 2.08 of the Credit Agreement that it requests to [convert][continue] an existing Borrowing under the Credit Agreement, and in that connection the [undersigned Borrower][Company, on behalf of [Subsidiary Borrower],] specifies the following information with respect to such [conversion][continuation] requested hereby:

1. List Borrower, date, Type, Class, principal amount, Agreed Currency and Interest Period (if applicable) of existing Borrowing:

2. Aggregate principal amount of resulting Borrowing: _____
3. Effective date of interest election (which shall be a Business Day): _____
4. Type of Borrowing (ABR or Eurocurrency): _____
5. Interest Period (if a Eurocurrency Borrowing): _____
6. Agreed Currency: _____

[Signature Page Follows]

Very truly yours,

[BROWN & BROWN, INC.,
as the Company]
[SUBSIDIARY BORROWER,
as a Borrower]

By: _____
Name:
Title:

Entity Name	Domestic Jurisdiction
Acumen Re Management Corporation	DE
Adeo Solutions, LLC	MA
Advocate Insurance Services Corp.	DE
Advocator Group Holding Company, Inc.	FL
Aevo Insurance Services, LLC	FL
AFC Insurance, Inc.	PA
AGIA Premium Finance Company, Inc.	CA
Allocation Services, Inc.	FL
American Claims Management - Atlantic Region, LLC	GA
American Claims Management, Inc.	CA
American Specialty Insurance & Risk Services, Inc.	IN
Apex Insurance Agency, LLC	VA
Argus Reinsurance, Ltd	Saint Kitts and Nevis
Arrowhead General Insurance Agency Holding Corp.	DE
Arrowhead General Insurance Agency Superholding Corp.	DE
Arrowhead General Insurance Agency, Inc.	MN
Arrowhead Insurance Risk Managers, LLC	GA
Arrowhead Online Insurance Services, LLC	CA
Artimis Reinsurance Limited	Saint Kitts and Nevis
Augustus Reinsurance, Limited	Turks and Caicos Islands
Avirs Acquisition, LLC	PA
Axiom RE, LP	FL
Azure International Holding Co.	DE
B&B Canada Holdco, Inc.	DE
B&B Fitness PG, Inc.	CO
B&B Metro Holding, Inc.	NJ
B&B PF, LLC	PA
B&B Protector Plans, Inc.	FL
B&B Tn Holding Company, Inc.	DE
Bb Fl Holding 2, LLC	FL
BB FL Holding, LLC	FL
BBVAS, LLC	FL
Beecher Carlson Bermuda, Ltd.	Bermuda
Beecher Carlson Brokerage, Ltd.	Bermuda
Beecher Carlson Cayman, Ltd.	Cayman Islands
Beecher Carlson Holdings, Inc.	DE
Beecher Carlson Insurance Services Of Colorado, LLC	CO
Beecher Carlson Insurance Services, LLC	CA
Beecher Carlson Of Florida, Inc.	FL
Benefit Integration Management Services, LLC	DE
Bridge Specialty Group, LLC	FL
Bridge Specialty Wholesale, Inc.	FL
Brosnan Boylan Golden Limited	Ireland
Brown & Brown Absence Services Group, LLC	FL
Brown & Brown Benefit Advisors, Inc.	NJ
Brown & Brown Disaster Relief Foundation, Inc.	FL
Brown & Brown Insurance Agency Of Virginia, Inc.	VA
Brown & Brown Insurance Brokers Of Sacramento, Inc.	CA
Brown & Brown Insurance Of Arizona, Inc.	AZ
Brown & Brown Insurance Of Georgia, Inc.	GA

Brown & Brown Insurance Of Nevada, Inc.	NV
Brown & Brown Insurance Services Of California, Inc.	CA
Brown & Brown Insurance Service Of The Bay Area, Inc	CA
Brown & Brown Lone Star Insurance Services, Inc.	TX
Brown & Brown Metro, LLC	NJ
Brown & Brown Nj Holding Co., Inc.	FL
Brown & Brown Of Arkansas, Inc.	AR
Brown & Brown of Canada, Inc.	Canada
Brown & Brown Of Central Carolina, LLC	NC
Brown & Brown Of Central Michigan, Inc.	MI
Brown & Brown Of Colorado, Inc.	CO
Brown & Brown Of Connecticut, Inc.	CT
Brown & Brown Of Delaware, Inc.	DE
Brown & Brown Of Detroit, Inc.	MI
Brown & Brown Of Florida, Inc.	FL
Brown & Brown Of Garden City, Inc.	FL
Brown & Brown Of Illinois, Inc.	IL
Brown & Brown of Indiana, LLC	IN
Brown & Brown Of Iowa, Inc.	IA
Brown & Brown Of Kentucky, Inc.	KY
Brown & Brown Of Lehigh Valley, LP	PA
Brown & Brown Of Louisiana, LLC	LA
Brown & Brown Of Massachusetts, LLC	MA
Brown & Brown Of Michigan, Inc.	MI
Brown & Brown Of Minnesota, Inc.	MN
Brown & Brown Of Mississippi, LLC	DE
Brown & Brown Of Missouri, Inc.	MO
Brown & Brown Of Nashville, Inc.	TN
Brown & Brown Of New Hampshire, Inc.	NH
Brown & Brown of New Jersey, LLC	NJ
Brown & Brown Of New Mexico, Inc.	NM
Brown & Brown Of New York, Inc.	NY
Brown & Brown Of North Dakota, Inc.	ND
Brown & Brown Of Ohio, LLC	OH
Brown & Brown Of Oklahoma, Inc.	OK
Brown & Brown of Oregon, LLC	OR
Brown & Brown Of Pennsylvania, LP	PA
Brown & Brown Of South Carolina, Inc.	SC
Brown & Brown Of Tennessee, Inc.	TN
Brown & Brown Of Washington, Inc.	WA
Brown & Brown Of West Virginia, Inc.	WV
Brown & Brown Of Wisconsin, Inc.	WI
Brown & Brown PA Holding Co. 2, LLC	FL
Brown & Brown PA Holding Co., LLC	FL
Brown & Brown Pacific Insurance Services, Inc.	HI
Brown & Brown Program Insurance Services, Inc.	CA
Brown & Brown Realty Co.	DE
Brown & Brown, Inc.	FL
Brown Holding, Inc.	IL
Brown Riverfront Esplanade Foundation, Inc.	FL
Colonial Premium Finance Company	NC
Coverhound, LLC	FL
Decus Holdings (UK) Limited	United Kingdom

Decus Insurance Brokers Limited	United Kingdom
DTBB, LLC	FL
ECC Insurance Brokers, LLC	IL
Fitness Underwriters RPG, Inc.	VA
Florida Intracoastal Underwriters, Limited Company	FL
Hays Companies, Inc.	FL
Health Special Risk, Inc.	MN
Healthcare Insurance Professionals, Inc.	TX
Hull & Company Of New York, Inc.	NY
Hull & Company, LLC	FL
ICA, LP	NC
Independent Consulting & Risk Management Services, Inc.	CA
Industry Consulting Group, Inc.	FL
International E & S Insurance Brokers, Inc.	CA
Irving Weber Associates, Inc.	NY
Macduff Underwriters, LLC	FL
Madoline Corporation	FL
Marquee Managed Care Solutions, Inc.	CA
Medval, LLC	MO
Monarch Management Corporation	KS
New Ssad Holding, LLC	DE
O'Leary Dublin Limited	Ireland
O'Leary Insurances Galway Limited	Ireland
O'Leary Insurances Waterford Limited	Ireland
O'Leary Limited	Ireland
O'Mahony Golden (Muster) Limited	Ireland
Onpoint Insurance Services, LLC	DE
Onpoint Underwriting, Inc.	DE
Pacific Resources Benefits Advisors, LLC	IL
Peachtree Special Risk Brokers Of New York, LLC	NY
Peachtree Special Risk Brokers, LLC	GA
Pillarx Consulting, LLC	FL
Preferred Governmental Claim Solutions, Inc.	FL
Proctor Financial, Inc.	MI
Professional Disability Associates, LLC	ME
Program Management Services, Inc.	FL
Public Risk Underwriters Insurance Services Of Texas, LLC	TX
Public Risk Underwriters Of Florida, Inc.	FL
Public Risk Underwriters Of Illinois, LLC	IL
Public Risk Underwriters Of New Jersey, Inc.	NJ
Public Risk Underwriters Of The Midwest, LLC	IN
Public Risk Underwriters Of The Northwest, Inc.	WA
Public Risk Underwriters, LLC	FL
Remedy Analytics, Inc.	DE
Risk Management Associates, Inc.	FL
S & W Premium Finance Company, Inc.	TX
Safride Motor Club of Canada, ULC	BC, Canada
Saferide Motor Club, Inc.	CA
Saferide Motor Club, Inc.	TX
Servco Insurance Services Washington LLC	DE
Social Security Advocates For The Disabled, LLC	DE
Special Risk Insurance Managers Ltd.	Canada
Spectrum Wholesale Insurance Services, LLC	DE

Superior Recovery Services, Inc.	CA
Texas Security General Insurance Agency, LLC	TX
The Wave Insurance Corporation	HI
The Wright Insurance Group, LLC	DE
Title Pac, Inc.	OK
Tricoast Insurance Services, LLC	GA
Tryflood, LLC	FL
Tsg Premium Finance, LLC	LA
TSG Premium Finance, LLC	TX
Usis, Inc.	FL
Valiant Insurance Services, LLC	UT
Vehicle Administrative Services, Ltd, A Limited Partnership	MT
Vehicle Administrative Services, Ltd.	TX
Vehicle Administrative Services, Ltd. LP	DE
Winston Financial Services, Inc.	NJ
Wright Managed Care, LLC	NY
Wright National Flood Insurance Company	TX
Wright National Flood Insurance Services Of New York LLC	NY
Wright National Flood Insurance Services, LLC	DE
Wright Program Management, LLC	DE
Wright Risk Consulting, LLC	DE
Wright Risk Management Company, LLC	DE
Wright RPG, LLC	DE
Wright Specialty Insurance Agency, LLC	DE
Wrm America Intermediate Holding Company, Inc.	DE
Youzoom Insurance Services, Inc.	CA
AG General Agency, Inc.	TX
AG Insurance Services, LLC	FL
American & British Excess, Inc.	VA
Apex Insurance Agency, Inc.	VA
Aquiline Wright Holdings 1, Inc.	DE
Aquiline Wright Holdings 2, Inc.	DE
Automobile Insurance Agency of Virginia, Inc.	VA
Axiom Re, Inc.	FL
Azure IV Acquisition Corporation	AZ
B&B Protector Plans Insurance Services Of Texas, LLC	TX
Balcones-Southwest, Inc.	TX
Beecher Carlson Insurance Agency, LLC	DE
Braishfield Associates of New York, Inc.	NY
Braishfield Associates, Inc.	FL
Brown & Brown Acquisition Group, LLC	DE
Brown & Brown Agency of Insurance Professionals, Inc.	OK
Brown & Brown Aircraft Acquisition Co.	DE
Brown & Brown Insurance Benefits, Inc.	TX
Brown & Brown Insurance Services of El Paso, Inc.	TX
Brown & Brown Insurance Services of Texas, Inc.	TX
Brown & Brown Merger Co.	DE
Brown & Brown Metro, Inc.	NJ
Brown & Brown Newco Limited Liability Company	NJ
Brown & Brown of Bartlesville, Inc.	OK
Brown & Brown of GF/EGF, Inc.	ND
Brown & Brown of Indiana, Inc.	IN
Brown & Brown of Lehigh Valley, Inc.	PA

Brown & Brown of Louisiana, Inc.	LA
Brown & Brown Of Louisiana, LLC	VA
Brown & Brown of Mississippi, Inc.	MS
Brown & Brown of New Jersey, Inc.	NJ
Brown & Brown of North Carolina, Inc.	NC
Brown & Brown Of Northern Illinois, Inc.	DE
Brown & Brown of Ohio, Inc.	OH
Brown & Brown of Oregon, Inc.	OR
Brown & Brown of Pennsylvania, Inc.	DE
Brown & Brown of Pennsylvania, Inc.	PA
Brown & Brown of Southwest Indiana, Inc.	IN
Brown & Brown of Wyoming, Inc.	WY
Brown & Brown Premium Finance Company, Inc.	VA
Brown & Brown RE, Inc.	CT
Brown & Brown Services Ltd	United Kingdom
Brown & Brown West Coast, Inc.	CA
CGI Acquisition Corp.	FL
Champion Underwriters, Inc.	FL
Colonial Claims Corporation	FL
Combined Group Insurance Services, Inc.	TX
Conduit Insurance Managers, Inc.	TX
Cumberland Special Risk Brokers, Inc.	TN
Dolphin Agency Inc	TX
ECC Insurance Brokers, Inc.	IL
EIB Acquisition Corp.	IL
Elohssa, Inc.	DE
Energy & Marine Underwriters, Inc.	LA
Fitness Insurance, LLC	CO
Flagship Group Insurance Agency, Ltd.	MA
Flagship Management Co.	VA
Flagship Maritime Adjusters, Inc.	VA
Graham-Rogers of Arkansas, Inc.	AR
Graham-Rogers, Inc.	OK
Green Insurance Company Limited	Bermuda
Grocer Re Insurance Ltd.	Cayman Islands
Halcyon Underwriters, Inc.	FL
Hardin & Wilson, Inc.	AR
Huffman & Associates, Inc.	GA
Hull & Company, Inc.	FL
Hull Acquisition Corp.	FL
Investigation Solutions, Inc.	CA
Lancer Claims Services, Inc.	NV
LDP Consulting Group, Inc.	NJ
Logan Insurance Agency, Inc.	VA
M & J Buildings, L.L.C.	ND
MacDuff America, Inc.	FL
Macduff E&S Insurance Brokers, Inc.	CA
MacDuff Pinellas Underwriters, Inc.	FL
MacDuff Underwriters, Inc.	FL
Mangus Insurance & Bonding, Inc.	FL
Mangus Insurance & Bonding, Inc.	VA
McKinnon & Mooney, Inc.	MI
National Connectforce Claims, Inc.	CA

Pacific Claims Service, Inc.	CA
Pacific Merger Corp.	DE
Payease Financial, Inc.	OK
Peachtree Special Risk Insurance Brokers of NV. Inc.	NV
Physicians Protector Plan RPG, Inc.	FL
Portland Insurance Agency, LLC	OR
Premier Interpreting & Transportation, Inc.	CA
Procor Solutions LLC	NJ
Program Management Services, Inc.	VA
Program Management Services, Inc.	FL
Public Risk Underwriters of Georgia, Inc.	GA
Public Risk Underwriters of Indiana, Inc.	IN
RAI of Mississippi, Inc.	MS
RAI of Oklahoma, Inc.	OK
RAI, Inc.	AR
Roswell Insurance & Surety Agency	NM
Rowlands & Barranca Agency, Inc.	NY
Shapiro Insurance, Inc.	FL
SIM Insurance Services, LLC	TX
Statforce, LLC	NJ
Technical Risks, Inc.	TX
TES Acquisition Corp.	CA
The Connelly Insurance Group, Inc.	FL
The Flagship Group, Ltd.	VA
The Young Agency Inc.	NY
TPI Acquisition Corp.	OK
Tribal Nation Insurance Services, LLC	CT
Unified Seniors Association, Inc.	GA
WMH, Inc.	GA

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-248587 on Form S-3 and Registration Statement Nos. 33-41204, as amended by Amendment No. 1 (333-04888), 333-14925, 333-109327, 333-200146, 333-206518, 333-212110, 333-214720, 333-218011, 333-231464, and 333-231467 on Form S-8 of our report dated February 22, 2022, relating to the financial statements of Brown & Brown, Inc. and the effectiveness of Brown & Brown Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2021.

/s/ Deloitte & Touche LLP

Tampa, Florida
February 22, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ HUGH M. BROWN

Hugh M. Brown

Dated: February 3, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ J. HYATT BROWN
J. Hyatt Brown

Dated: February 3, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ J. POWELL BROWN

J. Powell Brown

Dated: February 9, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ LAWRENCE L. GELLERSTEDT, III

Lawrence L. Gellerstedt, III

Dated: February 3, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ JAMES HAYS

James Hays

Dated: February 4, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ THEODORE J. HOEPNER

Theodore J. Hoepner

Dated: February 5, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ JAMES S. HUNT

James S. Hunt

Dated: February 3, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as she might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ TONI JENNINGS

Toni Jennings

Dated: February 3, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ TIMOTHY R.M. MAIN

Timothy R.M. Main

Dated: February 7, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ H. PALMER PROCTOR, JR.

H. Palmer Proctor, Jr.

Dated: February 6, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ WENDELL S. REILLY

Wendell S. Reilly

Dated: February 10, 2022

POWER OF ATTORNEY

The undersigned constitutes and appoints Robert W. Lloyd and R. Andrew Watts, or either of them, as her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the 2021 Annual Report on Form 10-K for Brown & Brown, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises as fully to all intents and purposes as she might or could in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ CHILTON D. VARNER

Chilton D. Varner

Dated: February 4, 2022

CERTIFICATIONS

I, J. Powell Brown, certify that:

1. I have reviewed this annual report on Form 10-K of Brown & Brown, Inc. (Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 22, 2022

/s/ J. Powell Brown

J. Powell Brown
President and Chief Executive Officer

CERTIFICATIONS

I, R. Andrew Watts, certify that:

1. I have reviewed this annual report on Form 10-K of Brown & Brown, Inc. (Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 22, 2022

/s/ R. Andrew Watts

R. Andrew Watts

Executive Vice President,

Chief Financial Officer and Treasurer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Brown & Brown, Inc. (Company) on Form 10-K for the fiscal year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (Form 10-K), I, J. Powell Brown, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Form 10-K fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m or § 78o(d)); and
- (2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 22, 2022

/s/ J. Powell Brown
J. Powell Brown
President and Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Brown & Brown, Inc. (Company) on Form 10-K for the fiscal year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (Form 10-K), I, R. Andrew Watts, Executive Vice President, Chief Financial Officer and Treasurer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Form 10-K fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m or § 78o(d)); and
- (2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 22, 2022

/s/ R. Andrew Watts

R. Andrew Watts
Executive Vice President,
Chief Financial Officer and Treasurer
