

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2023

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

(State or other jurisdiction of
incorporation or organization)
300 North Beach Street,
Daytona Beach, FL

(Address of principal executive offices)



59-0864469
(I.R.S. Employer
Identification Number)

32114

(Zip Code)

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

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

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 Accelerated filer
Non-accelerated filer Smaller reporting company
Emerging growth company

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the Registrant's common stock, \$0.10 par value, outstanding as of April 24, 2023 was 283,644,264.

INDEX

	<u>PAGE NO.</u>
<u>PART I. FINANCIAL INFORMATION</u>	
Item 1. <u>Financial Statements (Unaudited):</u>	
<u>Condensed Consolidated Statements of Income for the three months ended March 31, 2023 and 2022</u>	5
<u>Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2023 and 2022</u>	6
<u>Condensed Consolidated Balance Sheets as of March 31, 2023 and December 31, 2022</u>	7
<u>Condensed Consolidated Statements of Equity for the three months ended March 31, 2023 and 2022</u>	8
<u>Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2023 and 2022</u>	9
<u>Notes to Condensed Consolidated Financial Statements</u>	10
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	25
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	40
Item 4. <u>Controls and Procedures</u>	40
<u>PART II. OTHER INFORMATION</u>	
Item 1. <u>Legal Proceedings</u>	42
Item 1A. <u>Risk Factors</u>	42
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	42
Item 6. <u>Exhibits</u>	43
<u>SIGNATURE</u>	44

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. 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 Quarterly Report on Form 10-Q 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”:

- 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, successfully 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 that may impact our operations or the operations of third parties that support us;
- Risks related to our international operations, which may result in additional risks or require more management time and expense than our domestic operations to achieve or maintain profitability;
- The effects of inflation;
- 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 loss of capacity to write business, additional expense, loss of market share or material decrease in our commissions;
- The effect of natural disasters on our profit-sharing contingent commissions, insurer capacity and claims expenses from our capitalized captive insurance facilities;
- Adverse economic conditions, natural disasters, or regulatory changes in states or countries where we have a concentration of our business;
- The inability to maintain our culture or a significant change in management, management philosophy or our business strategy;
- Claims expense resulting from the limited underwriting risk associated with our participation in capitalized captive insurance facilities;
- Risks associated with our automobile and recreational vehicle dealer services (“F&I”) businesses;
- 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 shareholders have over the Company;
- Changes in data privacy and protection laws and regulations or any failure to comply with such laws and regulations;
- Improper disclosure of confidential information;
- Our ability to comply with non-U.S. laws, regulations and policies;
- 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 with insurance carriers 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;
- Increasing scrutiny and changing expectations from investors and customers with respect to our environmental, social and governance practices;
- 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;
- Changes in current U.S. or global economic conditions, including an extended slowdown in the markets in which we operate;
- 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;
- 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;
- The COVID-19 pandemic (“COVID-19”), as well as future pandemics, epidemics or outbreaks of infectious diseases, and the resulting governmental and societal responses;
- 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, that those results or developments 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 — FINANCIAL INFORMATION

ITEM 1 — Financial Statements (Unaudited)

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

<i>(in millions, except per share data)</i>	Three months ended March 31,	
	2023	2022
REVENUES		
Commissions and fees	\$ 1,108.0	\$ 904.3
Investment income	7.0	0.2
Other income, net	1.0	0.2
Total revenues	<u>1,116.0</u>	<u>904.7</u>
EXPENSES		
Employee compensation and benefits	571.1	459.0
Other operating expenses	160.7	126.8
(Gain)/loss on disposal	(5.7)	(0.2)
Amortization	41.4	31.1
Depreciation	9.9	8.1
Interest	46.7	18.3
Change in estimated acquisition earn-out payables	(2.3)	(3.4)
Total expenses	<u>821.8</u>	<u>639.7</u>
Income before income taxes	294.2	265.0
Income taxes	58.7	44.7
Net income	<u>\$ 235.5</u>	<u>\$ 220.3</u>
Net income per share:		
Basic	<u>\$ 0.83</u>	<u>\$ 0.78</u>
Diluted	<u>\$ 0.83</u>	<u>\$ 0.77</u>
Dividends declared per share	<u>\$ 0.115</u>	<u>\$ 0.103</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

<i>(in millions)</i>	Three months ended March 31,	
	2023	2022
Net income	\$ 235.5	\$ 220.3
Foreign currency translation	47.1	(2.1)
Unrealized gain (loss) on available-for-sale debt securities, net of tax	0.3	(0.9)
Comprehensive income	<u>\$ 282.9</u>	<u>\$ 217.3</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in millions, except per share data)

	March 31, 2023	December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 563.5	\$ 650.0
Fiduciary cash	1,380.0	1,383.2
Short-term investments	9.3	12.0
Commission, fees and other receivables	776.0	642.9
Fiduciary receivables	914.2	881.4
Reinsurance recoverable	142.7	831.0
Prepaid reinsurance premiums	379.6	393.2
Other current assets	190.8	202.3
Total current assets	4,356.1	4,996.0
Fixed assets, net	241.6	239.9
Operating lease assets	210.0	214.9
Goodwill	6,730.2	6,674.2
Amortizable intangible assets, net	1,581.6	1,595.2
Investments	25.4	22.4
Other assets	255.0	230.9
Total assets	\$ 13,399.9	\$ 13,973.5
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Fiduciary liabilities	\$ 2,294.3	\$ 2,264.6
Losses and loss adjustment reserve	154.1	841.1
Unearned premiums	399.7	412.3
Accounts payable	342.7	286.5
Accrued expenses and other liabilities	375.8	541.5
Current portion of long-term debt	246.3	250.6
Total current liabilities	3,812.9	4,596.6
Long-term debt less unamortized discount and debt issuance costs	3,680.0	3,691.5
Operating lease liabilities	191.0	195.9
Deferred income taxes, net	563.5	584.0
Other liabilities	307.5	298.9
Shareholders' Equity:		
Common stock, par value \$0.10 per share; authorized 560.0 shares; issued 303.3 shares and outstanding 283.6 shares at 2023, issued 302.9 shares and outstanding 283.2 shares at 2022, respectively	30.3	30.3
Additional paid-in capital	907.9	919.7
Treasury stock, at cost 19.7 shares at 2023, 19.7 shares at 2022, respectively.	(748.1)	(748.0)
Accumulated other comprehensive loss	(101.0)	(148.4)
Retained earnings	4,755.9	4,553.0
Total shareholders' equity	4,845.0	4,606.6
Total liabilities and shareholders' equity	\$ 13,399.9	\$ 13,973.5

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(UNAUDITED)

	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulate d Other Comprehen sive Loss	Retained Earnings	Total
	Shares Outstanding	Par Value					
<i>(in millions, except per share data)</i>							
Balance at December 31, 2022	283.2	\$ 30.3	\$ 919.7	\$ (748.0)	\$ (148.4)	\$ 4,553.0	\$ 4,606.6
Net income						235.5	235.5
Net unrealized holding (loss) gain on available-for-sale securities					0.3		0.3
Foreign currency translation					47.1		47.1
Shares issued - employee stock compensation plans:							
Employee stock purchase plan			3.4				3.4
Stock incentive plans	1.0	0.1	20.9				21.0
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(0.6)	(0.1)	(36.1)				(36.2)
Purchase of treasury stock	—			(0.1)			(0.1)
Cash dividends paid (\$0.1150 per share)						(32.6)	(32.6)
Balance at March 31, 2023	283.6	\$ 30.3	\$ 907.9	\$ (748.1)	\$ (101.0)	\$ 4,755.9	\$ 4,845.0
Balance at December 31, 2021	282.5	\$ 30.1	\$ 849.4	\$ (673.9)	\$ (9.4)	\$ 4,000.7	\$ 4,196.9
Net income						220.3	220.3
Net unrealized holding (loss) gain on available-for-sale securities					(0.9)		(0.9)
Foreign currency translation					(2.1)		(2.1)
Shares issued - employee stock compensation plans:							
Employee stock purchase plan			2.7				2.7
Stock incentive plans	1.7	0.2	17.3				17.5
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(0.7)	(0.1)	(45.9)				(46.0)
Purchase of treasury stock	(0.4)			(24.1)			(24.1)
Cash dividends paid (\$0.1025 per share)						(28.9)	(28.9)
Balance at March 31, 2022	283.1	\$ 30.2	\$ 823.5	\$ (698.0)	\$ (12.4)	\$ 4,192.1	\$ 4,335.4

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(in millions)	Three months ended March 31,	
	2023	2022
Cash flows from operating activities:		
Net income	\$ 235.5	\$ 220.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	41.4	31.1
Depreciation	9.9	8.1
Non-cash stock-based compensation	24.4	20.1
Change in estimated acquisition earn-out payables	(2.3)	(3.4)
Deferred income taxes	0.6	15.2
Amortization of debt discount and disposal of deferred financing costs	1.0	0.7
Net (gain)/loss on sales/disposals of investments, fixed assets and customer accounts	(5.4)	(0.1)
Payments on acquisition earn-outs in excess of original estimated payables	—	(13.5)
Effect of changes in foreign exchange rate changes	—	(0.1)
Changes in operating assets and liabilities, net of effect from acquisitions and divestitures:		
Commissions, fees and other receivables (increase) decrease	(130.7)	(87.8)
Reinsurance recoverable (increase) decrease	688.3	24.8
Prepaid reinsurance premiums (increase) decrease	13.6	29.8
Other assets (increase) decrease	(6.1)	31.0
Losses and loss adjustment reserve increase (decrease)	(687.0)	(24.8)
Unearned premiums increase (decrease)	(12.7)	(29.7)
Accounts payable increase (decrease)	71.5	22.2
Accrued expenses and other liabilities increase (decrease)	(169.8)	(143.1)
Other liabilities increase (decrease)	(12.4)	2.8
Net cash provided by operating activities	59.8	103.6
Cash flows from investing activities:		
Additions to fixed assets	(11.8)	(10.0)
Payments for businesses acquired, net of cash acquired	(37.6)	(436.0)
Proceeds from sales of fixed assets and customer accounts	6.1	0.2
Purchases of investments	(3.6)	—
Proceeds from sales of investments	3.7	—
Net cash used in investing activities	(43.2)	(445.8)
Cash flows from financing activities:		
Fiduciary receivables and liabilities, net	(18.7)	(85.2)
Payments on acquisition earn-outs	(16.1)	(33.4)
Proceeds from long-term debt	—	1,200.0
Payments on long-term debt	(16.9)	(10.6)
Deferred debt issuance costs	—	(23.4)
Borrowings on revolving credit facility	—	350.0
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(36.2)	(46.0)
Purchase of treasury stock	(0.1)	(24.1)
Cash dividends paid	(32.6)	(28.9)
Net cash (used in)/provided by financing activities	(120.6)	1,298.4
Effect of foreign exchange rate changes on cash and cash equivalents inclusive of fiduciary cash	14.3	(0.3)
Net (decrease)/increase in cash and cash equivalents inclusive of fiduciary cash	(89.7)	955.9
Cash and cash equivalents inclusive of fiduciary cash at beginning of period	2,033.2	1,470.2
Cash and cash equivalents inclusive of fiduciary cash at end of period	\$ 1,943.5	\$ 2,426.1

See accompanying Notes to Condensed Consolidated Financial Statements. Refer to Note 10 for the reconciliations of cash and cash equivalents inclusive of fiduciary cash.

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

NOTE 1 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 entities, professional and individual insured customers, and non-insurance risk-mitigating products through our automobile and recreational vehicle 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.

The Company primarily operates as an agent or broker not assuming underwriting risks. However, 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") to which premiums and underwriting exposure are ceded and excess flood and private flood policies which are fully reinsured in the private market. The Company also participates in two capitalized captive insurance facilities (the "Captives") for the purpose of facilitating additional underwriting capacity, generating incremental revenues and participating in underwriting results.

NOTE 2 Basis of Financial Reporting

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of recurring accruals) necessary for a fair presentation have been included. These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and the Notes thereto set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

The preparation of these financial statements in conformity with U.S. 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 Condensed Consolidated Financial Statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Recently Issued Accounting Pronouncements

None.

Recently Adopted Accounting Standards

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("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, along with the amendments within ASU 2022-06 "Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848" that extended the period of time preparers can utilize the reference rate reform relief guidance in Topic 848, are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2024. The Company adopted ASU 2020-04 in connection with enacting on February 10, 2023 the transition provision in our Second Amended and Restated Credit Agreement dated October 27, 2021. Under the allowable expedients, a modification of a debt contract that is only a replacement of the reference rate is accounted for as a non-substantial modification.

NOTE 3 Revenues

The following tables present the revenues disaggregated by revenue source:

<i>(in millions)</i>	Three months ended March 31, 2023					Total
	Retail	National Programs	Wholesale Brokerage	Services	Other ⁽⁸⁾	
Base commissions ⁽¹⁾	\$ 488.9	\$ 157.8	\$ 100.0	\$ —	\$ —	\$ 746.7
Fees ⁽²⁾	126.1	50.3	17.9	44.3	(0.6)	238.0
Other supplemental commissions ⁽³⁾	82.4	2.4	1.7	—	—	86.5
Profit-sharing contingent commissions ⁽⁴⁾	15.4	7.9	3.5	—	—	26.8
Earned premium ⁽⁵⁾	—	10.0	—	—	—	10.0
Investment income ⁽⁶⁾	0.2	1.2	0.2	—	5.4	7.0
Other income, net ⁽⁷⁾	0.5	0.2	0.1	—	0.2	1.0
Total Revenues	\$ 713.5	\$ 229.8	\$ 123.4	\$ 44.3	\$ 5.0	\$ 1,116.0

<i>(in millions)</i>	Three months ended March 31, 2022					Total
	Retail	National Programs	Wholesale Brokerage	Services	Other ⁽⁸⁾	
Base commissions ⁽¹⁾	\$ 393.5	\$ 117.3	\$ 78.3	\$ —	\$ —	\$ 589.1
Fees ⁽²⁾	112.7	34.6	16.1	43.6	(0.4)	206.6
Other supplemental commissions ⁽³⁾	72.2	1.1	5.6	—	—	78.9
Profit-sharing contingent commissions ⁽⁴⁾	17.9	8.0	2.7	—	—	28.6
Earned premium ⁽⁵⁾	—	1.1	—	—	—	1.1
Investment income ⁽⁶⁾	—	0.1	0.1	—	—	0.2
Other income, net ⁽⁷⁾	0.1	—	0.1	—	—	0.2
Total Revenues	\$ 596.4	\$ 162.2	\$ 102.9	\$ 43.6	\$ (0.4)	\$ 904.7

- (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) Other supplemental commissions include additional commissions over base commissions received from insurance carriers based on predetermined growth or production measures. This includes incentive commissions and guaranteed supplemental commissions.
- (4) Profit-sharing contingent commissions are based primarily on underwriting results, but may also reflect considerations for volume, growth and/or retention.
- (5) Earned premium relates to the premiums earned in the Captives.
- (6) Investment income consists primarily of interest on cash and investments.
- (7) Other income, net consists primarily of other miscellaneous income.
- (8) Fees within Other reflects the elimination of intercompany revenues.

The following table presents the revenues disaggregated by geographic area where our services are being performed:

<i>(in millions, except per share data)</i>	Three months ended March 31,	
	2023	2022
U.S.	\$ 998.2	\$ 884.3
U.K.	98.1	4.6
Ireland	11.3	9.2
Canada	5.3	5.1
Other	3.1	1.5
Total Revenues	\$ 1,116.0	\$ 904.7

Contract Assets and Liabilities

The balances of contract assets and contract liabilities arising from contracts with customers as of March 31, 2023 and December 31, 2022 were as follows:

<i>(in millions)</i>	March 31, 2023		December 31, 2022	
Contract assets	\$	543.5	\$	431.2
Contract liabilities	\$	104.2	\$	113.3

Unbilled receivables (contract assets) arise when the Company recognizes revenue for amounts which have not yet been billed in the Company's systems and are reflected in commissions, fees and other receivables in the Company's Condensed Consolidated Balance Sheet. The increase in contract assets over the balance as of December 31, 2022 is due to normal seasonality, growth in our business, and from businesses acquired in the current year.

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. Deferred revenue is reflected within accrued expenses and other liabilities for those to be recognized in less than 12 months and in other liabilities for those to be recognized more than 12 months from the date presented in the Company's Condensed Consolidated Balance Sheet.

As of March 31, 2023, deferred revenue consisted of \$67.1 million as current portion to be recognized within one year and \$37.1 million in long-term to be recognized beyond one year. As of December 31, 2022, deferred revenue consisted of \$79.9 million as current portion to be recognized within one year and \$33.4 million in long-term deferred revenue to be recognized beyond one year.

During the three months ended March 31, 2023 and 2022, the net amount of revenue recognized related to performance obligations satisfied in a previous period was \$12.0 million and \$16.9 million, respectively, consisting of additional variable consideration received on our profit-sharing contingent commissions and other supplemental commissions.

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 Condensed Consolidated Balance Sheet was \$80.4 million and \$76.0 million as of March 31, 2023 and December 31, 2022, respectively. For the three months ended March 31, 2023, the Company deferred \$5.9 million of incremental cost to obtain customer contracts. The Company recorded an expense of \$1.5 million associated with the incremental cost to obtain customer contracts for the three months ended March 31, 2023.

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 Condensed Consolidated Balance Sheet as of March 31, 2023 was \$92.1 million. The cost to fulfill balance as of December 31, 2022 was \$108.7 million. For the three months ended March 31, 2023, the Company had net expense of \$17.0 million related to the release of previously deferred contract fulfillment costs associated with performance obligations that were satisfied in the period, net of current year deferrals for costs incurred that related to performance obligations yet to be fulfilled.

NOTE 4 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 issuance of all potentially issuable common shares. The dilutive effect of potentially issuable common shares is computed by application of the treasury stock method. The following is a reconciliation between basic and diluted weighted average shares outstanding:

<i>(in millions, except per share data)</i>	Three months ended March 31,	
	2023	2022
Net income	\$ 235.5	\$ 220.3
Net income attributable to unvested awarded performance stock	(4.0)	(4.4)
Net income attributable to common shares	\$ 231.5	\$ 215.9
Weighted average number of common shares outstanding – basic	283.4	282.8
Less unvested awarded performance stock included in weighted average number of common shares outstanding – basic	(4.8)	(5.7)
Weighted average number of common shares outstanding for basic net income per common share	278.6	277.1
Dilutive effect of potentially issuable common shares	0.8	1.5
Weighted average number of shares outstanding – diluted	279.4	278.6
Net income per share:		
Basic	\$ 0.83	\$ 0.78
Diluted	\$ 0.83	\$ 0.77

NOTE 5 Business Combinations

During the three months ended March 31, 2023, Brown & Brown acquired all of the stock of five insurance intermediaries, assets and assumed certain liabilities of one insurance intermediary, and one book of business (customer accounts) for a total of seven acquisitions. Additionally, adjustments were recorded to the purchase price allocation of certain prior acquisitions completed within the last 12 months as permitted by Accounting Standards Codification 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 Condensed Consolidated Statements of Income when incurred.

The fair value of earn-out obligations is based on 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 forecasted earn-out payments will be made.

Based on the acquisition date and the complexity of the underlying valuation work, certain amounts included in the Company’s Condensed Consolidated Financial Statements may be provisional and thus subject to further adjustments within the permitted measurement period, as defined in ASC 805. For the three months ended March 31, 2023, adjustments were made within the permitted measurement period that resulted in an increase in the purchase price of the affected acquisitions of \$2.9 million. These measurement period adjustments have been reflected as current period adjustments in the three months ended March 31, 2023 in accordance with the guidance in ASU 2015-16 “Business Combinations.” The measurement period adjustments primarily impacted goodwill, with no effect on earnings or cash in the current period.

Cash paid for the seven acquisitions was \$44.7 million, or \$37.6 million net of cash and fiduciary cash acquired, during the three months ended March 31, 2023. 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.

The following table summarizes the estimated fair values of the aggregate assets and liabilities acquired through the three months ended March 31, 2023 as of the date of each acquisition and adjustments made during the measurement period of the prior year acquisitions.

<i>(in millions)</i>	Three months ended March 31, 2023	
	Other ⁽¹⁾	Total
Cash paid	\$ 44.7	\$ 44.7
Other payable	0.2	0.2
Recorded earn-out payable	19.6	19.6
Total consideration	64.5	64.5
Maximum potential earn-out payable	21.1	21.1
Allocation of purchase price:		
Cash and equivalents	3.3	3.3
Fiduciary cash	3.8	3.8
Fiduciary receivables	3.3	3.3
Other current assets	2.6	2.6
Fixed assets	0.2	0.2
Goodwill	23.0	23.0
Purchased customer accounts and other	16.6	16.6
Other assets	0.2	0.2
Total assets acquired	53.0	53.0
Fiduciary liabilities	(7.1)	(7.1)
Other current liabilities	(3.8)	(3.8)
Deferred income tax, net ⁽²⁾	23.9	23.9
Other long-term liabilities	(1.5)	(1.5)
Total liabilities assumed	11.5	11.5
Net assets acquired	\$ 64.5	\$ 64.5

(1) The other column represents current year acquisitions with total net assets acquired of less than \$50.0 million and adjustments from prior year acquisitions that were made within the permitted measurement period.

(2) The Company has revised the provisional amounts in the measurement period for items for which the accounting was incomplete. Additional time was needed to obtain the information necessary, present at the date of the acquisition, to recognize and measure all the items exchanged related to the acquisition of Orchid Underwriters Agency and CrossCover Insurance Services.

The weighted average useful lives for the acquired amortizable intangible assets are as follows: purchased customer accounts, 15.0 years; and non-compete agreements, 5.0 years.

Goodwill of \$23.0 million, which is net of any opening balance sheet adjustments within the allowable measurement period, was allocated to the Retail and National Programs segments in the amounts of \$44.6 million and (\$21.6) million, respectively. Of the total goodwill of \$23.0 million, \$21.7 million relates to goodwill that will not be deductible for income tax purposes from acquisitions where we acquired the stock of the company. The amount of goodwill currently deductible for income tax purposes is \$1.1 million and the remaining \$0.2 million relates to recorded earn-out payables which will not be deductible for income tax purposes until it is earned and paid.

For the acquisitions completed during 2023, the results of operations since the acquisition dates have been combined with those of the Company. The total revenues from the acquisitions completed through March 31, 2023, included in the Condensed Consolidated Statement of Income for the three months ended March 31, 2023, was \$2.6 million. The income before income taxes from the acquisitions completed through March 31, 2023, included in the Condensed Consolidated Statement of Income for the three months ended March 31, 2023, was \$1.0 million. If the acquisitions had occurred as of the beginning of the respective periods, the Company's estimated 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 millions, except per share data)	Three months ended March 31,	
	2023	2022
Total revenues	\$ 1,116.3	\$ 907.7
Income before income taxes	\$ 294.3	\$ 265.8
Net income	\$ 235.6	\$ 221.0
Net income per share:		
Basic	\$ 0.83	\$ 0.78
Diluted	\$ 0.83	\$ 0.78
Weighted average number of shares outstanding:		
Basic	278.6	277.1
Diluted	279.4	278.6

As of March 31, 2023 and 2022, 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 three months ended March 31, 2023 and 2022, were as follows:

(in millions)	Three months ended March 31,	
	2023	2022
Balance as of the beginning of the period	\$ 251.6	\$ 291.0
Additions to estimated acquisition earn-out payables	19.6	10.8
Payments for estimated acquisition earn-out payables	(16.1)	(46.9)
Subtotal	255.1	254.9
Net change in earnings from estimated acquisition earn-out payables:		
Change in fair value on estimated acquisition earn-out payables	(4.2)	(4.8)
Interest expense accretion	1.9	1.4
Net change in earnings from estimated acquisition earn-out payables	(2.3)	(3.4)
Foreign currency translation adjustments during the year	1.4	(0.6)
Balance as of March 31,	\$ 254.2	\$ 250.9

Of the \$254.2 million estimated acquisition earn-out payables as of March 31, 2023, \$144.6 million was recorded as accounts payable and \$109.6 million was recorded as other non-current liabilities. As of March 31, 2023, the maximum future acquisition contingency payments related to all acquisitions was \$535.9 million, inclusive of the \$254.2 million estimated acquisition earn-out payables as of March 31, 2023. Four of the estimated acquisition earn-out payables assumed in connection with the acquisition of GRP (Jersey) Holdco Limited and its businesses ("GRP") included provisions with no maximum potential earn-out amount. The amount recorded for these acquisitions as of March 31, 2023 is \$3.6 million. The Company deems a significant increase to this amount to be unlikely. Included within the additions to estimated acquisition earn-out payables are any adjustments to opening balance sheet items within the allowable measurement period, which may therefore differ from previously reported amounts.

NOTE 6 Goodwill

Goodwill is subject to at least an annual assessment for impairment by applying a fair value-based test. The Company completed its most recent annual assessment as of November 30, 2022 and identified no impairment as a result of the evaluation.

The changes in the carrying value of goodwill by reportable segment for the three months ended March 31, 2023 are as follows:

<i>(in millions)</i>	Retail	National Programs	Wholesale Brokerage	Services	Total
Balance as of December 31, 2022	\$ 4,309.0	\$ 1,602.4	\$ 591.5	\$ 171.3	\$ 6,674.2
Goodwill of acquired businesses	44.6	(21.6)	—	—	23.0
Goodwill disposed of relating to sales of businesses	—	(2.7)	—	—	(2.7)
Foreign currency translation and other adjustments during the year	34.3	(1.1)	2.5	—	35.7
Balance as of March 31, 2023	<u>\$ 4,387.9</u>	<u>\$ 1,577.0</u>	<u>\$ 594.0</u>	<u>\$ 171.3</u>	<u>\$ 6,730.2</u>

NOTE 7 Amortizable Intangible Assets

Amortizable intangible assets at March 31, 2023 and December 31, 2022 consisted of the following:

<i>(in millions)</i>	March 31, 2023				December 31, 2022			
	Gross carrying value	Accumulated amortization	Net carrying value	Weighted average life (years) ⁽¹⁾	Gross carrying value	Accumulated amortization	Net carrying value	Weighted average life (years) ⁽¹⁾
Purchased customer accounts and other	\$ 2,968.9	\$ (1,404.2)	\$ 1,564.7	14.8	\$ 2,957.7	\$ (1,363.7)	\$ 1,594.0	14.8
Non-compete agreements	39.3	(34.5)	4.8	4.4	39.3	(34.0)	5.3	4.4
Foreign currency translation adjustments during the year	13.2	(1.1)	12.1		(4.5)	0.4	(4.1)	
Total	<u>\$ 3,021.4</u>	<u>\$ (1,439.8)</u>	<u>\$ 1,581.6</u>		<u>\$ 2,992.5</u>	<u>\$ (1,397.3)</u>	<u>\$ 1,595.2</u>	

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

Amortization expense for amortizable intangible assets for the years ending December 31, 2023, 2024, 2025, 2026 and 2027 is estimated to be \$163.2 million, \$158.6 million, \$155.8 million, \$149.8 million, and \$136.6 million, respectively.

NOTE 8 Long-Term Debt

Long-term debt at March 31, 2023 and December 31, 2022 consisted of the following:

<i>(in millions)</i>	March 31, 2023	December 31, 2022
Current portion of long-term debt:		
Current portion of 5-year term loan facility expires 2026	\$ 18.8	\$ 15.6
Current portion of 5-year term loan facility expires 2023	202.5	210.0
Current portion of 5-year term loan facility expires 2027	25.0	25.0
Total current portion of long-term debt	246.3	250.6
Long-term debt:		
Note agreements:		
4.200% senior notes, semi-annual interest payments, net of the unamortized discount, balloon due 2024	\$ 499.7	\$ 499.7
4.500% senior notes, semi-annual interest payments, net of the unamortized discount, balloon due 2029	349.7	349.7
2.375% senior notes, semi-annual interest payments, net of the unamortized discount, balloon due 2031	699.4	699.4
4.200% senior notes, semi-annual interest payments, net of the unamortized discount, balloon due 2032	598.1	598.0
4.950% senior notes, semi-annual interest payments, net of the unamortized discount, balloon due 2052	592.1	592.0
Total notes	2,739.0	2,738.8
Credit agreements:		
5-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.750%, expires October 27, 2026	212.5	218.8
5-year revolving loan facility, periodic interest payments, SOFR plus up to 1.525%, plus commitment fees up to 0.225%, expires October 27, 2026	—	—
3-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.625%, expires March 31, 2025	300.0	300.0
5-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.750%, expires March 31, 2027	450.0	456.2
Total credit agreements	962.5	975.0
Debt issuance costs (contra)	(21.5)	(22.3)
Total long-term debt less unamortized discount and debt issuance costs	3,680.0	3,691.5
Current portion of long-term debt	246.3	250.6
Total debt	\$ 3,926.3	\$ 3,942.1

Note agreements: On March 17, 2022, the Company completed the issuance of \$600.0 million aggregate principal amount of the Company's 4.200% Senior Notes due 2032 (the "2032 Notes") and \$600.0 million aggregate principal amount of the Company's 4.950% Senior Notes due 2052 (the "2052 Notes," and together with the 2032 Notes, the "Notes"). The net proceeds to the Company from the issuance of the Notes, after deducting underwriting discounts and estimated offering expenses, were approximately \$1,178.2 million. The Senior Notes were given investment grade ratings of BBB- stable outlook and Baa3 stable outlook. The 2032 Notes bear interest at the rate of 4.200% per year and will mature on March 17, 2032. The 2052 Notes bear interest at the rate of 4.950% per year and will mature on March 17, 2052. Interest on the Notes will be payable semi-annually in arrears. The Notes are senior unsecured obligations of the Company and will rank equal in right of payment to all of the Company's existing and future senior unsecured indebtedness. The Company may redeem the Notes in whole or in part at any time and from time to time, at the "make whole" redemption prices specified in the Prospectus Supplement for the Notes being redeemed, plus accrued and unpaid interest thereon to but excluding the redemption date. The Company used the net proceeds from the offering of the Notes, together with borrowings under its revolving credit facility, cash on hand and other borrowings, to fund the cash consideration and other amounts payable in connection with our acquisition of GRP and to pay fees and expenses associated with the foregoing. As of March 31, 2023 and December 31, 2022, there was a total outstanding debt balance of \$1,200.0 million exclusive of the associated discount balance on both Notes.

The Company also maintains other notes from other issuances aggregating to a total outstanding debt balance of \$1,550.0 million exclusive of the associated discount balance as of March 31, 2023 and December 31, 2022.

Credit Agreements: 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. On February 10, 2023, the Company entered into Amendment No.1 ("Amendment") of the Second Amended and Restated Credit Agreement which provided that the overnight London Interbank Offered Rate ("LIBOR") should be replaced with a successor rate. The amendment also included additional terms and conditions for the Secured Overnight Financing Rate ("SOFR") loans and Risk-free Reference Rate ("RFR") loans.

On March 31, 2022 (the "Effective Date"), the Company entered into a Loan Agreement (the "Loan Agreement") with the lenders named therein, BMO Harris Bank N.A., as administrative agent, Fifth Third Bank, National Association, PNC Bank, National Association, U.S. Bank National Association and Wells Fargo Bank, National Association, as co-syndication agents and BMO Capital Markets Corp., BofA Securities, Inc., JPMorgan Chase Bank, N.A. and Truist Securities, Inc., as joint bookrunners and joint lead arrangers. The Loan Agreement evidences commitments for (i) unsecured delayed draw term loans in an aggregate amount of up to \$300.0 million (the "Term A-1 Loan Commitment") and (ii) unsecured delayed draw term loans in an amount of up to \$500.0 million (the "Term A-2 Commitment" and, together with the Term A-1 Loan Commitments, the "Term Loan Commitments"). The Company may, subject to satisfaction of certain conditions, including receipt of additional term loan commitments by new or existing lenders, increase either Term Loan Commitment or the term loans issued thereunder or issue new tranches of term loans in an aggregate additional amount of up to \$400.0 million. The Company may borrow term loans (the "Term Loans") under either of the Term Loan Commitments during the period from the Effective Date until the date which is the first anniversary thereof. The Term Loans issued under the Term A-1 Loan Commitment ("Term A-1 Loans") are due and payable on the date that is the third anniversary of the Effective Date unless such maturity date is extended as provided under the Loan Agreement. The Term Loans issued under the Term A-2 Loan Commitment ("Term A-2 Loans") are repayable in installments until the fifth anniversary the Effective Date with any remaining outstanding amounts due and payable on such fifth anniversary of the Effective Date unless such maturity date is extended as provided under the Loan Agreement. The Loan Agreement includes various covenants (including financial covenants), limitations and events of default customary for similar facilities for similarly rated borrowers. As of March 31, 2023 and December 31, 2022, there was an outstanding debt balance issued under the Term A-1 Loans of \$300.0 million. As of March 31, 2023 there was an outstanding loan balance on the Term A-2 Loans of \$475.0 million and as of December 31, 2022 the outstanding balance on the Term A-2 Loans was \$481.3 million.

The Company also maintains other credit agreements that include term loans and a revolving credit facility all having similar terms and covenants. The outstanding balances on the other term loans as of March 31, 2023 was \$433.8 million and on December 31, 2022, the outstanding balance on these term loans was \$444.4 million. As of March 31, 2023 and December 31, 2022 there was no outstanding balance on the revolving credit facility.

The Second Amended and Restated Credit Agreement, Term Loan Credit Agreement and Loan 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 March 31, 2023 and December 31, 2022.

The 30-day Adjusted LIBOR Rate for and the Term Loan Credit Agreement as of March 31, 2023 were each 3.125%. The 1-month Term SOFR Rate for the term loan of the Second Amended and Restated Credit Agreement is 4.907%, the 1-month Term SOFR Rate for the Term A-1 Loans is 4.856% and the 1-month Term SOFR Rate for the Term A-2 Loans is 4.919% as of March 31, 2023. These SOFR rates are inclusive of a 0.100% credit-spread adjustment per the terms of the relevant agreements.

NOTE 9 Leases

Substantially all of the Company's operating lease right-of-use assets and operating lease liabilities 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: (1) whether the contract involves the use of a distinct identified asset, (2) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (3) 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 pay on a secured borrowing in an amount equal to the lease payments for the underlying asset under similar terms and economic conditions. The Company has 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 Condensed Consolidated Balance Sheet is as follows:

<i>(in millions)</i>		<u>March 31, 2023</u>	<u>December 31, 2022</u>
Assets:			
Operating lease right-of-use assets	Operating lease assets	\$ 210.0	\$ 214.9
Total assets		<u>210.0</u>	<u>214.9</u>
Liabilities:			
Current operating lease liabilities	Accrued expenses and other liabilities	46.2	45.0
Non-current operating lease liabilities	Operating lease liabilities	191.0	195.9
Total liabilities		<u>\$ 237.2</u>	<u>\$ 240.9</u>

As of March 31, 2023, the Company has entered into future lease agreements expected to commence later in 2023 consisting of undiscounted lease liabilities of \$6.6 million.

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. Variable lease cost is 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.

The components of lease cost for operating leases for the three months ended March 31, 2023 and 2022 were:

<i>(in millions)</i>	<u>Three months ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Operating leases:		
Lease cost	\$ 14.3	\$ 13.1
Variable lease cost	1.1	1.1
Short-term lease cost	0.1	0.3
Operating lease cost	\$ 15.5	\$ 14.5
Sublease income	(0.3)	(0.4)
Total lease cost net	<u>\$ 15.2</u>	<u>\$ 14.1</u>

The weighted average remaining lease term and the weighted average discount rate for operating leases as of March 31, 2023 were:

Weighted average remaining lease term	6.21
Weighted average discount rate	3.14%

Maturities of the operating lease liabilities by fiscal year at March 31, 2023 for the Company's operating leases are as follows:

<i>(in millions)</i>	<u>Operating leases</u>
2023 (Remainder)	\$ 38.8
2024	51.9
2025	44.7
2026	33.8
2027	27.0
Thereafter	64.5
Total undiscounted lease payments	<u>260.7</u>
Less: imputed interest	23.5
Present value of lease payments	<u>\$ 237.2</u>

Supplemental cash flow information for operating leases for the three months ended March 31, 2023 and 2022:

<i>(in millions)</i>	Three months ended March 31,	
	2023	2022
Cash paid for amounts included in measurement of liabilities		
Operating cash flows from operating leases	\$ 14.7	\$ 14.1
Right-of-use assets obtained in exchange for new operating liabilities	\$ 4.1	\$ 13.8

NOTE 10 Supplemental Disclosures of Cash Flow Information and Non-Cash Financing and Investing Activities

During the three months ended March 31, 2023, the Company had an impact of \$14.3 million on foreign exchange rate changes on cash and cash equivalents inclusive of fiduciary cash reported on its Condensed Consolidated Statements of Cash Flows which is primarily due to the increase in currency exchange rates for British pounds.

Cash paid during the period for interest and income taxes are summarized as follows:

<i>(in millions)</i>	Three months ended March 31,	
	2023	2022
Cash paid during the period for:		
Interest	\$ 72.9	\$ 27.1
Income taxes, net of refunds	\$ 43.9	\$ 4.6

Significant non-cash investing and financing activities are summarized as follows:

<i>(in millions)</i>	Three months ended March 31,	
	2023	2022
Other payables issued for agency acquisitions and purchased customer accounts	\$ 0.2	\$ —
Estimated acquisition earn-out payables issued for agency acquisitions	\$ 19.6	\$ 10.8

The Company's restricted cash balance is composed of funds held in separate premium trust accounts as required by state law or, in some cases, by agreement with carrier partners. The following is a reconciliation of cash and cash equivalents inclusive of restricted cash as of March 31, 2023 and 2022.

<i>(in millions)</i>	March 31,	December 31,
	2023	2022
Table to reconcile restricted and non-restricted fiduciary cash		
Restricted fiduciary cash	\$ 1,210.8	\$ 1,231.9
Non-restricted fiduciary cash	169.2	151.3
Total restricted and non-restricted fiduciary cash at the end of the period	<u>\$ 1,380.0</u>	<u>\$ 1,383.2</u>

NOTE 11 Legal and Regulatory Proceedings

The Company is involved in numerous pending or threatened proceedings by or against Brown & Brown, Inc. or one or more of its subsidiaries that arise in the ordinary course of business. The damages that may be claimed against the Company in these various proceedings are in some cases substantial, including in certain instances claims for punitive or extraordinary damages. Some of these claims and lawsuits have been resolved; others are in the process of being resolved and others are still in the investigation or discovery phase. The Company will continue to respond appropriately to these claims and lawsuits and to vigorously protect its interests.

The Company continues 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 and other factors, 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 that are not reflected in the financial statements.

NOTE 12 Segment Information

Brown & Brown's business is divided into four reportable segments: (1) 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, (2) 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, (3) 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 (4) 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 most of its operations within the United States of America. International operations include Retail operations in England, Bermuda, the Cayman Islands, Ireland and Northern Ireland, National Programs operations in Canada and England, and Wholesale Brokerage operations based in England, Italy and Belgium. These operations earned \$117.8 million and \$20.4 million of total revenues for the three months ended March 31, 2023 and 2022, respectively.

The accounting policies of the reportable segments are the same as those described in Note 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Intersegment revenues are eliminated.

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

<i>(in millions)</i>	Three months ended March 31, 2023					
	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total revenues	\$ 713.5	\$ 229.8	\$ 123.4	\$ 44.3	\$ 5.0	\$ 1,116.0
Investment income	\$ 0.2	\$ 1.2	\$ 0.2	\$ —	\$ 5.4	\$ 7.0
Amortization	\$ 27.4	\$ 10.0	\$ 2.7	\$ 1.3	\$ —	\$ 41.4
Depreciation	\$ 4.3	\$ 3.0	\$ 0.7	\$ 0.4	\$ 1.5	\$ 9.9
Interest expense	\$ 21.8	\$ 9.8	\$ 2.7	\$ 0.4	\$ 12.0	\$ 46.7
Income before income taxes	\$ 210.2	\$ 73.3	\$ 31.2	\$ 5.2	\$ (25.7)	\$ 294.2
Total assets	\$ 7,605.3	\$ 3,675.2	\$ 1,440.7	\$ 285.0	\$ 393.7	\$ 13,399.9
Capital expenditures	\$ 4.8	\$ 4.9	\$ 0.4	\$ 0.3	\$ 1.4	\$ 11.8

<i>(in millions)</i>	Three months ended March 31, 2022					
	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total revenues	\$ 596.4	\$ 162.2	\$ 102.9	\$ 43.6	\$ (0.4)	\$ 904.7
Investment income	\$ —	\$ 0.1	\$ 0.1	\$ —	\$ —	\$ 0.2
Amortization	\$ 21.1	\$ 6.7	\$ 2.0	\$ 1.3	\$ —	\$ 31.1
Depreciation	\$ 2.5	\$ 2.8	\$ 0.7	\$ 0.4	\$ 1.7	\$ 8.1
Interest expense	\$ 23.6	\$ 2.2	\$ 3.5	\$ 0.6	\$ (11.6)	\$ 18.3
Income before income taxes	\$ 184.1	\$ 41.7	\$ 25.6	\$ 6.6	\$ 7.0	\$ 265.0
Total assets	\$ 4,903.9	\$ 3,338.8	\$ 1,124.8	\$ 290.5	\$ 1,614.9	\$ 11,272.9
Capital expenditures	\$ 1.6	\$ 5.6	\$ 0.4	\$ 0.2	\$ 2.2	\$ 10.0

NOTE 13 Investments

At March 31, 2023, the Company's amortized cost and fair values of fixed maturity securities are summarized as follows:

<i>(in millions)</i>	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities, obligations of U.S. Government agencies and municipalities	\$ 23.7	\$ 0.1	\$ (1.5)	\$ 22.3
Corporate debt	7.1	—	(0.3)	6.8
Other	—	—	—	—
Total	<u>\$ 30.8</u>	<u>\$ 0.1</u>	<u>\$ (1.8)</u>	<u>\$ 29.1</u>

At March 31, 2023, the Company held \$22.3 million in fixed income securities composed of U.S. Treasury securities, securities issued by U.S. Government agencies and municipalities, and \$6.8 million issued by corporations with investment grade ratings. Of that total, \$3.7 million is classified as short-term investments on the Condensed Consolidated Balance Sheet as maturities are less than one year. Additionally, the Company holds \$5.6 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 March 31, 2023:

<i>(in millions)</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	\$ —	\$ —	\$ 18.6	\$ (1.5)	\$ 18.6	\$ (1.5)
Corporate debt	1.2	—	5.6	(0.3)	6.8	(0.3)
Total	<u>\$ 1.2</u>	<u>\$ —</u>	<u>\$ 24.2</u>	<u>\$ (1.8)</u>	<u>\$ 25.4</u>	<u>\$ (1.8)</u>

At March 31, 2023, the Company had 31 securities in an unrealized loss position. The unrealized losses for the period ended March 31, 2023 were caused by interest rate increases. The corporate securities are highly rated securities with no indicators of potential impairment. Based on 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 March 31, 2023.

At December 31, 2022, the Company's amortized cost and fair values of fixed maturity securities are summarized as follows:

<i>(in millions)</i>	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities, obligations of U.S. Government agencies and municipalities	\$ 22.8	\$ —	\$ (1.8)	\$ 21.0
Corporate debt	8.2	—	(0.4)	7.8
Total	<u>\$ 31.0</u>	<u>\$ —</u>	<u>\$ (2.2)</u>	<u>\$ 28.8</u>

At December 31, 2022, the Company held \$21.0 million in fixed income securities composed of U.S. Treasury securities, securities issued by U.S. Government agencies and municipalities, and \$7.8 million issued by corporations with investment grade ratings. Of that total, \$6.4 million is classified as short-term investments on the Condensed Consolidated Balance Sheet as maturities are less than one year, which also includes \$5.6 million that is 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, 2022:

<i>(in millions)</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	\$ 4.7	\$ (0.1)	\$ 16.3	\$ (1.7)	\$ 21.0	\$ (1.8)
Corporate debt	4.2	(0.1)	3.6	(0.3)	7.8	(0.4)
Total	<u>\$ 8.9</u>	<u>\$ (0.2)</u>	<u>\$ 19.9</u>	<u>\$ (2.0)</u>	<u>\$ 28.8</u>	<u>\$ (2.2)</u>

The unrealized losses from corporate issuers were caused by interest rate increases. At December 31, 2022, the Company had 33 securities in an unrealized loss position. The corporate securities are highly rated securities with no indicators of potential impairment. Based on 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, 2022.

The amortized cost and estimated fair value of the fixed maturity securities at March 31, 2023 by contractual maturity are set forth below:

<i>(in millions)</i>	Amortized cost	Fair value
Years to maturity:		
Due in one year or less	\$ 3.7	\$ 3.7
Due after one year through five years	\$ 27.1	\$ 25.4
Due after five years	\$ —	\$ —
Total	<u>\$ 30.8</u>	<u>\$ 29.1</u>

The amortized cost and estimated fair value of the fixed maturity securities at December 31, 2022 by contractual maturity are set forth below:

<i>(in millions)</i>	Amortized cost	Fair value
Years to maturity:		
Due in one year or less	\$ 6.5	\$ 6.4
Due after one year through five years	24.5	22.4
Due after five years	—	—
Total	<u>\$ 31.0</u>	<u>\$ 28.8</u>

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 and maturing time deposits were \$3.7 million from the period of January 1, 2023 to March 31, 2023. These proceeds were generally used to purchase an additional \$3.6 million of fixed income securities and time deposits. Their gains and losses realized on the sale of securities for the period from January 1, 2023 to March 31, 2023 were insignificant.

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

At March 31, 2023, investments with a fair value of approximately \$4.2 million were on deposit with state insurance departments to satisfy regulatory requirements.

NOTE 14 Insurance Company Subsidiary Operations

Although the reinsurers are liable to the Company for amounts reinsured, our subsidiary, Wright National Flood Insurance Company ("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 Company also participates in two Captives for the purpose of facilitating additional underwriting capacity and participating in a portion of the underwriting results. One Captive participates on a quota share basis for policies placed by certain of our MGA businesses that are currently focused on property insurance for earthquake and wind exposed properties with a portion of premiums ceded to reinsurance companies, limiting, but not fully eliminating the Company's exposure to claims expenses. The other Captive participates through excess of loss reinsurance layers associated with one of our MGA businesses focused on placements of personal property, excluding flood, primarily in the southeastern United States with one layer of per risk excess reinsurance and three layers of catastrophe ("CAT") per occurrence reinsurance. All four layers have limited reinstatements and therefore have capped, maximum aggregate limits. The effects of reinsurance on premiums written and earned are as follows:

<i>(in millions)</i>	Three months ended March 31, 2023	
	Written	Earned
Direct premiums - WNFIC	\$ 162.4	\$ 184.7
Ceded premiums - WNFIC	(162.4)	(184.7)
Net premiums - WNFIC	—	—
Assumed premiums - Quota share captive and excess of loss layer captive	25.8	16.8
Ceded premiums - Quota share captive	(15.9)	(6.8)
Net premiums - Quota share captive and excess of loss layer captive	9.9	10.0
Net premiums - Total	<u>\$ 9.9</u>	<u>\$ 10.0</u>

All premiums written by WNFIC under the National Flood Insurance Program (“NFIP”) are 100% ceded to the Federal Emergency Management Agency, or FEMA, for which WNFIC received a 29.7% gross expense allowance from January 1, 2023 through March 31, 2023. For the period from January 1, 2023 through March 31, 2023, the Company ceded \$161.8 million of written premiums to FEMA, with \$0.6 million ceded to highly rated carriers for excess flood policies which are not within the NFIP.

As of March 31, 2023 the Condensed Consolidated Balance Sheet contained reinsurance recoverable of \$139.2 million and prepaid reinsurance premiums of \$359.6 million which are related to the WNFIC business. There was no net activity in the reserve for losses and loss adjustment expense during the period January 1, 2023 through March 31, 2023, as WNFIC’s direct premiums written were 100% ceded to two reinsurers. The balance of the reserve for losses and loss adjustment expense for WNFIC, excluding related reinsurance recoverable, as of March 31, 2023 was \$139.2 million.

WNFIC maintains capital in excess of the minimum statutory amount of \$7.5 million as required by regulatory authorities. The unaudited statutory capital and surplus of WNFIC was \$33.0 million at March 31, 2023 and \$31.8 million as of December 31, 2022. For the period from January 1, 2023 through March 31, 2023, WNFIC generated statutory net income of \$0.5 million. For the period from January 1, 2022 through December 31, 2022, WNFIC generated statutory net income of \$1.3 million. 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% of statutory adjusted capital and surplus or 100% of adjusted net income. There was no dividend payout in 2022 and the maximum dividend payout that may be made in 2023 without prior approval is \$3.2 million.

In December 2021, the initial funding to capitalize the quota share Captive was \$5.9 million. This capital in addition to current earnings of \$8.5 million through March 31, 2023, is considered at risk for loss. Assumed net written and net earned premiums for the quota share Captive for the three months ended March 31, 2023, were \$9.0 million and \$9.9 million, respectively. For three months ended March 31, 2023 the ultimate loss expense inclusive of incurred but not reported (“IBNR”) claims was \$8.6 million, of which \$7.8 million is related to the estimated insured losses with Hurricane Ian. In connection with the estimated IBNR from Hurricane Ian claims, \$3.6 million was recorded as estimated reinsurance recoverable for a net expected loss of \$4.2 million. As of March 31, 2023, reported insured losses associated with Hurricane Ian of \$2.4 million. As of March 31, 2023 the Condensed Consolidated Balance Sheet contained prepaid reinsurance premiums of \$20.0 million related to the Captive of deferred acquisitions costs of \$19.4 million, reinsurance payable for \$5.3 million, and the reserve for losses and loss adjustment expense, excluding related reinsurance recoverable, was \$8.6 million. The first collateral release is expected in 2024 and is based on an IBNR factor times earned premium compared to the current collateral balance.

The excess of loss layer Captive was renewed in September 2022 with underlying reinsurance treaties effective from June 1 through May 31, 2023. This Captive’s maximum underwriting exposure is \$5.2 million. Assumed net earned premiums for the Captive for the three months ended March 31, 2023 were \$0.9 million. As of March 31, 2023 the Condensed Consolidated Balance Sheet contained the reserve for losses and loss adjustment expense of \$6.3 million of which \$6.0 million is related to Hurricane Ian.

NOTE 15 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.

From January 1, 2023 to March 31, 2023, the Company completed share repurchases in the open market of 2,100 shares at a total cost of \$0.1 million, at an average price of \$53.84 per share.

After completing these open market share repurchases, the Company has outstanding approval to purchase up to approximately \$249.5 million, in the aggregate, of the Company’s outstanding common stock.

During the first quarter, the Company paid a dividend of \$0.1150 per share, which was approved by the Board of Directors on January 18, 2023 and paid on February 15, 2023 for a total of \$32.6 million.

On April 24, 2023 the Board of Directors approved a dividend of \$0.1150 per share payable on May 17, 2023 to shareholders of record on May 8, 2023.

ITEM 2 — Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion updates the Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and the two discussions should be read together.

GENERAL

Company Overview — First Quarter of 2023

The following discussion should be read in conjunction with our Condensed Consolidated Financial Statements and the related Notes to those Financial Statements included elsewhere in this Quarterly Report on Form 10-Q. In addition, please see “Information Regarding Non-GAAP Financial 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 participate in capitalized captive insurance facilities (the “Captives”) for the purpose of having additional capacity to place coverage, drive additional revenues and to participate in underwriting. The Company has traditionally participated in underwriting profits through profit-sharing contingent commissions. These Captives give us another way to deliver incremental revenue growth and continue to participate in underwriting results while limiting exposure to claims expenses. The Captives focus on property insurance for earthquake and wind exposed properties underwritten by certain managing general agents. The Captives limit the Company’s exposure to claims expenses either through reinsurance or by only participating in certain tranches of the underwriting.

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 or a reduction of purchase limits the occurrence of catastrophic weather events all affect our revenues. For example, higher levels of inflation, which increase the value of insurable exposure units, or a general decline in economic activity, which could decrease the value 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 “core commissions and fees” excludes profit-sharing contingent commissions, and therefore represents the revenues earned directly from specific insurance policies sold, and specific fee-based services rendered. The net change in core commissions and fees 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; (iv) the net change in fees paid to us by our customers; and (v) any businesses acquired or disposed of.

We also earn profit-sharing contingent commissions, which are commissions based primarily on underwriting results, but in select situations may reflect additional considerations for volume, growth and/or retention. These commissions, which are included in our commissions and fees in the Condensed Consolidated Statements 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.

Fee revenues primarily relate to services other than securing coverage for our customers, and to a lesser extent as fees negotiated in lieu of commissions. Fee revenues are generated by: (i) our Services segment, which is primarily a fee-based business that 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 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 25.8% in 2022 and 27.4% in 2021.

For the three months ended March 31, 2023, our total commissions and fees growth rate was 22.5%, and our consolidated Organic Revenue growth rate was 12.6%.

Historically, investment income has consisted 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 as it relates to the Company’s capital is to invest available funds in high-quality, short-term money-market funds and fixed income investment securities. Investment income also includes gains and losses realized from the sale of investments. Other income primarily reflects other miscellaneous revenues.

Income before income taxes for the three months ended March 31, 2023 increased from the first quarter of 2022 by \$29.2 million or 11.0%, driven by net new business and acquisitions completed in the past 12 months, which were partially offset by increased amortization expense as a result of our recent acquisitions along with increased interest expense associated with higher average debt balances from debt issued and bank financing in the first quarter of 2022 to fund the acquisitions of GRP (Jersey) Holdco Limited and its businesses ("GRP"), Orchid Underwriters Agency and CrossCover Insurance Services ("Orchid") and BdB Limited companies ("BdB") as well as increases in the floating-rate benchmark used on our adjustable rate debt.

Information Regarding Non-GAAP Financial 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 the SEC rules: Total Revenues - Adjusted, Organic Revenue, EBITDAC, EBITDAC Margin, EBITDAC - Adjusted and EBITDAC Margin - Adjusted. We present these measures because we believe such information is of interest to the investment community and because we believe it provides additional meaningful methods to evaluate the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis due to the impact of certain items that have a high degree of variability and that we believe are not indicative of ongoing performance. This non-GAAP financial information should be considered in addition to, not in lieu of, the Company's consolidated income statements and balance sheets as of the relevant date. Consistent with Regulation G, a description of such information is provided below and tabular reconciliations of this supplemental non-GAAP financial information to our most comparable GAAP information are contained in this Quarterly Report on Form 10-Q under "Results of Operations - Segment Information."

We view Organic Revenue and Organic Revenue growth as important indicators when assessing and evaluating our performance on a consolidated basis and for each of our four segments, because it allows us to determine a comparable, but non-GAAP, measurement of revenue growth that is associated with the revenue sources that were a part of our business in both the current and prior year and that are expected to continue in the future. We also view Total Revenues - Adjusted, EBITDAC, EBITDAC - Adjusted, EBITDAC Margin and EBITDAC Margin - Adjusted as important indicators when assessing and evaluating our performance, as they present more comparable measurements of our operating margins in a meaningful and consistent manner. As disclosed in our most recent proxy statement, we use Organic Revenue, and EBITDAC Margin - Adjusted as key performance metrics for our short-term and long-term incentive compensation plans for executive officers and other key employees.

Non-GAAP Revenue Measures

- **Total Revenues - Adjusted** is our total revenues, excluding Foreign Currency Translation (as defined below).
- **Organic Revenue** 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) Foreign Currency Translation (as defined below). The term "core commissions and fees" excludes profit-sharing contingent commissions and therefore represents the revenues earned directly from specific insurance policies sold and specific fee-based services rendered. Organic Revenue can be expressed as a dollar amount or a percentage rate when describing Organic Revenue growth.

Non-GAAP Earnings Measures

- **EBITDAC** is defined as income before interest, income taxes, depreciation, amortization and the change in estimated acquisition earn-out payables.
- **EBITDAC Margin** is defined as EBITDAC divided by total revenues.
- **EBITDAC - Adjusted** is defined as EBITDAC, excluding (i) (gain)/loss on disposal, (ii) Acquisition/Integration Costs (as defined below), (iii) for 2023, the 1Q23 Nonrecurring Cost (as defined below) and (iv) Foreign Currency Translation (as defined below).
- **EBITDAC Margin - Adjusted** is defined as EBITDAC - Adjusted divided by Total Revenues - Adjusted.

Definitions Related to Certain Components of Non-GAAP Measures

- **"Acquisition/Integration Costs"** means the acquisition and integration costs (e.g., costs associated with regulatory filings, legal/accounting services, due diligence and the costs of integrating our information technology systems) arising out of our acquisitions of GRP (Jersey) Holdco Limited and its business, Orchid Underwriters Agency and CrossCover Insurance Services, and BdB Limited companies, which are not considered to be normal, recurring or part of the ongoing operations.
- **"Foreign Currency Translation"** means the period-over period impact of foreign currency translation, which is calculated by applying current-year foreign exchange rates to the various functional currencies in our business to our reporting currency of US dollars for the same period in the prior year.

- **“1Q23 Nonrecurring Cost”** means approximately \$11.0 million expensed and substantially paid in the first quarter of 2023 to resolve a business matter, which is not considered to be normal, recurring or part of the ongoing operations.

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 and, therefore comparability may be limited. This supplemental non-GAAP financial information should be considered in addition to, and not in lieu of, the Company's Condensed Consolidated Financial Statements.

Acquisitions

Part of our continuing business strategy is to attract high-quality insurance intermediaries to join our operations. From 1993 through the first quarter of 2023, we acquired 618 insurance intermediary operations.

Critical Accounting Policies

We have had no changes to our Critical Accounting Policies as described in our most recent Form 10-K for the year ended December 31, 2022. 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 including potential earn-out obligations, 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. Refer to Note 1 in the “Notes to Consolidated Financial Statements” in our Annual Report on Form 10-K for the year ended December 31, 2022 for details regarding our critical and significant accounting policies.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

The following discussion and analysis regarding results of operations and liquidity and capital resources should be considered in conjunction with the accompanying Condensed Consolidated Financial Statements and related Notes.

Financial information relating to our condensed consolidated financial results for the three months ended March 31, 2023 and 2022 is as follows:

(in millions, except percentages)	Three months ended March 31,		
	2023	2022	% Change
REVENUES			
Core commissions and fees	\$ 1,081.2	\$ 875.7	23.5 %
Profit-sharing contingent commissions	26.8	28.6	(6.3)%
Investment income	7.0	0.2	NMF
Other income, net	1.0	0.2	NMF
Total revenues	1,116.0	904.7	23.4 %
EXPENSES			
Employee compensation and benefits	571.1	459.0	24.4 %
Other operating expenses	160.7	126.8	26.7 %
(Gain)/loss on disposal	(5.7)	(0.2)	NMF
Amortization	41.4	31.1	33.1 %
Depreciation	9.9	8.1	22.2 %
Interest	46.7	18.3	155.2 %
Change in estimated acquisition earn-out payables	(2.3)	(3.4)	NMF
Total expenses	821.8	639.7	28.5 %
Income before income taxes	294.2	265.0	11.0 %
Income taxes	58.7	44.7	31.3 %
NET INCOME	\$ 235.5	\$ 220.3	6.9 %
Income Before Income Taxes Margin ⁽¹⁾	26.4 %	29.3 %	
EBITDAC - Adjusted ⁽²⁾	\$ 398.2	\$ 323.1	23.2 %
EBITDAC Margin - Adjusted ⁽²⁾	35.7 %	35.7 %	
Organic Revenue growth rate ⁽²⁾	12.6 %	7.8 %	
Employee compensation and benefits relative to total revenues	51.2 %	50.7 %	
Other operating expenses relative to total revenues	14.4 %	14.0 %	
Capital expenditures	\$ 11.8	\$ 10.0	18.0 %
Total assets at March 31,	\$ 13,399.9	\$ 11,272.9	

(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, for the three months ended March 31, 2023 increased \$203.7 million to \$1,108.0 million, or 22.5%, over the same period in 2022. Core commissions and fees revenue for the first quarter of 2023 increased \$205.5 million, composed of : (i) approximately \$107.0 million of net new and renewal business, which reflects an Organic Revenue growth rate of 12.6%; (ii) \$113.9 million from acquisitions that had no comparable revenues in the same period of 2022; (iii) an offsetting decrease from the impact of Foreign Currency Translation of \$0.7 million; and (iv) an offsetting decrease of \$15.6 million related to commissions and fees revenue from business divested in the preceding 12 months. Profit-sharing contingent commissions for the first quarter of 2022 decreased by \$1.8 million, or 6.3%, compared to the same period in 2022.

Investment Income

Investment income for the three months ended March 31, 2023 increased \$6.8 million from the same period in 2022. This increase was primarily driven by higher average interest rates compared to the prior year.

Other Income

Other income for the three months ended March 31, 2023 increased \$0.8 million to \$1.0 million as compared to the same period in 2022.

Employee Compensation and Benefits

Employee compensation and benefits expense as a percentage of total revenues was 51.2% for the three months ended March 31, 2023 as compared to 50.7% for the three months ended March 31, 2022, and increased 24.4%, or \$112.1 million. This increase included \$56.0 million of compensation costs related to stand-alone acquisitions that had no comparable costs in the same period of 2022. Therefore, employee compensation and benefits expense attributable to those offices that existed in the same time periods of 2023 and 2022 increased by \$56.1 million, or 12.2%. 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 producer compensation associated with revenue growth and (iii) the year-over-year increase of approximately \$14.7 million in the value of deferred compensation liabilities driven by changes in the market prices of our employees' investment elections associated with our deferred compensation plan, with such amount substantially offset within other operating expenses as we hold assets to fund these liabilities that closely match the investment elections of our employees.

Other Operating Expenses

Other operating expenses represented 14.4% of total revenues for the first quarter of 2023 as compared to 14.0% for the first quarter of 2022. Other operating expenses for the first quarter of 2023 increased \$33.9 million, or 26.7%, from the same period of 2022. The net increase included: (i) \$27.0 million of other operating expenses related to stand-alone acquisitions that had no comparable costs in the same period of 2022; (ii) expenses of approximately \$11.0 million to resolve a business matter during the first quarter of 2023 which is not considered to be normal, recurring or part of the ongoing operations; (iii) increased variable costs with travel and entertainment being the largest driver, partially offset by; (iv) the year-over-year decrease of approximately \$14.7 million in the value of assets held to fund the associated liabilities within our deferred compensation plan, which was substantially offset within employee compensation and benefits as noted above.

Gain or Loss on Disposal

Gain on disposal for the first quarter of 2023 increased \$5.5 million from the first quarter of 2022. The gains on disposal were due to activity associated with book of business sales. Although we do not routinely sell businesses or 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 the first quarter of 2023 increased \$10.3 million, or 33.1%, compared to the first quarter of 2022. These increases reflect 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 the first quarter of 2023 increased \$1.8 million, or 22.2%, compared to the first quarter of 2022. Changes in depreciation expense reflect the addition of fixed assets resulting from business initiatives, and net additions of fixed assets resulting from businesses acquired in the past 12 months, which were partially offset by fixed assets that became fully depreciated.

Interest Expense

Interest expense for the first quarter of 2023 increased \$28.4 million, or 155.2%, compared to the first quarter of 2022. These increases were due to higher average debt balances resulting from debt issuance and bank financing in the first quarter of 2022 to fund the acquisitions of Orchid, GRP, and BdB, as well as increases in the floating-rate benchmark used on our adjustable-rate debt.

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 Condensed Consolidated Statements 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 Condensed Consolidated Statements 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 March 31, 2023 and 2022, the fair values of the estimated acquisition earn-out payables were re-evaluated based upon projected operating results 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 three months ended March 31, 2023 and 2022 were as follows:

<i>(in millions)</i>	Three months ended March 31,	
	2023	2022
Change in fair value of estimated acquisition earn-out payables	\$ (4.2)	\$ (4.8)
Interest expense accretion	1.9	1.4
Net change in earnings from estimated acquisition earn-out payables	<u>\$ (2.3)</u>	<u>\$ (3.4)</u>

For the three months ending March 31, 2023, the fair value of estimated earn-out payables was re-evaluated and decreased by \$4.2 million and decreased by \$4.8 for the three months ending March 31, 2022, which resulted in credits to the Condensed Consolidated Statements of Income, respectively.

As of March 31, 2023, estimated acquisition earn-out payables totaled \$254.2 million, of which \$144.6 million was recorded as accounts payable and \$109.6 million was recorded as other non-current liabilities.

Income Taxes

The effective tax rate on income from operations for the three months ended March 31, 2023 and 2022 was 20.0% and 16.9%. The increase was driven primarily by the lower tax benefit associated with incremental vesting of restricted stock awards in the first quarter 2023 as compared to the first quarter of 2022.

RESULTS OF OPERATIONS — SEGMENT INFORMATION

As discussed in Note 12 to the Condensed 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 from 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 commissions and fees included in the Condensed Consolidated Statements of Income to Organic Revenue, a non-GAAP financial measure, and the growth rates for Organic Revenue for the three months ended March 31, 2023, including by segment, are as follows:

2023 (in millions, except percentages)	Retail ⁽¹⁾		National Programs		Wholesale Brokerage		Services		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Commissions and fees	\$ 712.2	\$ 595.9	\$ 228.4	\$ 162.1	\$ 123.1	\$ 102.7	\$ 44.3	\$ 43.6	\$ 1,108.0	\$ 904.3
Total change	\$ 116.3		\$ 66.3		\$ 20.4		0.7		\$ 203.7	
Total growth %	19.5 %		40.9 %		19.9 %		1.6 %		22.5 %	
Profit-sharing contingent commissions	(15.4)	(17.9)	(7.9)	(8.0)	(3.5)	(2.7)	—	—	(26.8)	(28.6)
Core commissions and fees	\$ 696.8	\$ 578.0	\$ 220.5	\$ 154.1	\$ 119.6	\$ 100.0	\$ 44.3	\$ 43.6	\$ 1,081.2	\$ 875.7
Acquisitions	(78.6)	—	(20.0)	—	(15.3)	—	—	—	(113.9)	—
Dispositions	—	(9.2)	—	(3.9)	—	(2.5)	—	—	—	(15.6)
Foreign currency translation	—	(0.4)	—	(0.3)	—	—	—	—	—	(0.7)
Organic Revenue ⁽²⁾	\$ 618.2	\$ 568.4	\$ 200.5	\$ 149.9	\$ 104.3	\$ 97.5	\$ 44.3	\$ 43.6	\$ 967.3	\$ 859.4
Organic Revenue growth ⁽²⁾	\$ 49.8		\$ 50.6		\$ 6.8		\$ 0.7		\$ 107.9	
Organic Revenue growth rate ⁽²⁾	8.8 %		33.8 %		7.0 %		1.6 %		12.6 %	

(1) The Retail segment includes commissions and fees reported in the “Other” column of the Segment Information in Note 12 of this 10-Q of the Notes to the Condensed Consolidated Financial Statements, which includes corporate and consolidation items.

(2) A non-GAAP financial measure.

The reconciliation of commissions and fees included in the Condensed Consolidated Statements of Income to Organic Revenue, a non-GAAP financial measure, and the growth rates for Organic Revenue for the three months ended March 31, 2022, including by segment, are as follows:

2022 (in millions, except percentages)	Retail ⁽¹⁾		National Programs		Wholesale Brokerage		Services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Commissions and fees	\$ 595.9	\$ 521.7	\$ 162.1	\$ 154.6	\$ 102.7	\$ 90.7	\$ 43.6	\$ 47.0	\$ 904.3	\$ 814.0
Total change	\$ 74.2		\$ 7.5		\$ 12.0		\$ (3.4)		\$ 90.3	
Total growth %	14.2 %		4.9 %		13.2 %		(7.2) %		11.1 %	
Profit-sharing contingent commissions	(17.9)	(15.7)	(8.0)	(8.3)	(2.7)	(1.9)	—	—	(28.6)	(25.9)
Core commissions and fees	578.0	506.0	154.1	146.3	100.0	88.8	43.6	47.0	875.7	788.1
Acquisition revenues	\$ (28.3)	\$ —	\$ (0.1)	\$ —	\$ (0.9)	\$ —	\$ —	\$ —	\$ (29.3)	\$ —
Divested business	—	(0.7)	—	(1.2)	—	—	—	(0.5)	—	(2.4)
Foreign currency translation	—	(0.7)	—	—	—	—	—	—	—	(0.7)
Organic Revenue ⁽²⁾	\$ 549.7	\$ 504.6	\$ 154.0	\$ 145.1	\$ 99.1	\$ 88.8	\$ 43.6	\$ 46.5	\$ 846.4	\$ 785.0
Organic Revenue growth ⁽²⁾	\$ 45.1		\$ 8.9		\$ 10.3		\$ (2.9)		\$ 61.4	
Organic Revenue growth rate ⁽²⁾	8.9 %		6.1 %		11.6 %		(6.2) %		7.8 %	

(1) The Retail segment includes commissions and fees reported in the “Other” column of the Segment Information in Note 12 of the Notes to the Condensed Consolidated Financial Statements, which includes corporate and consolidation items.

(2) A non-GAAP financial measure.

The reconciliation of total revenues to Total Revenues - Adjusted, a non-GAAP measure, income before incomes taxes, included in the Condensed Consolidated Statement of Income, to EBITDAC, a non-GAAP measure, and EBITDAC - Adjusted, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, and EBITDAC Margin - Adjusted, a non-GAAP measure, for the three months ended March 31, 2023, including by segment, is as follows:

<i>(in millions)</i>	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total Revenues	\$ 713.5	\$ 229.8	\$ 123.4	\$ 44.3	\$ 5.0	\$ 1,116.0
Total Revenues - Adjusted ⁽²⁾	713.5	229.8	123.4	44.3	5.0	1,116.0
Income before income taxes	210.2	73.3	31.2	5.2	(25.7)	294.2
Income Before Income Taxes Margin ⁽¹⁾	29.5%	31.9%	25.3%	11.7%	NMF	26.4%
Amortization	27.4	10.0	2.7	1.3	—	41.4
Depreciation	4.3	3.0	0.7	0.4	1.5	9.9
Interest	21.8	9.8	2.7	0.4	12.0	46.7
Change in estimated acquisition earn-out payables	(2.7)	(0.2)	0.6	—	—	(2.3)
EBITDAC ⁽²⁾	261.0	95.9	37.9	7.3	(12.2)	389.9
EBITDAC Margin ⁽²⁾	36.6%	41.7%	30.7%	16.5%	NMF	34.9%
(Gain)/loss on disposal	—	(5.7)	—	—	—	(5.7)
Acquisition/Integration Costs	2.8	0.1	0.1	—	—	3.0
1Q23 Nonrecurring Cost	—	—	—	—	11.0	11.0
EBITDAC - Adjusted ⁽²⁾	\$ 263.8	\$ 90.3	\$ 38.0	\$ 7.3	\$ (1.2)	\$ 398.2
EBITDAC Margin - Adjusted ⁽²⁾	37.0%	39.3%	30.8%	16.5%	NMF	35.7%

(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 total revenues to Total Revenues - Adjusted, a non-GAAP measure, income before incomes taxes, included in the Condensed Consolidated Statement of Income, to EBITDAC - Adjusted, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin - Adjusted, a non-GAAP measure, for the three months ended March 31, 2022, including by segment, is as follows:

<i>(in millions)</i>	Retail	National Programs	Wholesale Brokerage	Services	Other	Total
Total Revenues	\$ 596.4	\$ 162.2	\$ 102.9	\$ 43.6	\$ (0.4)	\$ 904.7
Foreign Currency Translation	(0.4)	(0.3)	—	—	—	(0.7)
Total Revenues - Adjusted ⁽²⁾	596.0	161.9	102.9	43.6	(0.4)	904.0
Income before income taxes	184.1	41.7	25.6	6.6	7.0	265.0
Income Before Income Taxes Margin ⁽¹⁾	30.9%	25.7%	24.9%	15.1%	NMF	29.3%
Amortization	21.1	6.7	2.0	1.3	—	31.1
Depreciation	2.5	2.8	0.7	0.4	1.7	8.1
Interest	23.6	2.2	3.5	0.6	(11.6)	18.3
Change in estimated acquisition earn-out payables	(3.7)	0.1	0.2	—	—	(3.4)
EBITDAC ⁽²⁾	227.6	53.5	32.0	8.9	(2.9)	319.1
EBITDAC Margin ⁽²⁾	38.2%	33.0%	31.1%	20.4%	NMF	35.3%
(Gain)/loss on disposal	(0.2)	—	—	—	—	(0.2)
Acquisition/Integration Costs	2.3	0.3	0.4	—	1.4	4.4
Foreign Currency Translation	(0.1)	(0.1)	—	—	—	(0.2)
EBITDAC - Adjusted ⁽²⁾	\$ 229.6	\$ 53.7	\$ 32.4	\$ 8.9	\$ (1.5)	\$ 323.1
EBITDAC Margin - Adjusted ⁽²⁾	38.5%	33.2%	31.5%	20.4%	NMF	35.7%

(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 F&I businesses. Approximately 77.3% of the Retail segment's commissions and fees revenue is commission based.

Financial information relating to our Retail segment for the three months ended March 31, 2023 and 2022 is as follows:

<i>(in millions, except percentages)</i>	Three months ended March 31,		
	2023	2022	% Change
REVENUES			
Core commissions and fees	\$ 697.4	\$ 578.4	20.6 %
Profit-sharing contingent commissions	15.4	17.9	(14.0 %)
Investment income	0.2	—	NMF
Other income, net	0.5	0.1	NMF
Total revenues	713.5	596.4	19.6 %
EXPENSES			
Employee compensation and benefits	353.6	288.1	22.7 %
Other operating expenses	98.9	80.9	22.2 %
(Gain)/loss on disposal	—	(0.2)	NMF
Amortization	27.4	21.1	29.9 %
Depreciation	4.3	2.5	72.0 %
Interest	21.8	23.6	(7.6 %)
Change in estimated acquisition earn-out payables	(2.7)	(3.7)	NMF
Total expenses	503.3	412.3	22.1 %
Income before income taxes	\$ 210.2	\$ 184.1	14.2 %
Income Before Income Taxes Margin ⁽¹⁾	29.5 %	30.9 %	
EBITDAC - Adjusted ⁽²⁾	\$ 263.8	\$ 229.6	14.9 %
EBITDAC Margin - Adjusted ⁽²⁾	37.0 %	38.5 %	
Organic Revenue growth rate ⁽²⁾	8.8 %	8.9 %	
Employee compensation and benefits relative to total revenues	49.6 %	48.3 %	
Other operating expenses relative to total revenues	13.9 %	13.6 %	
Capital expenditures	\$ 4.8	\$ 1.6	200.0 %
Total assets at March 31,	\$ 7,605.3	\$ 4,903.9	

(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 Retail segment's total revenues for the three months ended March 31, 2023 increased 19.6%, or \$117.1 million, as compared to the same period in 2022, to \$713.5 million. The \$119.0 million increase in core commissions and fees revenue was driven by: (i) approximately \$78.6 million related to the core commissions and fees revenue from acquisitions that had no comparable revenues in the same period of 2022; (ii) an increase of \$49.8 million related to net new and renewal business; (iii) an offsetting decrease from the impact of Foreign Currency Translation of (\$0.4) million; and (iv) an offsetting decrease of \$9.2 million related to commissions and fees recorded in 2022 from businesses since divested. Profit-sharing contingent commissions for the first quarter of 2023 decreased 14.0%, or \$2.5 million, as compared to the same period in 2022, to \$15.4 million. The Retail segment's total commissions and fees increased by 20.6%, and the Organic Revenue growth rate was 8.8% for the first quarter of 2023. 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 with continued increases in commercial auto, personal lines home and auto, commercial and condo property, partially offset by continued premium rate reductions in workers' compensation.

Income before income taxes for the three months ended March 31, 2023 increased 14.2%, or \$26.1 million, as compared to the same period in 2022, to \$210.2 million. The primary factors driving this increase were: (i) the profit associated with the net increase in revenue as described above, partially offset by (ii) amortization and depreciation expenses growing faster than total revenues.

EBITDAC - Adjusted for the three months ended March 31, 2023 increased 14.9%, or \$34.2 million, as compared to the same period in 2022, to \$263.8 million. EBITDAC Margin - Adjusted for the three months ended March 31, 2023 decreased to 37.0% from 38.5% in the same period in 2022. The decrease in EBITDAC Margin - Adjusted was driven by: (i) increased variable operating expenses, which are largely travel and meeting related; (ii) the seasonality of profit associated with recent acquisitions and (iii) lower year-over-year profit-sharing contingent commissions.

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 these 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. Businesses within this segment also operate our write-your-own flood insurance carrier, WNFIC and participate in two Captives. WNFIC's underwriting business consists of policies written under and fully ceded to the NFIP and excess flood and private flood policies which are fully reinsured in the private market. The Captives provide additional underwriting capacity and allow us to participate in underwriting results. The Company has traditionally participated in underwriting profits through profit-sharing contingent commissions. These Captives give us another way to continue to participate in underwriting results while limiting exposure to claims expenses. The Captives focus on property insurance for earthquake and wind exposed properties underwritten by certain managing general agents. The Captives limit the Company's exposure to claims expenses either through reinsurance or by participating in limited tranches of the underwriting risk.

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 76.1% of the National Programs segment's commissions and fees revenue is commission based.

Financial information relating to our National Programs segment for the three months ended March 31, 2023 and 2022 is as follows:

<i>(in millions, except percentages)</i>	Three months ended March 31,		
	2023	2022	% Change
REVENUES			
Core commissions and fees	\$ 220.5	\$ 154.1	43.1 %
Profit-sharing contingent commissions	7.9	8.0	(1.3) %
Investment income	1.2	0.1	NMF
Other income, net	0.2	—	NMF
Total revenues	229.8	162.2	41.7 %
EXPENSES			
Employee compensation and benefits	88.1	73.4	20.0 %
Other operating expenses	51.4	35.3	45.6 %
(Gain)/loss on disposal	(5.7)	—	NMF
Amortization	10.0	6.7	49.3 %
Depreciation	3.0	2.8	7.1 %
Interest	9.8	2.2	NMF
Change in estimated acquisition earn-out payables	(0.1)	0.1	NMF
Total expenses	156.5	120.5	29.9 %
Income before income taxes	\$ 73.3	\$ 41.7	75.8 %
Income Before Income Taxes Margin ⁽¹⁾	31.9 %	25.7 %	
EBITDAC - Adjusted ⁽²⁾	\$ 90.3	\$ 53.7	68.2 %
EBITDAC Margin - Adjusted ⁽²⁾	39.3 %	33.2 %	
Organic Revenue growth rate ⁽²⁾	33.8 %	6.1 %	
Employee compensation and benefits relative to total revenues	38.3 %	45.3 %	
Other operating expenses relative to total revenues	22.4 %	21.8 %	
Capital expenditures	\$ 4.9	\$ 5.6	(12.5) %
Total assets at March 31,	\$ 3,675.2	\$ 3,338.8	

(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 National Programs segment's total revenue for the three months ended March 31, 2023 increased 41.7%, or \$67.6 million, as compared to the same period in 2022, to \$229.8 million. The \$66.4 million increase in core commissions and fees revenue was driven by: (i) approximately \$50.6 million of net new, renewal business, and fee revenues; (ii) \$20.0 million from acquisitions that had no comparable revenues in the same period of 2022; (iii) an offsetting decrease from the impact of Foreign Currency Translation of \$0.3 million; and (iv) an

offsetting decrease of \$3.9 million related to commissions and fees revenue from business divested in the preceding 12 months. Profit-sharing contingent commissions for the first quarter of 2023 decreased approximately \$0.1 million or 1.3% as compared to the first quarter of 2022.

The National Programs segment's total commissions and fees increased by 43.1%, and the Organic Revenue growth rate was 33.8% for the three months ended March 31, 2023. The Organic Revenue growth was driven by strong new business and rate increases, good retention and modest exposure unit expansion, as well as claims revenue associated with Hurricane Ian.

Income before income taxes for the three months ended March 31, 2023 increased 75.8%, or \$31.6 million, as compared to the same period in 2022, to \$73.3 million. Income before income taxes increased due to the drivers of EBITDAC described below.

EBITDAC - Adjusted for the three months ended March 31, 2023 increased 68.2%, or \$36.6 million, from the same period in 2022, to \$90.3 million. EBITDAC Margin - Adjusted for the three months ended March 31, 2023 increased to 39.3% from 33.2% in the same period in 2022. EBITDAC - Adjusted grew due to total revenue growth and leveraging our expense base.

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 84.9% of the Wholesale Brokerage segment's commissions and fees revenue is commission based.

Financial information relating to our Wholesale Brokerage segment for the three months ended March 31, 2023 and 2022 is as follows:

<i>(in millions, except percentages)</i>	Three months ended March 31,		
	2023	2022	% Change
REVENUES			
Core commissions and fees	\$ 119.6	\$ 100.0	19.6%
Profit-sharing contingent commissions	3.5	2.7	29.6%
Investment income	0.2	0.1	100.0%
Other income, net	0.1	0.1	—%
Total revenues	<u>123.4</u>	<u>102.9</u>	19.9%
EXPENSES			
Employee compensation and benefits	67.3	55.1	22.1%
Other operating expenses	18.2	15.8	15.2%
(Gain)/loss on disposal	—	—	—%
Amortization	2.7	2.0	35.0%
Depreciation	0.7	0.7	—%
Interest	2.7	3.5	(22.9)%
Change in estimated acquisition earn-out payables	0.6	0.2	200.0%
Total expenses	<u>92.2</u>	<u>77.3</u>	19.3%
Income before income taxes	<u>\$ 31.2</u>	<u>\$ 25.6</u>	21.9%
Income Before Income Taxes Margin ⁽¹⁾	25.3%	24.9%	
EBITDAC - Adjusted ⁽²⁾	\$ 38.0	\$ 32.4	17.3%
EBITDAC Margin - Adjusted ⁽²⁾	30.8%	31.5%	
Organic Revenue growth rate ⁽²⁾	7.0%	11.6%	
Employee compensation and benefits relative to total revenues	54.5%	53.5%	
Other operating expenses relative to total revenues	14.7%	15.4%	
Capital expenditures	\$ 0.4	\$ 0.4	—%
Total assets at March 31,	\$ 1,440.7	\$ 1,124.8	

(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 Wholesale Brokerage segment's total revenues for the three months ended March 31, 2023 increased 19.9%, or \$20.5 million, as compared to the same period in 2022, to \$123.4 million. The \$19.6 million net increase in core commissions and fees revenue was driven primarily by: (i) \$6.8 million related to net new and renewal business; and (ii) \$15.3 million related to the core commissions and fees revenue

from acquisitions that had no comparable revenues in the same period of 2022; partially offset by (iii) a decrease of \$2.5 million related to commissions and fees recorded in 2022 from a business since divested. Profit-sharing contingent commissions for the first quarter of 2023 increased \$0.8 million compared to the first quarter of 2022. The Wholesale Brokerage segment's growth rate for total commissions and fees was 19.6%, and the Organic Revenue growth rate was 7.0% for the first quarter of 2023. The Organic Revenue growth rate was driven by good new business and retention.

Income before income taxes for the three months ended March 31, 2023 increased 21.9%, or \$5.6 million, as compared to the same period in 2022, to \$31.2 million. The increase was due to: (i) the drivers of EBITDAC - Adjusted described below; (ii) lower intercompany interest expense and; (iii) decreased acquisition/integration costs; partially offset by (iv) higher amortization expenses; and (v) an increase in the change in estimated acquisition earn-out payables.

EBITDAC - Adjusted for the three months ended March 31, 2023 increased 17.3%, or \$5.6 million, as compared to the same period in 2022, to \$38.0 million. EBITDAC Margin - Adjusted for the three months ended March 31, 2023 decreased to 30.8% from 31.5%, as compared to the same period in 2022. EBITDAC Margin - Adjusted decreased due to: (i) increased salary and related costs from incremental hiring as well as salary inflation; partially offset by (ii) total revenue growth; and (iv) higher profit-sharing contingent commissions.

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 three months ended March 31, 2023 and 2022 is as follows:

<i>(in millions, except percentages)</i>	Three months ended March 31,		
	2023	2022	% Change
REVENUES			
Core commissions and fees	\$ 44.3	\$ 43.6	1.6%
Profit-sharing contingent commissions	—	—	—%
Investment income	—	—	—%
Other income, net	—	—	—%
Total revenues	44.3	43.6	1.6%
EXPENSES			
Employee compensation and benefits	24.4	22.6	8.0%
Other operating expenses	12.6	12.1	4.1%
(Gain)/loss on disposal	—	—	—%
Amortization	1.3	1.3	—%
Depreciation	0.4	0.4	—%
Interest	0.4	0.6	(33.3)%
Change in estimated acquisition earn-out payables	—	—	—%
Total expenses	39.1	37.0	5.7%
Income before income taxes	\$ 5.2	\$ 6.6	(21.2)%
Income Before Income Taxes Margin ⁽¹⁾	11.7%	15.1%	
EBITDAC - Adjusted ⁽²⁾	\$ 7.3	\$ 8.9	(18.0)%
EBITDAC Margin - Adjusted ⁽²⁾	16.5%	20.4%	
Organic Revenue growth rate ⁽²⁾	1.6%	(6.2)%	
Employee compensation and benefits relative to total revenues	55.1%	51.8%	
Other operating expenses relative to total revenues	28.4%	27.8%	
Capital expenditures	\$ 0.3	\$ 0.2	50.0%
Total assets at March 31,	\$ 285.0	\$ 290.5	

(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 Services segment's total revenues for the three months ended March 31, 2023 increased 1.6%, or \$0.7 million, as compared to the same period in 2022, to \$44.3 million. The Services segment's Organic Revenue increased 1.6% for the first quarter of 2023 driven primarily by higher claims from winter storms as compared to the prior year.

Income before income taxes for the three months ended March 31, 2023 decreased 21.2%, or \$1.4 million, as compared to the same period in 2022, to \$5.2 million. Income before income taxes decreased due to the drivers of EBITDAC - Adjusted described below.

EBITDAC - Adjusted for the three months ended March 31, 2023 decreased 18.0%, or \$1.6 million, from the same period in 2022, to \$7.3 million. EBITDAC Margin - Adjusted for the three months ended March 31, 2023 decreased to 16.5% from 20.4% in the same period in 2022. The decrease in EBITDAC and EBITDAC Margin was driven primarily by the reduction in revenue, higher salary and related costs along with certain one-time expenses.

Other

As discussed in Note 12 of the Notes to Condensed Consolidated Financial Statements, the "Other" column in the Segment Information table includes any revenue 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 strong 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 March 31, 2023 provided 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 and thereafter.

The Revolving Credit Facility contains an expansion option 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. On March 31, 2022, the Company entered into a Loan Agreement (the "Loan Agreement") which provided term loan capacity of \$800.0 million. Additionally, the Company may, subject to satisfaction of certain conditions, including receipt of additional term loan commitments by new or existing lenders, increase either Term Loan Commitment under the existing Loan Agreement or the term loans issued thereunder or issue new tranches of term loans in an aggregate additional amount of up to \$400.0 million. Including the expansion options under all existing credit agreements, the Company has access to up to \$1.9 billion of incremental borrowing capacity as of March 31, 2023.

Contractual Cash Obligations

As of March 31, 2023, our contractual cash obligations were as follows:

<i>(in millions)</i>	Payments Due by Period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Long-term debt	\$ 3,958.8	\$ 246.3	\$ 950.0	\$ 512.5	\$ 2,250.0
Other liabilities	168.8	4.4	18.8	15.3	130.3
Operating leases ⁽¹⁾	267.3	52.4	94.1	59.2	61.6
Interest obligations	1,541.8	181.3	282.2	202.7	875.6
Maximum future acquisition contingency payments ⁽²⁾	535.9	289.5	240.2	6.2	—
Total contractual cash obligations ⁽³⁾	<u>\$ 6,472.6</u>	<u>\$ 773.9</u>	<u>\$ 1,585.3</u>	<u>\$ 795.9</u>	<u>\$ 3,317.5</u>

(1) Includes \$6.6 million of future lease commitments expected to commence later in 2023.

(2) Includes \$254.2 million of current and non-current estimated acquisition earn-out payables. Earn-out payables for acquisitions not denominated in U.S. dollars are measured at the current foreign exchange rate. Four of the estimated acquisition earn-out payables assumed in connection with the acquisition of GRP included provisions with no maximum potential earn-out amount. The amount recorded for these acquisitions as of March 31, 2023 is \$3.6 million. The Company deems a significant increase to this amount to be unlikely.

(3) Does not include approximately \$32.6 million of current liability for a dividend of \$0.1150 per share approved by the Board of Directors on April 24, 2023.

Debt

Total debt at March 31, 2023 was \$3,926.3 million net of unamortized discount and debt issuance costs, which was a decrease of \$15.8 million compared to December 31, 2022. The decrease includes: the scheduled principal payments related to our various existing floating-rate debt term notes in total of \$16.9 million; offset by the amortization of discounted debt related to our various unsecured Senior Notes, and debt issuance cost amortization of \$1.0 million

During the three months ended March 31, 2023, the Company repaid \$3.1 million of principal related to the Second Amended and Restated Credit Agreement term loan through the quarterly scheduled principal payments. The Second Amended and Restated Credit Agreement term loan had an outstanding balance of \$231.3 million as of March 31, 2023. The Company's next scheduled principal payment is due June 30, 2023 and is equal to \$3.1 million.

During the three months ended March 31, 2023, the Company repaid \$7.5 million of principal related to the Term Loan Credit Agreement through quarterly scheduled principal payments. The Term Loan Credit Agreement had an outstanding balance of \$202.5 million as of March 31, 2023. The Company's next scheduled principal payment is due June 30, 2023 and is equal to \$7.5 million.

During the three months ended March 31, 2023, the Company repaid \$6.3 million of principal related to the Term Loans issued under the Term A-2 Loan Commitment ("Term A-2 Loans") through quarterly scheduled principal payments. The Term A-2 Loans had an outstanding balance of \$475.0 million as of March 31, 2023. The Company's next scheduled principal payment is due June 30, 2023 and is equal to \$6.3 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. On February 10, 2023, the Company entered into Amendment No.1 ("Amendment") of the Second Amended and Restated Credit Agreement which provided that the overnight London Interbank Offered Rate ("LIBOR") should be replaced with a successor rate. The amendment also included additional terms and conditions for the Secured Overnight Financing Rate ("SOFR") loans and Risk-free Reference Rate ("RFR") loans.

ITEM 3. 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 value of our invested assets at March 31, 2023 and December 31, 2022 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 March 31, 2023, we had \$1,006.3 million outstanding under the Second Amended and Restated Credit Agreement and the Loan Agreement tied to the SOFR and \$202.5 million of borrowings outstanding under Term Loan Credit Agreement tied to the overnight LIBOR. These aforementioned notes bear interest on a floating basis and are 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 Condensed 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. However, on November 30, 2020, the ICE Benchmark Administration Limited ("IBA"), announced that it would consult in early December 2020 on its intention to cease the publication of the one-week and two-month U.S. dollar LIBOR settings immediately following the LIBOR publication on December 31, 2021, and the remaining U.S. dollar LIBOR settings (overnight and one, three, six and 12 months) immediately following the LIBOR publication on June 30, 2023. In connection to the released statement from the IBA, on December 4, 2020, the FCA released a similar statement in support of the continuation of the LIBOR rate beyond 2021. The Alternative Reference Rates Committee ("ARRC") has recommended the 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. Post consultation on March 5, 2021, IBA confirmed its proposed dates to stop publishing the London interbank offered rate for dollars ("USD LIBOR") on a representative basis.

When the Company entered into the Second Amended and Restated Credit Agreement on October 27, 2021, it included provisions regarding transition from LIBOR to SOFR in preparation of the LIBOR cessation. As of February 10, 2023 we enacted the provision from LIBOR to SOFR as the benchmark rate for any outstanding loans under the Second Amended and Restated Credit Agreement. On March 31, 2022, the Company entered into the Loan Agreement which bears interest tied to the annual rate for the adjusted Secured Overnight Financing Rate ("Adjusted Term SOFR"). The Company does not have any other outstanding debt with LIBOR as the associated reference rate that requires conversion to SOFR or another reference rate.

The majority of our international operations do not have material transactions in currencies other than their functional currency which would expose the Company to transactional currency rate risk. We are subject to translational exchange rate risk having businesses operating outside of the U.S. in the following functional currencies, British pounds, Canadian dollar, and euros. Based upon our foreign currency rate exposure as of March 31, 2023, an immediate 10% hypothetical change of foreign currency exchange rates would not have a material effect on our Condensed Consolidated Financial Statements.

ITEM 4. 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 March 31, 2023. 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 March 31, 2023, 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 4 of Part I of this Quarterly Report on Form 10-Q 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.

PART II

ITEM 1. Legal Proceedings

In Item 3 of Part I of the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2022, certain information concerning litigation claims arising in the ordinary course of business was disclosed. Such information was current as of the date of filing. During the Company's fiscal quarter ended March 31, 2023, no new legal proceedings, or material developments with respect to existing legal proceedings, occurred which require disclosure in this Quarterly Report on Form 10-Q.

ITEM 1A. Risk Factors

There were no material changes in the risk factors previously disclosed in Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table provides information about our repurchase of shares of our common stock during the three months ended March 31, 2023:

	Total number of shares purchased ⁽¹⁾	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum value of shares that may yet be purchased under the plans or programs ⁽²⁾
January 1, 2023 to January 31, 2023	32,435	\$ 57.19	—	\$ 249.6
February 1, 2023 to February 28, 2023	608,318	56.49	—	249.6
March 1, 2023 to March 31, 2023	2,100	—	2,100	249.5
Total	642,853	\$ 56.52	2,100	\$ 249.5

(1) Of the shares reported in this column, 1,200 shares were purchased in open market transactions at a total cost of \$113,059. All other shares reported in this column are attributable to shares withheld for taxes in connection with vesting of restricted shares awarded under our Performance Stock Plan, our 2010 Stock Incentive Plan.

(2) On July 18, 2014, the Board of Directors authorized the repurchase of up to \$200.0 million of the Company's shares of common stock, and on July 20, 2015, the Board of Directors authorized the repurchase of an additional \$400.0 million of the Company's shares of 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 to approximately \$500.0 million. After completing these open market repurchases, the Company's outstanding Board approved share repurchase authorization is approximately \$249.5 million. Between January 1, 2014 and March 31, 2023, the Company repurchased a total of approximately 19.7 million shares for an aggregate cost of approximately \$748.1 million.

(3) Dollar values stated in millions.

ITEM 6. Exhibits

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

- 3.1 [Amended and Restated Articles of Incorporation of the Company \(adopted January 18, 2023\) \(incorporated by reference to Exhibit 3.1 to Form 8-K filed on January 19, 2023\).](#)
- 3.2 [Amended and Restated By-Laws \(incorporated by reference to Exhibit 3.2 to Form 8-K filed on January 19, 2023\).](#)
- 10.1* [Amendment No. 1, dated as of February 10, 2023, to Second Amended and Restated Credit Agreement, dated as of October 27, 2021, among the Registrant, JPMorgan Chase Bank, N.A., and the lenders named therein.](#)
- 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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in inline XBRL, include: (i) Condensed Consolidated Statements of Income, (ii) Condensed Consolidated Balance Sheets, (iii) Condensed Consolidated Statements of Equity, (iv) Condensed Consolidated Statements of Cash Flows and (v) the Notes to the Condensed Consolidated Financial Statements.
- 104 Cover Page Interactive Data File (formatted in inline XBRL and included in Exhibit 101).

[* Filed herewith](#)

SIGNATURE

Pursuant to the requirements 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.

BROWN & BROWN, INC.

/s/ R. Andrew Watts

Date: April 27, 2023

R. Andrew Watts
Executive Vice President, Chief Financial Officer and Treasurer
(duly authorized officer, principal financial officer and principal
accounting officer)

AMENDMENT NO. 1

Dated as of February 10, 2023

to

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of October 27, 2021

THIS AMENDMENT NO. 1 (this "Amendment") is made as of February 10, 2023 by and among Brown & Brown, Inc., a Florida corporation (the "Company"), the Lenders party hereto and JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders (the "Administrative Agent"), under that certain Second Amended and Restated Credit Agreement dated as of October 27, 2021, by and among the Company and Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and the Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, the Company requested that the requisite Lenders agree to make certain amendments to the Credit Agreement;

WHEREAS, the Company, the Lenders party hereto and the Administrative Agent have agreed to amend the Credit Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company, the Lenders party hereto and the Administrative Agent hereby agree to enter into this Amendment.

1. Amendments to the Credit Agreement. Effective as of the date of satisfaction of the conditions precedent set forth in Section 2 below (such date, the "Amendment Effective Date") the parties hereto agree that the Credit Agreement (including the Exhibits thereto) shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double- underlined text) as set forth in the pages of the Credit Agreement (including the Exhibits thereto) attached as Annex A hereto (the Credit Agreement as so amended, the "Amended Credit Agreement").

2. Conditions of Effectiveness. This Amendment shall become effective as of the first date on which each of the following conditions shall have been satisfied:

(a) The Administrative Agent (or its counsel) shall have received counterparts of this Amendment duly executed by the Company, each of the Lenders, each of the Issuing Banks and the Administrative Agent.

(b) 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 Amendment Effective Date, including, to the extent invoiced at least one (1) Business Day prior to the Amendment Effective Date, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Company pursuant to the terms of the Amended Credit Agreement.

The Administrative Agent shall notify the Company and the Lenders of the Amendment Effective Date, and such notice shall be conclusive and binding.

3. Representations and Warranties of the Company. The Company hereby represents and warrants to the Lenders on the Amendment Effective Date as follows:

(a) Each of this Amendment and the Amended Credit Agreement constitutes a legal, valid and binding obligation of each Borrower, 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.

(b) As of the date hereof and immediately after giving effect to the terms of this Amendment, (i) no Default or Event of Default has occurred and is continuing and (ii) the representations and warranties of the Borrowers set forth in the Amended Credit Agreement (excluding the representations and warranties contained in Sections 3.04(b) and 3.06(a) of the Amended 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 representation or warranty given as of a particular date in which case they 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) as of such date.

4. Reference to and Effect on the Credit Agreement.

(a) From and after the effectiveness of the amendment to the Credit Agreement evidenced hereby, the terms "Agreement", "this Agreement", "herein", "hereinafter", "hereto", "hereof" and words of similar import, as used in the Amended Credit Agreement, shall, unless the context otherwise requires, refer to the Amended Credit Agreement, and the term "Credit Agreement", as used in the other Loan Documents, shall mean the Amended Credit Agreement.

(b) Each Loan Document and all other documents, instruments and agreements executed and/or delivered in connection therewith (other than, for the avoidance of doubt, the Suspension of Rights Agreement) shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the Loan Documents or any other documents, instruments and agreements executed and/or delivered in connection therewith.

(d) This Amendment shall be a Loan Document.

5. Governing Law; Jurisdiction. This Amendment shall be construed in accordance with and governed by the law of the State of New York, excluding conflict of law principles providing for the application of the laws of any other jurisdiction.

6. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), electronic deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, “Electronic Signatures” means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

BROWN & BROWN, INC.,
as the Company

By: /s/ David B. Lotz

Name: David B. Lotz

Title: VP

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

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 Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

BANK OF AMERICA, N.A.,
individually as a Lender and as an Issuing Bank

By: /s/ Cameron Cardozo

Name: Cameron Cardozo

Title: Senior Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

BMO HARRIS BANK N.A.,
individually as a Lender and as an Issuing Bank

By: /s/ Lauren Harte
Name: Lauren Harte
Title: Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

TRUIST BANK,
individually as a Lender and as an Issuing Bank

By: /s/ Richard W. Jantzen, III

Name: Richard W. Jantzen, III

Title: Director

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

FIFTH THIRD BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ David A. Austin

Name: David A. Austin

Title: Senior Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Amanda Faloon

Name: Amanda Faloon

Title: Assistant Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Callen M. Strunk

Name: Callen M. Strunk

Title: Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ William R. Goley

Name: Will Goley

Title: Managing Director

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

CITIZENS BANK, N.A.,
as a Lender

By: /s/ Lauren Schilpp

Name: Lauren Schilpp

Title: Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

MORGAN STANLEY BANK, N.A.,
as a Lender

By: /s/ Jack Kuhns

Name: Jack Kuhns

Title: Authorized Signatory

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

CADENCE BANK,
as a Lender

By: /s/ Donald G. Preston

Name: Donald G. Preston

Title: Senior Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

HANCOCK WHITNEY BANK,
as a Lender

By: /s/ Kenneth C. Misemer

Name: Kenneth C. Misemer

Title: Senior Vice President

Signature Page to Amendment No. 1 to
Second Amended and Restated Credit Agreement dated as of October 27, 2021
Brown & Brown, Inc.

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Definitions	1
SECTION 1.01. <u>Defined Terms</u>	1
SECTION 1.02. <u>Classification of Loans and Borrowings</u>	36 40
SECTION 1.03. <u>Terms Generally</u>	36 40
SECTION 1.04. <u>Accounting Terms; GAAP; Pro Forma Calculations</u>	36 35
SECTION 1.05. <u>Status of Obligations</u>	37 36
SECTION 1.06. <u>Amendment and Restatement of the Existing Credit Agreement</u>	38 36
SECTION 1.07. <u>Interest Rates; LIBORBenchmark Notification</u>	39 43
SECTION 1.08. <u>Divisions</u>	40 44
SECTION 1.09. <u>Letter of Credit Amounts</u>	40 44
ARTICLE II The Credits	40 45
SECTION 2.01. <u>Re-Evidence of Existing Loans; Revolving Commitments</u>	40 45
SECTION 2.02. <u>Loans and Borrowings</u>	41 45
SECTION 2.03. <u>Requests for Borrowings</u>	41 46
SECTION 2.04. <u>Determination of Dollar Amounts</u>	42 47
SECTION 2.05. <u>[Intentionally Omitted]</u>	42 47
SECTION 2.06. <u>Letters of Credit</u>	42 47
SECTION 2.07. <u>Funding of Borrowings</u>	47 52
SECTION 2.08. <u>Interest Elections</u>	48 53
SECTION 2.09. <u>Termination and Reduction of Commitments</u>	49 54
SECTION 2.10. <u>Repayment and Amortization of Loans; Evidence of Debt</u>	50 48
SECTION 2.11. <u>Prepayment of Loans</u>	51 56
SECTION 2.12. <u>Fees</u>	51 57
SECTION 2.13. <u>Interest</u>	53 58
SECTION 2.14. <u>Alternate Rate of Interest</u>	53 59
SECTION 2.15. <u>Increased Costs</u>	57 63
SECTION 2.16. <u>Break Funding Payments</u>	58 64
SECTION 2.17. <u>Taxes</u>	59 56
SECTION 2.18. <u>Payments Generally; Pro Rata Treatment; Sharing of Set-offs</u>	62 60
SECTION 2.19. <u>Mitigation Obligations; Replacement of Lenders</u>	64 62
SECTION 2.20. <u>Expansion Option</u>	65 63
SECTION 2.21. <u>Judgment Currency</u>	66 64
SECTION 2.22. <u>Defaulting Lenders</u>	67 65
SECTION 2.23. <u>Designation of Subsidiary Borrowers</u>	69 67
SECTION 2.24. <u>Extension of Maturity Date</u>	69 67
ARTICLE III Representations and Warranties	72 69
SECTION 3.01. <u>Organization; Powers; Subsidiaries</u>	72 69
SECTION 3.02. <u>Authorization; Enforceability</u>	72 70
SECTION 3.03. <u>Governmental Approvals; No Conflicts</u>	72 70
SECTION 3.04. <u>Financial Condition; No Material Adverse Change</u>	72 70
SECTION 3.05. <u>Properties</u>	73 70
SECTION 3.06. <u>Litigation and Environmental</u>	73 71

Table of Contents
(continued)

	<u>Page</u>
SECTION 3.07. <u>Compliance with Laws and Agreements</u>	73 <u>71</u>
SECTION 3.08. <u>Investment Company Status</u>	73 <u>71</u>
SECTION 3.09. <u>Taxes</u>	73 <u>71</u>
SECTION 3.10. <u>ERISA</u>	74 <u>71</u>
SECTION 3.11. <u>Disclosure</u>	74 <u>71</u>
SECTION 3.12. <u>Federal Reserve Regulations</u>	74 <u>72</u>
SECTION 3.13. <u>No Default</u>	74 <u>72</u>
SECTION 3.14. <u>Anti-Corruption Laws and Sanctions</u>	74 <u>72</u>
SECTION 3.15. <u>Affected Financial Institutions</u>	74 <u>72</u>
 ARTICLE IV Conditions	 75 <u>72</u>
SECTION 4.01. <u>Effective Date</u>	75 <u>72</u>
SECTION 4.02. <u>Each Credit Event</u>	76 <u>82</u>
SECTION 4.03. <u>Designation of a Subsidiary Borrower</u>	76 <u>74</u>
 ARTICLE V Affirmative Covenants	 77 <u>75</u>
SECTION 5.01. <u>Financial Statements and Other Information</u>	77 <u>75</u>
SECTION 5.02. <u>Notices of Material Events</u>	78 <u>76</u>
SECTION 5.03. <u>Existence; Conduct of Business</u>	79 <u>76</u>
SECTION 5.04. <u>Payment of Taxes</u>	79 <u>77</u>
SECTION 5.05. <u>Maintenance of Properties; Insurance</u>	79 <u>77</u>
SECTION 5.06. <u>Books and Records; Inspection Rights</u>	79 <u>77</u>
SECTION 5.07. <u>Compliance with Laws</u>	80 <u>77</u>
SECTION 5.08. <u>Use of Proceeds</u>	80 <u>77</u>
 ARTICLE VI Negative Covenants	 80 <u>78</u>
SECTION 6.01. <u>Indebtedness</u>	80 <u>78</u>
SECTION 6.02. <u>Liens</u>	81 <u>79</u>
SECTION 6.03. <u>Fundamental Changes and Asset Sales</u>	82 <u>80</u>
SECTION 6.04. <u>Transactions with Affiliates</u>	83 <u>81</u>
SECTION 6.05. <u>Financial Covenants</u>	84 <u>81</u>
 ARTICLE VII Events of Default	 84 <u>82</u>
 ARTICLE VIII The Administrative Agent	 86 <u>84</u>
 ARTICLE IX Miscellaneous	 88 <u>86</u>
SECTION 9.01. <u>Notices</u>	88 <u>86</u>
SECTION 9.02. <u>Waivers; Amendments</u>	91 <u>88</u>
SECTION 9.03. <u>Expenses; Indemnity; Damage Waiver</u>	93 <u>91</u>
SECTION 9.04. <u>Successors and Assigns</u>	95 <u>92</u>
SECTION 9.05. <u>Survival</u>	98 <u>96</u>
SECTION 9.06. <u>Counterparts; Integration; Effectiveness; Electronic Execution</u>	98 <u>96</u>
SECTION 9.07. <u>Severability</u>	99 <u>97</u>
SECTION 9.08. <u>Right of Setoff</u>	100 <u>97</u>

Table of Contents
(continued)

	<u>Page</u>
SECTION 9.09. <u>Governing Law; Jurisdiction; Consent to Service of Process</u>	100 <u>97</u>
SECTION 9.10. <u>WAIVER OF JURY TRIAL</u>	101 <u>99</u>
SECTION 9.11. <u>Headings</u>	101 <u>99</u>
SECTION 9.12. <u>Confidentiality</u>	101 <u>99</u>
SECTION 9.13. <u>USA PATRIOT Act</u>	102 <u>100</u>
SECTION 9.14. <u>Interest Rate Limitation</u>	103 <u>100</u>
SECTION 9.15. <u>No Advisory or Fiduciary Responsibility</u>	103 <u>100</u>
SECTION 9.16. <u>Prepayment of Loans under the Existing Credit Agreement</u>	104 <u>101</u>
SECTION 9.17. <u>Acknowledgement and Consent to Bail-In of Affected Financial Institutions</u>	104 <u>101</u>
SECTION 9.18. <u>Acknowledgement Regarding Any Supported QFCs</u>	104 <u>102</u>
SECTION 9.19. <u>Certain ERISA Matters</u>	105 <u>102</u>
SECTION 9.20. <u>Erroneous Payments</u>	106 <u>103</u>
 ARTICLE X Company Guarantee	 107 <u>105</u>

“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~~ Daily Simple RFR” means, with respect to any ~~Eurocurrency~~ RFR Borrowing denominated in ~~Canadian Dollars for any Interest Period~~ Pounds Sterling, an interest rate per annum equal to ~~(a) the CDOR Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.~~ the Daily Simple RFR for Pounds Sterling; provided that if the Adjusted Daily Simple RFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Adjusted EURIBO Rate” means, with respect to any ~~Eurocurrency~~ Term Benchmark 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; provided that if the Adjusted EURIBO Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Adjusted ~~LBO~~ Term SOFR Rate” means, with respect to any ~~Eurocurrency~~ Term Benchmark 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 ~~LBO~~ Term SOFR Rate for such Interest Period ~~multiplied by (b) the Statutory Reserve Rate, plus (b) 0.10%;~~ provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“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~~Term SOFR Rate for a one month Interest Period ~~in Dollars on as published two U.S. Government Securities Business Days prior to~~ such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) plus 1%; provided that for the purpose of this definition, the Adjusted ~~LIBO~~Term SOFR 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)~~Term SOFR Reference Rate at approximately ~~11:00 a.m. London time on such day~~5:00 a.m., Chicago time, on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted ~~LIBO~~Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted ~~LIBO~~Term SOFR 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.

“Amendment No. 1 Effective Date” means February 10, 2023.

“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~~Term Benchmark Revolving Loan, any ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark Spread for Revolving Loans”, “~~Eurocurrency~~Term Benchmark 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 Term Benchmark Spread for Revolving Loans</u>	<u>Eurocurrency Term Benchmark 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

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~~ Term Benchmark 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~~ and the 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) “Benchmark Replacement” means, for any Available Tenor, 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 provided that 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:

, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero)(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 and/or any Term Benchmark Revolving Loan denominated in Dollars, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “RFR 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 (in consultation with the Company) 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 (in consultation with the Company) that no market practice for the administration of such Benchmark ~~Replacement~~ exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Company) 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); or

(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)~~ **(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)~~ **(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 CME Term SOFR Administrator, 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)~~ **(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 Term Benchmark** 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 Term Benchmark** 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 addition to the foregoing, a Business Day shall be (i)~~ in relation to Loans denominated in euro and in relation to the calculation or computation of ~~EURIBOR~~**the EURIBO Rate**, 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 **the CDOR Rate or the Canadian Prime Rate**, 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. **and (iv) in relation to Loans referencing the Adjusted Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans**

referencing the Adjusted Term SOFR Rate or any other dealings of such Loans referencing the Adjusted Term SOFR Rate, any such day that is a U.S. Government Securities Business Day.

“Canadian Dollars” means the lawful currency of Canada.

“Canadian Prime Rate” means, on any day, the rate determined by the Administrative Agent to be the higher of (i) the rate equal to the PRIMCAN Index rate that appears on the Bloomberg screen at 10:15 a.m. Toronto time on such day (or, in the event that the PRIMCAN Index is not published by Bloomberg, any other information services that publishes such index from time to time, as selected by the Administrative Agent in its reasonable discretion) and (ii) the average rate for thirty (30) day Canadian Dollar bankers’ acceptances that appears on the Reuters Screen CDOR Page (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) at 10:15 a.m. Toronto time on such day (“CDOR”), plus 1% per annum; provided, that if any of the above rates shall be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement. Any change in the Canadian Prime Rate due to a change in the PRIMCAN Index or CDOR shall be effective from and including the effective date of such change in the PRIMCAN Index or CDOR, respectively.

“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.~~

"CBR Spread" means the Applicable Rate applicable to such Loan that is replaced by a CBR Loan.

"CDOR ~~Interpolated~~ Rate" means, ~~at any time,~~ with respect to any Eurocurrency Term Benchmark 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~~CDOR Screen Rate at approximately 10:15 a.m., Toronto time, on the first day of such Interest Period; ~~in each case, at such time; provided that, if any~~the ~~CDOR Interpolated~~ Rate as so determined would be less than ~~zero~~the Floor, such rate shall be deemed to be ~~zero~~equal to the Floor 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 on~~ any day ~~and time, with respect to any Eurocurrency Borrowing denominated in Canadian Dollars and for any~~for the relevant Interest Period, the annual rate of interest equal to the average rate applicable to Canadian ~~dollar~~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., as of 10:15 a.m. Toronto time on the first day of such Interest Period and, if such day is not a Business Day, then on the immediately preceding Business Day (as~~

adjusted by Administrative Agent after 10:15 a.m. Toronto time to reflect any error in the posted rate of interest or in the posted average annual rate of interest).

“Central Bank Rate” means, ~~(A)~~ the greater of (i) ~~(A)~~ 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 and (ii) the Floor.

“Central Bank Rate Adjustment” means, for any day, 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~~ Adjusted Daily Simple RFR for Pounds Sterling Borrowings for the five (5) most recent RFR Business Days preceding such day for which ~~SONIA~~ Adjusted Daily Simple RFR for Pounds Sterling Borrowings was available (excluding, from such averaging, the highest and the lowest ~~SONIA~~ such Adjusted Daily Simple RFR applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Pounds Sterling in effect 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 Adjusted EURIBO Rate for the ~~last five (5) most recent~~ five (5) most recent Business Days preceding such day for which the EURIBO Screen Rate was available (excluding, from such averaging, the highest and the lowest Adjusted 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~~ in effect 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 (i)(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.

“CME Term SOFR Administrator” means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

“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 Senior Funding, Inc. 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.

“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.

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 Term Benchmark 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 that~~ rate) for ~~euro for~~ the relevant period displayed ~~(before any correction, recalculation or republication by the administrator)~~ 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 ~~as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period.~~ 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 **zero0%**, such rate shall be deemed to be **zero0%** 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 **LIBOR Adjusted Term SOFR Rate, the Adjusted EURIBO Rate, the CDOR Rate** ~~or the, each Adjusted~~ **Daily Simple RFR or the Central Bank Rate**, as applicable. **For the avoidance of doubt, the initial Floor for each of the Adjusted Term SOFR Rate, the Adjusted EURIBO Rate, the CDOR Rate, each Adjusted Daily Simple RFR or the Central Bank Rate shall be 0%.**

"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 Currency Payment Office" of the Administrative Agent shall mean, 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 Borrower and each Lender.

"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 and any Loan that bears interest at the Canadian Prime Rate, 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 Term Benchmark 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 Term Benchmark 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 Term Benchmark 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, other than with respect to a CDOR Rate Borrowing, six months thereafter (in each case, subject to the availability for the Benchmark

applicable to the relevant Loan or Commitment for any Agreed Currency), 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~~0%, such rate shall be deemed to be ~~zero~~0% 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~~transactions denominated in Dollars 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).

(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 ~~LBO~~ Term SOFR Rate, ~~11:00 a.m., London~~ 5:00 a.m., Chicago time, on the day that is two (2) ~~London banking days~~ U.S. Government Securities Business 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~~**four (54)** **RFR** Business Days prior to such setting or (iv) if such Benchmark is none of the ~~LBO~~**Term SOFR** 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~~**Term Benchmark** Borrowing denominated in Dollars, the ~~LBO~~**Adjusted Term SOFR** Rate, (ii) with respect to any ~~Eurocurrency~~**Term Benchmark** Borrowing denominated in euro, the **Adjusted** EURIBO Rate, (iii) with respect to any ~~Eurocurrency~~**Term Benchmark** Borrowing denominated in Canadian Dollars, the CDOR Rate or (iv) with respect to any **RFR** Borrowing denominated in Pounds Sterling, the **applicable Adjusted** Daily Simple RFR, as applicable.

“**Relevant Screen Rate**” means (i) with respect to any ~~Eurocurrency~~**Term Benchmark** Borrowing denominated in Dollars, the ~~LBO-Screen~~**Term SOFR Reference** Rate, (ii) with respect to any ~~Eurocurrency~~**Term Benchmark** Borrowing denominated in euro, the EURIBO Screen Rate or (iii) with respect to any ~~Eurocurrency~~**Term Benchmark** 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, 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 applicable Adjusted Daily Simple RFR.

~~“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 the Adjusted 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,~~ as of the Amendment No. 1 Effective Date, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea, Zaporizhzhia and Kherson Regions of Ukraine, 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~~His 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~~His 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~~ as administered 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~~ 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~~ Term Benchmark Loans for which the associated Benchmark is adjusted by reference to the Statutory Reserve Rate (per the related definition of such Benchmark) 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 Benchmark”, 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 Term SOFR Rate, the Adjusted EURIBO Rate or the CDOR Rate.

“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. Determination Day” has the meaning assigned to it under the definition of Term SOFR Reference Rate.~~

~~“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**.Rate” means, with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement~~

of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

“Term SOFR Reference Rate” means, for any day and time (such day, the “Term SOFR Determination Day”), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum published by the CME Term SOFR Administrator and identified by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 p.m. (New York City time) on such Term SOFR Determination Day, the “Term SOFR Reference Rate” for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“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~~ Term SOFR Rate, the Adjusted EURIBO Rate, the ~~Adjusted~~ CDOR Rate, the Adjusted Daily Simple RFR, the Alternate Base Rate, the Canadian Prime Rate or the ~~Daily Simple RFR~~ Central Bank Rate.

“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. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” 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 Term Benchmark Loan” or an “RFR Loan”) or by Class and Type (e.g., a “Eurocurrency Term Benchmark 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 Term Benchmark Borrowing” or an “RFR Borrowing”) or by Class and Type (e.g., a “Eurocurrency Term Benchmark 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

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 ([as defined in this Agreement as of the Effective Date](#)) (including the “Eurocurrency Loans” under the Existing Credit Agreement) and such reallocation described in this Section 1.06.

SECTION 1.07. Interest Rates; ~~LIBOR~~Benchmark Notification. The interest rate on a Loan denominated in ~~an Agreed Dollars or a Foreign~~ Currency may be derived from an interest rate benchmark that ~~may be discontinued or~~ 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~~ provides 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 any interest rate used in this Agreement, 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)~~ existing interest rate being replaced 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)~~ any existing interest rate 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; interest rate used in this Agreement or~~ 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~~ interest rate used in this Agreement, 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. (a) 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~~Term Benchmark Loans and (ii) in the case of Borrowings in any other Agreed Currency, entirely of ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark 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) **EurocurrencyTerm Benchmark** 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 **EurocurrencyTerm Benchmark** 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 **EurocurrencyTerm Benchmark** 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 **EurocurrencyTerm Benchmark** Borrowing or an RFR Borrowing;
- (v) in the case of a **EurocurrencyTerm Benchmark** 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 **EurocurrencyTerm Benchmark** 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 Term Benchmark** 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. (a) 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

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~~Term Benchmark 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~~Term Benchmark Revolving Borrowing ~~or an RFR 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, Term Benchmark~~ Revolving ~~Borrowing or RFR 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 Term Benchmark** Revolving Loans) and such

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. (a) 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~~Foreign Currency Payment Office for such currency and at such ~~Eurocurrency~~Foreign Currency 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. (a) Each Borrowing initially shall be of the Type and Agreed Currency specified in the applicable Borrowing Request and, in the case of a ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark 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~~Term Benchmark 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~~(in the case of Borrowings denominated in Dollars), a Term Benchmark Borrowing or an RFR Borrowing; and

(iv) if the resulting Borrowing is a ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark 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~~Term Benchmark 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~~Term Benchmark 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~~Term Benchmark Borrowing denominated in a Foreign Currency prior to the end of the Interest Period therefor, then, unless such ~~Eurocurrency~~Term Benchmark Borrowing is repaid as provided herein, such Borrower shall be deemed to have selected that such ~~Eurocurrency~~Term Benchmark Borrowing shall automatically be continued as a ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark Borrowing and (ii) unless repaid, (x) each ~~Eurocurrency~~Term Benchmark Borrowing denominated in Dollars shall be converted to an ABR Borrowing (in the case of a Term Benchmark Borrowing) at the end of the Interest Period applicable thereto or (in the case of an RFR Borrowing) on the next Interest Payment Date in respect thereof, (y) each Term Benchmark Borrowing denominated in Canadian Dollars shall be converted to a Loan that bears interest at the Canadian Prime Rate plus the Applicable Rate applicable to ABR Revolving Loans at the end of the Interest Period applicable thereto and (yz) each ~~Eurocurrency~~Term Benchmark Borrowing and each RFR Borrowing, in each case denominated in a Foreign Currency other than Canadian Dollars, shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the ~~Applicable Rate~~CBR Spread; 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 (or in the case of Canadian Dollars, the Canadian Prime Rate) cannot be determined, any outstanding affected ~~Eurocurrency~~Term Benchmark Loans or RFR 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 or on the Interest Payment Date, as applicable, therefor or (B) prepaid at the end of the applicable Interest Period or on the Interest Payment Date, as applicable, 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~~Term Benchmark Loan, such Borrower shall be deemed to have elected clause (A) above.

SECTION 2.09. Termination and Reduction of Commitments. (a) Unless previously terminated, all Revolving Commitments shall terminate on the Revolving Credit Maturity Date.

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~~Term Benchmark 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~~Term Benchmark 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.** (a) 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 Term Benchmark** 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 Term Benchmark** 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. (a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each ~~Eurocurrency~~Term Benchmark Borrowing shall bear interest at the Adjusted ~~LIBO~~Term SOFR 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 applicable Adjusted 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~~Term Benchmark 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~~All interest hereunder shall be computed on the basis of a year of 360 days. ~~Interest, except that 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~~Term SOFR Rate, ~~LIBO~~Term SOFR Rate, Adjusted EURIBO Rate, EURIBO Rate, ~~Adjusted~~ CDOR Rate, ~~CDOR Rate or~~Adjusted Daily Simple RFR, ~~Central Bank Rate or Canadian Prime Rate~~ 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.

(h) Notwithstanding anything in this Agreement or any other Loan Document to the contrary, interest on all “Eurocurrency Loans” (as defined in this Agreement immediately prior to the Amendment No. 1 Effective Date) denominated in Dollars outstanding under this Agreement immediately prior to the Amendment No. 1 Effective Date shall continue to accrue and be paid based upon the “Adjusted LIBO Rate” (as defined in this Agreement immediately prior to the Amendment No. 1 Effective Date) applicable pursuant to the terms of this Agreement immediately prior to the Amendment No. 1 Effective Date solely until the expiration of the current “Interest Period” (as defined in this Agreement immediately prior to the Amendment No. 1 Effective Date) applicable thereto (at which time such “Eurocurrency Loans” (i) shall be repaid or (ii) may be reborrowed as or converted to ABR Borrowings or Term Benchmark Borrowings in accordance with Section 2.08). From and after the Amendment No. 1 Effective Date, except as otherwise provided in the immediately preceding sentence, such “Eurocurrency Loans” may not be continued as “Eurocurrency Loans”.

SECTION 2.14. Alternate Rate of Interest.

(a) Subject to clauses (b), (c), (d), (e), ~~and~~ (f) ~~and (g)~~ of this Section 2.14, if:

(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~~Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted ~~LIBO Rate, the LIBO Term SOFR~~ 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~~ Adjusted 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~~Term Benchmark Borrowing, the Adjusted ~~LIBO Rate, the LIBO Term SOFR~~ 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 Adjusted 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 ~~(x)~~ the Administrative Agent notifies the

~~Borrower Company~~ and the Lenders that the circumstances giving rise to such notice no longer exist, ~~(i) with respect to the relevant Benchmark and (y) the relevant Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.08 or a new Borrowing Request in accordance with the terms of Section 2.03, (A) for Loans denominated in Dollars,~~ 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 Term Benchmark Borrowing and~~ any Borrowing Request ~~that requests a Eurocurrency Borrowing in Dollars, such Term Benchmark~~ Borrowing shall ~~be made as instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for~~ an ABR Borrowing and ~~(iii) if (B) for Loans denominated in a Foreign Currency, any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and~~ any Borrowing Request ~~that requests a Eurocurrency Term Benchmark~~ Borrowing or an RFR Borrowing, ~~in each case, for the relevant rate above in a Foreign Currency, then such request shall be~~ Benchmark, shall be ineffective; provided that if the circumstances giving rise to such notice affect only one Type of ~~Borrowings~~ Borrowing, then all other Types of Borrowings shall be permitted. Furthermore, if any ~~Eurocurrency Term Benchmark~~ 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 Term Benchmark~~ Loan or RFR Loan, then until (x) 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 with respect to the relevant Benchmark and (y) the relevant Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.08 or a new Borrowing Request in accordance with the terms of Section 2.03, (A) for Loans~~ denominated in Dollars, ~~then any Term Benchmark 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), 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 (B) for Term Benchmark Loans denominated in Canadian Dollars, on the last day of the Interest Period applicable to such Term Benchmark Loan such Term Benchmark Loan shall be converted by the Administrative Agent to, and shall constitute, a Loan that bears interest at the Canadian Prime Rate plus the Applicable Rate applicable to ABR Revolving Loans and (C) for Loans denominated in a Foreign~~ Currency other than ~~Canadian~~ Dollars, ~~then such Eurocurrency~~ (1) any ~~Term Benchmark~~ 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 Foreign~~ Currency plus the ~~Applicable Rate~~ CBR Spread; 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 Foreign~~ Currency ~~(or in the case of Canadian Dollars, the Canadian Prime Rate)~~ cannot be determined, any outstanding affected ~~Eurocurrency Term Benchmark~~ Loans denominated in ~~any Agreed such Foreign~~ 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 Term Benchmark~~ Loan, such ~~Eurocurrency Term Benchmark~~ Loan denominated in ~~any Agreed such Foreign~~ Currency ~~other than Dollars~~ shall be deemed to be a ~~Eurocurrency Term Benchmark~~ Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to ~~Eurocurrency Term Benchmark~~ Loans denominated in Dollars at such time ~~or and~~ (32) ~~if such RFR Loan is denominated in any Agreed Currency other than Dollars, then such any~~ RFR Loan shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the ~~Applicable Rate~~ CBR Spread; provided that, if the Administrative Agent determines ~~reasonably~~ (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 such Foreign~~ 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 ~~(yB)~~ 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.~~

(c) ~~(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 in consultation with the Company 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.

(d) ~~(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.

(e) ~~(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 ~~the~~ Term SOFR, ~~the LIBOR~~ 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.

(f) ~~(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 Term Benchmark~~ Borrowing or RFR Borrowing of, conversion to or continuation of ~~Eurocurrency Term Benchmark~~ 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 Term Benchmark~~ Borrowing denominated in Dollars into a request for a Borrowing of or conversion to ~~an ABR Loans Borrowing~~ or (y) any ~~request for a Eurocurrency Term Benchmark~~ 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 Term Benchmark~~ 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 Term Benchmark~~ Loan or RFR Loan, then until such time as a Benchmark Replacement for such Agreed Currency is implemented pursuant to this Section 2.14, ~~(iA) if such Eurocurrency Loan is for Loans~~ denominated in Dollars, ~~then any Term Benchmark 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), such Eurocurrency Loan, be converted by the Administrative Agent to, and shall constitute an ABR Loan, on such day, (B) for Loans denominated in Canadian Dollars, on the last day of the Interest Period applicable to such Term Benchmark Loan such Term Benchmark~~ Loan shall be converted by the Administrative Agent to, and shall constitute, ~~an ABR~~ a Loan ~~denominated in Dollars on such day, (ii) if such Eurocurrency Loan is denominated in any Agreed that bears interest at the Canadian Prime Rate plus the Applicable Rate applicable to ABR Revolving Loans and (C) for Loans denominated in a Foreign~~ Currency other than ~~Canadian~~ Dollars, ~~then such Eurocurrency~~ (1) any Term Benchmark 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 Foreign~~ Currency plus the ~~Applicable Rate~~ CBR Spread; 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 ~~(or in the case Canadian Dollars, the Canadian Prime Rate)~~ cannot be determined, any outstanding affected ~~Eurocurrency Term Benchmark~~ 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 Term Benchmark~~ Loan, such ~~Eurocurrency Term Benchmark~~ Loan denominated in any Agreed Currency ~~other than Dollars~~ shall be deemed to be a ~~Eurocurrency Term Benchmark~~ Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to ~~Eurocurrency Term Benchmark~~ Loans denominated in Dollars at such time ~~or (iii) if such RFR Loan is denominated in any Agreed Currency other than Dollars, then such~~ and (2) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the ~~Applicable Rate~~ CBR Spread; provided that, if the Administrative Agent determines **reasonably** (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~~ such Foreign 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. (a) 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 ~~LHO~~ Term SOFR Rate, ~~the~~ CDOR Rate, the Adjusted EURIBO Rate or the Adjusted ~~CDOR Rate, as applicable~~ Daily Simple RFR, in each case, if any) 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~~Term Benchmark Loans, in the event of (i) the payment of any principal of any ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any ~~Eurocurrency~~Term Benchmark 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~~Term Benchmark 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.

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~~Foreign Currency 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~~Foreign Currency 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.

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 Term Benchmark** 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

(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~~Term Benchmark 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.

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), ~~and 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 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 Foreign Currency** 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 Foreign Currency** 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]

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

5. Type of Borrowing (ABR or ~~Eurocurrency~~Term Benchmark or RFR): _____
6. Interest Period (if a ~~Eurocurrency~~Term Benchmark Borrowing):⁴ _____
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]

⁴Which must comply with the definition of "Interest Period" and end not later than the applicable Maturity Date.

EXHIBIT H-2

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: ([____]) [____]-[____]]¹

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, Term Benchmark or Eurocurrency~~RF~~): _____
5. Interest Period (if a EurocurrencyTerm Benchmark Borrowing):² _____
6. Agreed Currency: _____

¹ If request is in respect of Revolving Loans in a Foreign Currency, please replace this address with the London address from Section 9.01(a)(ii).

² Which must comply with the definition of "Interest Period" and end not later than the applicable Maturity Date.

**Certification by the Chief Executive Officer
Pursuant to Section 302 of The Sarbanes-Oxley Act of 2002**

I, J. Powell Brown, certify that:

1. I have reviewed this Quarterly Report of Brown & Brown, Inc. (the "Registrant") on Form 10-Q for the quarter ended March 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: April 27, 2023

/s/ J. Powell Brown

J. Powell Brown

President and Chief Executive Officer

**Certification by the Chief Financial Officer
Pursuant to Section 302 of The Sarbanes-Oxley Act of 2002**

I, R. Andrew Watts, certify that:

1. I have reviewed this Quarterly Report of Brown & Brown, Inc. (the "Registrant") on Form 10-Q for the quarter ended March 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: April 27, 2023

/s/ R. Andrew Watts

R. Andrew Watts

Executive Vice President, Chief Financial Officer and
Treasurer

**Certification Pursuant to Section 1350 of Title 18 of the United States Code, as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Brown & Brown, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), I, J. Powell Brown, 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-Q 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-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 27, 2023

/s/ J. Powell Brown

J. Powell Brown

President and Chief Executive Officer

**Certification Pursuant to Section 1350 of Title 18 of the United States Code, as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Brown & Brown, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), I, R. Andrew Watts, Chief Financial 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-Q 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-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 27, 2023

/s/ R. Andrew Watts

R. Andrew Watts

Executive Vice President, Chief Financial Officer and
Treasurer
