FRANCHISE DISCLOSURE DOCUMENT



SelectQuote Local Insurance Services, LLC
6800 W. 115th Street, Suite 2511
Overland Park, KS 66211
investorrelations@SelectQuote.com
www.SelectQuote.com

As a SELECTQUOTE LOCAL franchisee, you will sell various insurance products to customers, from a variety of insurance carriers.

The initial investment necessary to begin operation of a SELECTQUOTE LOCAL franchised business ranges from $73,500 and $113,500. This includes $55,000 that must or may be paid to the franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document**.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Daniel "Al" Boulware, General Counsel and Corporate Secretary, at 6800 West 115th Street, Suite #2511, Overland Park, Kansas 66211.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to a trusted advisor, lawyer and/or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issued: January 30, 2026

HOW TO USE THIS FRANCHISE DISCLOSURE DOCUMENT

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only SelectQuote Local business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchise have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a SelectQuote Local franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the Table of Contents.

WHAT YOU NEED TO KNOW ABOUT FRANCHISING *GENERALLY*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit B.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

SPECIAL RISKS TO CONSIDER ABOUT *THIS* FRANCHISE

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution:** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Kansas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Kansas than in your own state.

Certain states may require other risks to be highlighted in the franchise disclosure document. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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EXHIBITS TO FRANCHISE DISCLOSURE DOCUMENT

Exhibit A FRANCHISE AGREEMENT (WITH ALL ATTACHMENTS)

Attachments to Franchise Agreement:

- A. Territory Map and Zip Codes
- B. Guarantee, Indemnification, and Acknowledgment
- C. Franchisee Ownership Acknowledgement
- D. ACH Authorization Form
- E. Confidentiality, Non-Disclosure and Non-Competition Agreements
  - E-1 Confidentiality and Non-Disclosure Agreement
  - E-2 In-Term Non-Competition Agreement
  - E-3 Post-Term Non-Competition Agreement
- F. Release

Exhibit B LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

Exhibit C FINANCIALS

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Exhibit E MUTUAL NON-DISCLOSURE AGREEMENT

Exhibit F STATE ADDENDA AND AMENDMENTS

ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The franchisor is SelectQuote Local Insurance Services, LLC, a Delaware limited liability company ("**SQ Local**", "**SelectQuote Local**" or "**SelectQuote Local Insurance**"). In this Franchise Disclosure Document (this "**Disclosure Document**"), when we refer to SelectQuote Local we sometimes use the words "**we**," "**us**" or "**our**." A person who buys a franchise from us is called "**you**" in this Franchise Disclosure Document. If you are a corporation, partnership, limited liability company, or other entity, "**you**" also includes your owners.

The Franchisor, Parents and Affiliate

We were originally formed as a Delaware limited liability company on November 4, 2025. Our principal place of business is 6800 West 115th Street, Suite 2511, Overland Park, Kansas 66211. We do business under the name SelectQuote Local. We do not do business under any other name. Our agents for service of process are listed in Exhibit B. We do not have any predecessors.

We are a wholly owned subsidiary of our parent company, SelectQuote Insurance Services ("**SQIS**"), a California corporation organized on May 9, 1984. SQIS' principal place of business is 6800 West 115th Street, Suite 2511, Overland Park, Kansas 66211. SQIS does not offer any type of franchise, nor has it offered franchises in the past.

SQIS' parent company is SelectQuote, Inc. ("**SLQT**"), a Delaware corporation originally organized on August 18, 1999. SLQT's principal place of business is 6800 West 115th Street, Suite 2511, Overland Park, Kansas 66211. SLQT's common stock is publicly traded on the New York Stock Exchange under the ticker "SLQT." The consolidated financial statements of SLQT and its subsidiaries are included in Item 21 of this Disclosure Document and attached as Exhibit C hereto. SLQT does not offer any type of franchise, nor has it offered franchises in the past.

Our Experience

Our affiliate, SelectQuote Insurance Services, Inc., engaged in the insurance services business under the name "SelectQuote" and using the Proprietary Marks and operated as a national independent insurance agency beginning in 2003. SelectQuote Insurance Services, Inc. has never offered franchises in any line of business. We began offering franchises in February 2026. From our inception until February 2026, we did not have any active business activities. We do offer and sell insurance products in addition to the operation of the System and described in this Franchise Disclosure Document (the "**Disclosure Document**").

We have corporate offices in Overland Park, Kansas.

The Franchises We Offer

We offer a franchise program to operate a business under the name "SelectQuote Local" offering various insurance products to clients from a variety of insurance carriers (a "**SelectQuote Local Business**"). SelectQuote Local Businesses are generally identified by the trademarks and service marks identified in Item 13 (the "**Proprietary Marks**"). SelectQuote Local Businesses operate using certain business processes, technologies, trade secrets, carrier contracts, client lists, knowledge, know-how, trade names, service marks, trademarks, logos, emblems, trade dress and

other intellectual property; distinctive signage; standards and specifications for services, products, supplies, appearance, operations and management control; safety standards; training and assistance; purchasing programs; and advertising, marketing, promotional and sales programs; which may be developed or changed, discontinued, improved, modified and further developed by us from time to time (the "**System**").

The types of insurance offered by the SelectQuote Local Business you will operate (the "**Franchised Business**") include *Medicare advantage, Medicare supplement, final expense, instant term, dental, vision, and hearing* for individuals. If you meet the necessary state licensing requirements and our standards, you may also be approved to offer other lines of insurance through the Franchised Business. All insurance offered by the SelectQuote Local Businesses must be through Approved Carriers (See Item 8) with which we have appointments. As a franchisee, you are not guaranteed access to every insurance carrier in our system. This is because some carriers are not available in all locations. However, by pooling the buying power of all SelectQuote Local Businesses we aim to have the best carrier options and to secure better commission rates than you may otherwise be able to obtain on your own.

A key feature of the System as of the date of this Disclosure Document is the size and scale of our existing operations. We operate various businesses within our ecosystem. We currently sell insurance and other related services you may have the opportunity to sell. The System includes our strong brand recognition, existing systems, processes, insurance company contracts, and lead generation as well as many back office functions such as licensing, commission accounting, IT connectivity to carriers, recruiting and robust analytics.

The Market

While the insurance market is mature and includes many independent and captive competitors, our franchise system is unique. Several other franchised brokerages exist, but we have not found one that offers the same value proposition as our business.

Applicable Regulations

The franchised business is obligated to comply with all applicable general business laws, regulations, and local ordinances. In addition, the insurance industry is governed by its own specialized laws at both the state and, to a lesser extent, federal levels. A core requirement is that you must obtain and maintain the proper licensing to sell and service insurance policies in your state and any other states where you conduct business. All employees of the Franchised Business who will sell insurance ("**Producers**") must also be licensed. On an annual basis you must provide to us proof that all Producers employed by the Franchised Business are licensed. Some states may require multiple licenses applicable to different types of insurance. It is your responsibility to determine and obtain proper state and/or federal licensing that may be required to sell insurance. You are required to follow regulations that ban dealings with terrorists (Executive Order 13224), anti-money laundering ("**AML**") laws like the USA Patriot Act and the International Money Laundering and Anti-Terrorist Financing Act of 2001, and other federal laws, including the Gramm-Leach-Bliley Act, HIPAA, the Fair Credit Reporting Act, and the Telephone Consumer Protection Act. Consult with legal counsel to determine the specific laws and rules that apply to your business.

ITEM 2
BUSINESS EXPERIENCE

Al Boulware | General Counsel and Secretary

Daniel "Al" Boulware has served as SelectQuote's General Counsel and Secretary since 2019 in Overland Park, Kansas.

Kayla Cooper | Executive Vice President

Kayla Cooper has served SelectQuote as Executive Vice President, Healthcare Solutions since July 2024 in Overland Park, Kansas. Prior to that, Ms. Cooper served as Senior Vice President, Strategy and Implementation for SelectQuote from January 2021 to July 2024 in Overland Park, Kansas. Prior to that, Ms. Cooper served as Senior Director, Sales Operations for SelectQuote from June 2018 through December 2020 in Overland Park, Kansas..

Phil Williamson | Senior Vice President

Phil Williamson has served SelectQuote as Senior Vice President, Enterprise Strategic Development since 2021 in Overland Park, Kansas. Prior to that, Mr. Williamson served as Vice President of Business Development for SelectQuote from September 2021 through December 2024 in Overland Park, Kansas. Prior to that, Mr. Williamson served as the Executive Director, Commercial Sales for ExamOne, a Quest Diagnostics Company in Lenexa, Kansas.

Josh Kopmeyer | Chief Revenue Officer

Josh Kopmeyer has served as the Chief Revenue Officer for SelectQuote since July 2025, in Overland Park, Kansas. Prior to that, Mr. Kopmeyer served as Executive Vice President for SelectQuote from July 2023 through July 2025 in Overland Park, Kansas. Prior to that, Mr. Kopmeyer served as Senior Vice President, Carrier and Strategic Partnerships for SelectQuote from July 2020 through July 2023 in Overland Park, Kansas.

ITEM 3
LITIGATION

Securities Class Actions and Stockholder Derivative Suit

On August 16, 2021, a putative securities class action lawsuit captioned Hartel v. SelectQuote, Inc., et al., Case No. 1:21-cv-06903 ("**the Hartel Action**") was filed against the Company and two of its executive officers in the U.S. District Court for the Southern District of New York. The complaint asserts securities fraud claims on behalf of a putative class of plaintiffs who purchased or otherwise acquired shares of the Company's common stock between February 8, 2021 and May 11, 2021 (the "**Hartel Relevant Period**"). Specifically, the complaint alleges the defendants violated Sections 10(b) and 20(a) and Rule 10b-5 of the Exchange Act by making materially false and misleading statements and failing to disclose material adverse facts about the Company's business, operations, and prospects, allegedly causing the Company's common stock to trade at artificially inflated prices during the Hartel Relevant Period. The plaintiffs seek unspecified damages and reimbursement of attorneys' fees and certain other costs.

On October 7, 2021, a putative securities class action lawsuit captioned West Palm Beach Police Pension Fund v. SelectQuote, Inc., et al., Case No. 1:21-cv-08279 (the "**WPBPPF Action**"), was filed in the U.S. District Court for the Southern District of New York against the Company, two of its executive officers, and six current or former members of the Company's Board of Directors, along with the underwriters of the Company's initial public offering of common stock (the "**Offering**"). The complaint asserts claims for securities law violations on behalf of a putative class of plaintiffs who purchased shares of the Company's common stock (i) in or traceable to the Offering or (ii) between May 20, 2020 and August 25, 2021 (the "**WPB Relevant Period**"). Specifically, the complaint alleges the defendants violated Sections 10(b) and 20(a) and Rule 10b-5 of the Exchange Act by making materially false and misleading statements and failing to disclose material adverse facts about the Company's financial well-being and prospects, allegedly causing the Company's common stock to trade at artificially inflated prices during the WPB Relevant Period. The complaint also alleges the defendants violated Sections 11, 12(a)(2), and 15 of the Securities Act by making misstatements and omissions of material facts in connection with the Offering, allegedly causing a decline in the value of the Company's common stock. The plaintiffs seek unspecified damages, rescission, and reimbursement of attorneys' fees and certain other costs.

On October 15, 2021, a motion to consolidate the Hartel Action and the WPBPPF Action was filed. On September 2, 2022, the court entered an order consolidating the Hartel and WPBPPF Actions under the caption In re SelectQuote, Inc. Securities Litigation, Case No. 1:21-cv-06903 (the "**Securities Class Action**") and appointing the West Palm Beach Police Pension Fund and City of Fort Lauderdale Police & Fire Retirement System as lead plaintiffs. On November 19, 2022, plaintiffs filed an amended complaint asserting similar allegations to those alleged in the Hartel and WPBPPF Actions in addition to new allegations regarding certain defendants' purported violation of Section 20A of the Exchange Act. The amended complaint also added Brookside Equity Partners LLC, one of the Company's principal stockholders, as a defendant. On January 27, 2023, the Company filed a motion to dismiss the amended complaint on behalf of itself and certain of its current and former officers and directors. Plaintiffs filed an opposition to the motion to dismiss on April 5, 2023, and the Company filed its reply to plaintiffs' opposition on May 10, 2023. On March 28, 2024, the court granted the Company's motion to dismiss, with leave to amend. Plaintiffs filed their second amended complaint on May 31, 2024. On July 31, 2024, the Company filed a motion to dismiss the second amended complaint. Plaintiffs filed their opposition to the Company's motion to dismiss on October 2, 2024, and the Company filed its reply to Plaintiffs' opposition on November 1, 2024. On April 3, 2025, the court dismissed Plaintiffs' second amended complaint. Plaintiffs filed a notice of appeal on May 5, 2025. On August 8, 2025, plaintiffs West Palm Beach Police Pension Fund and City of Fort Lauderdale Police & Fire Retirement System filed a brief in support of their appeal with the United States Court of Appeals for the Second Circuit (the "**Second Circuit**"), and on August 13, 2025, the Second Circuit granted the parties' joint stipulation dismissing Brookside Equity Partners LLC from the appeal. Defendant-appellees' brief was filed on November 7, 2025. Oral arguments are set for February 2026.

On March 25, 2022, a stockholder derivative action captioned Jadlow v. Danker, et al., Case No. 1:22-cv-00391 ("**the Jadlow Action**") was filed in the U.S. District Court for the District of Delaware by an alleged stockholder of the Company, purportedly on the Company's behalf. The lawsuit was brought against certain of the Company's current and former directors and

officers, and against the Company, as nominal defendant. The complaint alleges that certain of the defendants violated Section 14(a) of the Exchange Act by making materially false and misleading statements and failing to disclose material adverse facts about the Company's business, operations, and prospects. The complaint also asserts claims against all defendants for breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, and waste of corporate assets based on the same general underlying conduct and seeks contribution under Sections 10(b) and 21D of the Exchange Act and Section 11(f) of the Securities Act from the individual defendants named in the Securities Class Actions. The complaint seeks unspecified damages for the Company, restitution, reformation and improvement of its corporate governance and internal procedures regarding compliance with laws, and reimbursement of costs and attorneys' fees. On July 25, 2022, the Jadlow action was transferred to the U.S. District Court for the Southern District of New York, where it was assigned Case No. 1:22-cv-06290 and referred to Judge Alvin K. Hellerstein as possibly related to the Hartel Action. On August 4, 2022, Judge Hellerstein accepted the Jadlow action as related to the Hartel Action and, on August 10, 2022, granted the parties' joint stipulation to stay the Jadlow action pending the resolution of the motion to dismiss the Securities Class Action. The Jadlow action remains stayed.

Other Matters

On May 1, 2025, the Company became aware the U.S. Attorney's Office for the District of Massachusetts had filed a complaint partially intervening in a qui tam action against the Company and certain of its competitors and carrier partners. The qui tam action, captioned United States ex rel. Shea v. eHealth, Inc., et al., Case No. 21-cv-11777 (the "**DOJ Action**"), was brought by a relator, a former employee of one of the Company's direct competitors, and was filed and remained under seal until it was unsealed by order of the U.S. District Court for the District of Massachusetts dated May 1, 2025. On the same date, the Company also became aware that the relator had filed a sealed amended complaint in the qui tam action on April 29, 2025, which complaint was also unsealed by the Court's order. The complaints allege that the Company and the other defendants named therein violated the Federal False Claims Act by engaging in various allegedly improper sales and marketing practices. The complaints seek, among other things, treble damages, civil penalties, and costs. The Company denies the allegations made in the complaints and plans to defend the suit vigorously.

On August 19, 2025, the Company and co-defendants eHealth, Inc., GoHealth, Inc., Aetna Life Insurance Company, Humana Inc., and Elevance Health, Inc., and certain of their corporate affiliates, filed a joint motion to dismiss the government's complaint for failure to state a claim upon which relief can be granted. The Company, together with co-defendants eHealth, Inc. and GoHealth, Inc. (collectively, the "**Brokers**"), also filed an additional motion to dismiss on separate grounds. On October 20, 2025, the government filed motions in opposition to the joint motion to dismiss and the Brokers' separate motion to dismiss.

On August 11, 2025, a putative securities class action lawsuit captioned Pahlkotter v. SelectQuote, Inc., et al., Case No. 1:25-cv-06620 (the "**Pahlkotter Action**"), was filed in the U.S. District Court for the Southern District of New York against the Company and three of its current and former executive officers. The complaint asserts claims for securities law violations relating to the allegations set forth in the DOJ Action. The plaintiffs seek unspecified damages, rescission, and reimbursement of attorneys' fees and certain other costs. On August 29, 2025, the court

granted the parties' joint stipulation to stay the Pahlkotter Action pending the designation of a lead plaintiff and the anticipated filing of an amended complaint.

Other than the actions described above, no litigation information is required to be disclosed in this ITEM 3.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this ITEM 4.

ITEM 5
INITIAL FEES

Initial Franchise Fee

For a single franchise, the Initial Franchise Fee will be $55,000, payable in full prior to beginning the initial training program.

To honor those men and women who have served in the U.S. Military, we offer a discount incentive program for honorably discharged U.S. military veterans who purchase a new Franchised Business. If you qualify for this program, we will reduce the Initial Fee by 20%.

If you are a current SelectQuote employee/agent, and you are purchasing a Franchised Business, we will discount the initial Franchise Fee by 50%. You must meet all the other requirements and follow all the required processes a new franchise would be required to follow. If you have already been trained and using our sales processes that part of your training may be waived.

Except as noted above, the Initial Franchise Fee is uniformly applied. The Initial Franchise Fee is fully-earned once you sign the franchise agreement and the Initial Franchise Fee becomes non-refundable in consideration of administrative and other expenses that we have incurred.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Health Insurance Royalty Fee	20% of Net Revenues on Health Insurance Products paid in their initial term and 30% of Net Revenues on Health Insurance Product paid in their renewal terms, Franchisee is subject to the Minimum Royalty	See Note 1	See Note 1

Type of Fee	Amount	Due Date	Remarks
Life Insurance Royalty Fee	20% of the Net Revenues on Life Insurance Products paid in their initial term, Franchisee is subject to Minimum Royalty	See Note 1	See Note 1
National Marketing Fund Contribution	2% of Net Revenues	See Note 2	See Note 2
Transfer Fee	$5,000 to $55,000	At time of transfer	See Note 3
Audit Fee	3% interest per month on unpaid amount and our cost of audit	On demand	See Note 4
Interest on Overdue Payments	2% per month on overdue amount	On demand	See Note 5
Product Evaluation Fee	$500 per product evaluated	On demand	See Note 6
Inspection Fee	Our actual costs and expenses of correcting uncured deficiencies from inspections	On demand	See Note 7 Fee would vary, but not to exceed $5,000 per correction of deficiency.
Costs and Attorneys' Fees	Actual Costs	On demand	Only due if you default under the Franchise Agreement, you must reimburse us for our expenses (including reasonable attorneys' fees) in enforcing or terminating the Franchise Agreement. Also, if you enter into a Promissory Note and we bring an action to enforce payment, you must reimburse our

Type of Fee	Amount	Due Date	Remarks
			reasonable attorneys' fees and costs.
Replacement Training and Additional Training	Up to $400 per day	On demand	See Note 8
Insurance	$2,000 - $5,000	On demand	See Note 9
Technology Licensing Fee	$500 for each user	Monthly	See Note 10 software, LMS, website, email, security
IT support fees	$100 per person per Franchise	Monthly	See Note 10 Technical support
IT Telephony and Development fees	$1,800	Annual	IT software development and enhancements
Enrollment fees	$32	On demand	When we provide the recorded phone enrollments. This may be required during specific times of the year.
On boarding Training and set up fees	$5,000	One time	Includes technology related setup as well as training classes and support, not hardware.
Accounting Services Fee	$25-$1,500	Monthly	We will calculate commissions. We may require you to procure these services from us or you may need to procure locally.
Lead Services	0-$150	Daily	The first 6 months we provide 5 leads per day. Afterwards franchisees purchase 5 leads per day.

Type of Fee	Amount	Due Date	Remarks
			(Uncontacted) See Note 12
Lost Future Royalties	The average of the monthly Royalty Fees due for the previous 12 months (or the Minimum Royalty, if greater), multiplied by the lesser of 36 or the number of months remaining in the then-current term of the Franchise Agreement	On demand	You must pay this if we terminate the Franchise Agreement as a result of your default or if you terminate the Franchise Agreement for any reason without our advanced written permission.
Book of Business Valuations	$1,000 per valuation	On demand	See Note 11
Franchise Advisory Council (FAC)	Actual Costs	On demand	All meetings and fees will be split evenly minus those serving on the Committee.
Relocation Fee	$500	On demand	See Note 13
Non-Compliance Fees (Deficiencies)	$500 to $1,000 per contractual deficiency	On demand	If you deviate from any contractual requirement, including any deviation from the Operating Manual, Non-Compliance Fees compensate us for administrative and management costs, not for our damages due to your default. The fee is $500 for the first violation, $1,000 for each repeat violation.

Notes:

Except as otherwise described, all fees are imposed by and payable to us and are uniformly applied to new franchisees. We reserve the right to change the terms in the future for franchisees signing new Franchise Agreements at some point in the future. All fees are non-refundable. See also Note 14 below.

We offer various recruiting services as well as new agent licensing and onboarding for new agents. Those fees can be found on our full fee schedule. New agents must be licensed and appointed with carriers and require various fees. What is in the fee schedule above pertains to the franchisee specifically.

1. We will receive all Commissions from Approved Carriers. In the event that any Commissions or Fees are received directly by you, these funds must be forwarded to us within 2 business days. Beginning on the first day of the first month that you, your Agency Principal, your Manager, or any of your employees begin(s) the initial training program prior to opening the Franchised Business (the "**Commencement Date**"), we will remit to you Net Revenues on a monthly basis. The following terms have the following meanings:

"Commission" means the amount paid to us, by Approved Carriers, as a percentage of the Premiums or other fees, or in the case of Medicare Advantage policies, the approved CMS commission for field marketing organizations, received from the sale or renewal of Approved Insurance Products generated by the Franchised Business.

"Net Revenues" means the amount of Commissions, net of reversals of Commissions for insurance policy cancellations or changes for the sale of Approved Insurance Products by the Franchised Business.

"Minimum Royalty" means a minimum monthly Royalty Fee payment, beginning six months after the Commencement Date, that differs if you are new to us or if you are purchasing a franchise after being a corporate agent with us or our affiliates.

If you are new to us, the Minimum Royalty, beginning six months after the Commencement Date, is as follows:

Number of Months following the Commencement Date	Amount of Monthly Minimum Royalty
Six (6) to Eighteen (18)	Five Hundred Dollars ($500)
Nineteen (19) to Thirty-Six (36)	One Thousand Dollars ($1,000)
Thirty-Seven (37) to Forty-Eight (48)	One Thousand Five Hundred Dollars ($1,500)
Forty-Nine (49) and for the remainder of the term of this Agreement	Two Thousand Dollars ($2,000)

Typically, once a month, the Approved Carriers will send a commission report and Commissions earned by you, to us. By the 15th day of the following month, unless the Franchise Agreement has been terminated for any reason, we will pay to you the Net Revenues for all Approved Insurance Products identified in a commission detail report that we receive from the Approved Carriers. If the Franchise Agreement has been terminated, then you are no longer entitled to the Net Revenues regardless of when the Commissions were earned. Please note that we expect each Approved Carrier to submit commission detail reports on a monthly basis for all policies written during the preceding month by no later than the 20th day of the subsequent month. But, if an Approved Carrier does not provide us with a commission detail report (and the applicable Commission) by the 20th day of the month, or if an Approved Insurance Product is not identified in the commission detail report we receive, you will not receive the Net Revenues for those Approved Insurance Products until the Approved Carrier provides us with the appropriate report and/or Commissions. We may delay or withhold payment of Net Revenues — on a policy by policy basis — for any Approved Insurance Product for which you fail to observe the risk management procedures we prescribe in the Operating Manual, including that you obtain a signed application from the client and provide all required documentation. If we review your accounting and client records and find that you have not forwarded to us funds that you may have collected, you will be responsible for reimbursing us for those amounts and the applicable funds, in addition to paying a fee to us to cover our reasonable expenses in processing those payments and interest on those amounts, at the rate of 2% per month (but not more than the maximum rate permitted by law, if any such maximum rate applies). We have the right to set-off as part of Net Revenues any amounts you owe to us. We reserve the right to "clawback" payments should any Carrier adjust payments to us for any reason.

2. We require a contribution to a System-wide marketing and promotional fund (the "**National Marketing Fund**"). This contribution will be used at our sole discretion to promote the brand.

3. If you or any person holding an interest in the Franchised Business wishes to transfer a minority interest in the entity operating the Franchised Business or in the Franchised Business, we require you to pay us a fee as a condition of transfer. This transfer fee will be $5,000. If you wish to transfer a majority or complete interest to an individual or entity, then the transfer fee is $55,000. All transferees must be approved and meet our standards and you must be in full compliance with minimum performance standards. The transferor must acknowledge and agree that the transferor will remain bound by the covenants contained in Section 19 of the Franchise Agreement.

4. If an independent audit of your books reveals an underpayment of monies owed to us, you must immediately pay to us the amount underpaid plus interest on this underpaid amount at the rate of 2% per month (but not more than the maximum rate permitted by law, if any such maximum rate applies) from the date the amount was due, and for the costs and expenses of the audit.

5. If any payment is received by us more than 15 days past due, you must pay to us immediately upon demand, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of 2% per month (but not more than the maximum rate permitted by law, if any such maximum rate applies).

6. If you want to buy or sell any products (including but not limited to insurance products), services or any item from an unapproved carrier, broker, or supplier, then you must first submit a written request to us asking for our written approval. We have the right to require that our representatives be permitted to inspect and vet the proposed new insurance product, carrier, broker, supplier or service. You (or the carrier, broker, or supplier) may be required to pay a charge, not to exceed the reasonable cost of the inspection and the vetting, as well as the actual cost of any tests.

7. If, as a result of a site-visit, on-site review or consultation, any deficiencies related to the Franchised Business are identified, you must correct the deficiency within a reasonable time as we may designate in writing. If you fail to correct the deficiencies in a manner satisfactory to us, we may take any action as is necessary to correct the deficiency and you must reimburse us on demand for our reasonable costs and expenses in connection with this action including, but not limited to, the costs for completing the inspection and correcting the deficiencies.

8. If you, your Agency Principal, or your Manager ceases active management or employment at the Franchised Business, then you must enroll a qualified replacement in our initial training program within 30 days. We may also require that your Agency Principal, Managers, Producers and employees attend such additional courses, seminars, and other training programs as we may reasonably require periodically, for which we may charge this fee. This fee is in addition to costs that you may incur in completing required training at our headquarters (e.g. lodging, meals, transportation).

9. You must purchase Commercial General Liability Insurance, Cyber Risk Insurance, and Professional Liability (Errors & Omissions) Insurance. You must also purchase the following types of insurance if applicable: Business Automobile Liability Insurance (if your agency owns a vehicle), Employer's Liability and Worker's Compensation Insurance (if you hire an employee), Umbrella Liability Insurance, and Property Insurance. You may purchase some or all of these through us or from any approved carrier. We may require you to obtain additional insurance in the future. Please refer to the Operating Manual for more details on our current insurance requirements. You are not required to buy any of these types of insurance through us, but you may elect to do so. The estimate in the chart represents the full premium payments for the first year for all insurance policies currently required. Please see Item 7, Note 6 for more information on the types of insurance and coverage amounts.

10. You will pay to us a monthly "Technology Fee" of $500 per person to use the "SelectLocal" customized software, SelectQuote's proprietary comparative rater, and/or other comparative rater software that we require, e-mail accounts, webpage maintenance, spam filter and virus protection. You will pay us a monthly "Support Fee" of $100 per person per franchisee per month. This fee will also include access to our helpdesk, which is open 8 hours a day, 5 days a week, for assistance with network, PC/laptop, printer and mobile device issues. The amount of this fee is expected to increase each year.

11. If you ask us to prepare a valuation of your franchise for any reason (for example, in preparation for transferring or selling your franchise), we may require you to pay us a fee of $1,000. This fee must be paid before we begin preparation of the valuation to compensate us for our costs and expenses associated with conducting an analysis and valuation of your franchise. Any

valuations we prepare for you are intended to be informational only and only one component of your analysis of the value of your franchise. You are ultimately responsible for determining the value of your own business.

12. After the first 6 months, you are required to buy 5 leads per business day. Lead types vary and so will the price per lead. At a minimum, you are required to buy the lowest valued leads. You may choose to buy other types of leads we provide. In addition, you are required to develop your own lead sources and provide your own marketing efforts. (See Minimum Performance Standards.)

13. You may not relocate the Franchised Business without our prior written approval. Any proposed relocation will be subject to our review and approval of the proposed new location under our then-current standards for site selection, and we will also have the right to take into consideration any commitments we have given to other franchisees, licensees, landlords, and other parties relating to the proximity of a new SelectQuote Local Business to their establishment. You must pay this fee at the time you request the relocation of the Franchised Business.

14. We have the right to adjust, for inflation, all fixed-dollar amounts under the Franchise Agreement (except for the Initial Franchise Fee) once a year to reflect changes in the Index from the year in which you signed the Franchise Agreement. The term "Index" means the Consumer Price Index (1982-84=100; all items; CPI-U; all urban consumers) as published by the U.S. Bureau of Labor Statistics ("**BLS**"). If the BLS no longer publishes the Index, then we will have the right to designate a reasonable alternative measure of inflation.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT*

(Please review this table together with the notes that follow as well as Other Fees in Item 6)

Expenditure Type	Amount-Low	Amount-High	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee (Note 1)	$55,000	$55,000	Lump Sum	At Signing	Us
Lease, Improvements, Furniture, Fixtures, Utilities (Note 2)	$2,000	$6,000	As arranged	Before opening	Landlord, Vendors, Utility Providers
Rent (Note 3)	$1,000	$4,000	As arranged	As arranged	Landlord
Signage and Media (Note 4)	$500	$2,500	As arranged	Before opening	Us, Vendors

Expenditure Type	Amount-Low	Amount-High	Method of Payment	When Due	To Whom Payment is to be made
Office Equipment and Startup Supplies (Note 5)	$5,000	$8,000	As arranged	Before opening, 1st day of the month after opening	Us, Vendors
Insurance (Note 6)	$2,000	$5,000	As arranged	As incurred	Us, Vendors
Licenses (Note 7)	$500	$1,000	As arranged	According to statute or ordinance	Governmen t Agencies
Professional Fees (Note 8)	$1,000	$5,000	As arranged	As arranged	Vendor
Additional Training Expenses (Note 9)	$500	$7,000	As arranged	Before opening and as needed for new Sales Agents	Us, Vendors
Additional Funds – 3 months (Note 10)	$6,000	$20,000	As arranged	As incurred	Employees, Vendors, Suppliers
TOTALS	**$73,500***	**$113,500***			Amounts are for initial investment, but office related expenses are not required until the start of the second year.

*Moving into an office is not required until the first anniversary of signing a Franchise Agreement.

Notes:

1. The Initial Franchise Fee will be $55,000. The Initial Franchise Fee is fully-earned upon receipt and, once you or any of your personnel begins the initial training program, the Initial Franchise Fee becomes non-refundable. See Item 5 for more information regarding the Initial Franchise Fee variances.

2. We require that you lease commercial or retail office space. Depending on space availability and your landlord, you may need to arrange for improvements to the premises, the cost of which you may pay for up front or in the form of an increased rental rate. You will need to acquire general office furniture and fixtures. You will also need to arrange for the installation and hook-up of all utilities, including phone and Internet.

3. We anticipate you will lease 500 to 1,500 square feet of office space, storage and sufficient parking. We expect that your monthly cost of rent will be between $1,000 and $4,000, but may be higher or lower. The cost of leasing a site can vary considerably depending upon such factors as location, size, and the local real estate market. For example, we expect that most franchisees will obtain their own office space of about 1,000 square feet and in that event, we expect the rent costs would be in the high end of the range provided. The estimate in the chart includes a security deposit and your first month's rent payment for a total of two months' rent.

4. You must purchase all signage and branded merchandise as we deem appropriate for the success of the Franchised Business. If you operate a retail location, you will also be required to purchase external signage and your costs will be at the higher end of the range provided. If you do not operate a retail location, you are only required to purchase internal signage and your cost should be between $500 and $2,500.

5. Your equipment and startup supplies include a computer and certain general office or business software. Your computer equipment and related software, hardware and technology must meet our current software specifications and have a secure, continuous connection to the Internet. We will make our software specifications available to you upon request. You will also need other office equipment, including a desk, color printer, phone and backup drive. You should also have a dedicated business phone number. You will pay a monthly fee of $500 to use the "SelectCare" customized software, the proprietary comparative rater software, e-mail accounts, spam filter and virus protection. There is a separate fee for access to our helpdesk, which is open 24 hours a day, 7 days a week, for assistance with network, PC/laptop, printer and mobile device issues. The estimate above includes three month's payment of the computer and support fee for each user. If you have more than 1 user, your costs will be higher. Other than the computer and support fee, all fees for office equipment and startup supplies must be paid before opening. The first payment of the Technology Fee will be due to us on the first day of the month which may fall either on the day the Franchised Business opens, or after the Franchised Business opens. You should expect the amount of this Technology related fees to increase each year based on the cost of additional software and processes made available to you. The estimates in the chart reflect the costs for 1 to 2 computers/computer users; if you need more your costs may be higher. Please see Item 11 for more information on the computer and software requirements.

6. You must obtain certain insurance, as we determine necessary. Currently, we require the following coverages: Commercial General Liability Insurance, (minimum of $1,000,000 per occurrence and $2,000,000 general aggregate per location), Professional Liability (Errors & Omissions) Insurance (minimum of $1,000,000 of coverage and $3,000,000 in aggregate and Cyber Risk Insurance (a/k/a data theft and cybersecurity) with limits of liability not less than $1,000,000 per occurrence and $2,000,000 in aggregate. We may also require you to acquire TCPA insurance.

We may also require you to obtain the following types of insurance: Business Automobile Liability Insurance covering all owned, non-owned, and hired automobiles; Employer's Liability and Worker's Compensation Insurance; Umbrella Liability; and Property Insurance.

You may choose to obtain some or all of the required insurance policies through us or be required to use a vendor of our choice. From time to time we may expand the insurance requirements and your coverage amounts. Please refer to the Operating Manual for more details on our current insurance requirements. The estimate in the chart represents all premium payments for one year for all insurance policies currently required.

7. You will need to obtain a license to sell insurance for your state and any other states for which you may issue or service insurance policies. Some states may require multiple licenses for different types of insurance. You must obtain a general business license, if applicable in your state. Consult your attorney regarding requirements in your state.

8. You may wish to engage a lawyer or an accountant to assist you in the review of this offering, the purchase of the franchise, forming a legal entity or in obtaining any necessary permits or licenses. Your costs may be higher if you wish for your advisor to be heavily involved in the start-up process.

9. You will be required to pay fees to attend our training program and you will be responsible for all travel and living expenses which you, your Agency Principal, your Manager and any of your Producers incur and potentially for your employees' compensation while they are training. The costs will vary depending on the distance (if any) traveled, choice of accommodations and travel arrangements, and other similar factors.

10. This estimate includes your start-up expenses during your first three months of operation. These expenses include out-of-pocket expenses, like payroll taxes and expenses, royalties we collect and other fees collected by us, rent, repairs and maintenance, advertising and marketing expenses, bank charges, state taxes, depreciation/amortization and other miscellaneous items. This range does not include an estimate of your (or your contractor or employees') salary. If you intend to draw a salary (or if you wish to employ a Manager who is not you) during the initial phase of business, you should modify these estimates accordingly. Your costs may be more or less depending on your management skill, experience and business acumen, local economic conditions, whether you have previously operated as an insurance brokerage (and already have some of the items described in this Item) and your actual sales.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Insurance Products and Approved Carriers

You may only offer for sale insurance products and services that conform to our specifications and quality standards ("**Approved Insurance Products**") and only through insurance carriers and brokers that we make available to you through our appointment process ("**Approved Carriers**"). You are required to only sell the Approved Insurance Products through the Approved Carriers that we designate. We may modify the list of Approved Insurance Products and/or Approved Carriers in the Operating Manual or otherwise in writing from time to time. After notice of any such modification, you may not sell any insurance products from any insurance carrier or broker which is no longer approved. Some Approved Carriers may pay us contingency payments based on certain criteria negotiated directly with each Approved Carrier. We retain these contingency payments and incentives. The Approved Carriers will set the premium price for each Approved Insurance Product, and we will set the amount of Agency Fees that may be charged. We may, at our sole discretion, revoke your appointment with an Approved Carrier if you are in default under the terms of your Franchise Agreement or any other contract between you (and/or your affiliates) and us (and/or our affiliates).

You may not offer for sale any insurance products or services that we have prohibited you from selling ("**Prohibited Insurance Products**"). Prohibited Insurance Products include any insurance products or services sold without our consent or through insurance carriers or brokers not appointed by us, whether through excess and surplus lines insurance companies or through admitted insurance companies. Prohibited Insurance Products also include the purchase of a group of insurance policies from a third party or insurance carriers and brokers. We may periodically provide you with a list of, and/or update, the products or services that are Prohibited Insurance Products. If you use or sell any Prohibited Insurance Products, you will be in default of your Franchise Agreement and we will have the right to exercise the remedies outlined in the Franchise Agreement, including the immediate termination of your Franchise Agreement.

If you propose to sell any insurance products or services from an unapproved insurance carrier or broker or any unapproved insurance products or services from an Approved Carrier, then you must first submit to us a written request asking for our approval to do so. You may not sell insurance products or services from an unapproved insurance carrier or broker or from any Approved Carrier, until we have reviewed and, if we think it is appropriate, approved in writing the proposed new insurance product or service or the proposed new insurance carrier or broker. Among other things, we will have the right to require that our representatives be permitted to investigate the new insurance product or service, interview the new insurance carrier or broker, inspect its financials (as needed), investigate and interview references, and otherwise analyze the need for the desired insurance product, service, carrier, or broker. Either you or the proposed new insurance carrier or broker may be required to pay us a fee to reimburse for our investigation expenses (which will not exceed the reasonable and actual cost of the interviews, investigations, and analyses). Depending upon the type of insurance product or service for which approval is sought, or for which a new approved insurance carrier or broker is proposed, we anticipate providing our response to the request within four to twelve weeks after receipt of the request and the information required for our review. We may also require that the proposed new insurance carrier or broker comply

with certain other requirements that we deem appropriate. We reserve the right to periodically re-inspect or re-analyze any Approved Insurance Product or any Approved Carrier and to revoke our approval if the insurance product or service or the insurance carrier or broker does not continue to meet our then-current criteria or standards. We do not generally make our criteria for approval of insurance products, services, carriers, or brokers available to you. We may impose limits on the number of Approved Insurance Products and Approved Carriers available to you. We may revoke our approval of an Approved Insurance Product or Approved Carrier at our sole discretion at any time and for any reason by providing you written notice or through a change to the Operating Manual

As discussed in Item 6 and Item 7, you are required to obtain specific types of insurance for the Franchised Business at minimum limits of coverage. We may require you to obtain these types of insurance through us. If through us, payment for this insurance will be payable to us and will be taken out of your Net Revenues. We will then remit your premium payment and any other applicable fees to the appropriate insurance carrier. We expect that your cost for the minimum levels of insurance for the first year will be between $2,000 and $5,000. If through another party, payment will be made directly to them.

Approved Non-Insurance Products and Services

We may require that you purchase, use or offer for sale any non-insurance products or services used in the operation of the Franchised Business ("**Approved Products and Services**") only from suppliers, manufacturers, and brokers approved by us and/or our affiliates ("**Approved Suppliers**"). We (including our affiliates) and our Approved Suppliers may be the sole Approved Supplier for any of the Approved Products and Services. We may modify the list of Approved Products and Services and/or Approved Suppliers in the Operating Manual or otherwise in writing from time to time. After notice of such modification, you may not purchase any products or services from any supplier, manufacturer, or broker, which is no longer approved. If you use any Prohibited Products or Services, it is grounds for immediate termination of your Franchise Agreement.

You may not use and/or offer for sale products or services which we have prohibited you from using and/or selling ("**Prohibited Products and Services**"). Prohibited Products and Services will include selling any services or products other than Approved Products and Services through Approved Suppliers. We may update the definition of Prohibited Products and Services from time to time. If you use or sell any Prohibited Products or Services, it is grounds for termination of your Franchise Agreement.

We are not required to approve your appointment with insurance carriers, and such appointments will be at our discretion. Before being considered for an appointment with an insurance carrier, you must complete additional training and meet certain criteria as set out in the Operating Manual. Additionally, if we approve your appointment with an insurance carrier, then you may be required to purchase additional professional liability insurance with certain minimum limits as set out in the Operating Manual

If you propose to use or sell any products or services or purchase services or products from a supplier, manufacturer, or broker that is not approved by us and is not an Approved Product and Service, you must first submit to us a written request asking for our approval to do so. You may

not purchase or use any products or services from any proposed new supplier, manufacturer, or broker until we have reviewed and, if we think it is appropriate, approved in writing the proposed new supplier, manufacturer, or broker. Among other things, we will have the right to require that our representatives be permitted to interview the new supplier, manufacturer, or broker, inspect its financials (as needed), investigate and interview references, and otherwise analyze the need for the desired service or product. Either you or the proposed new supplier, manufacturer, or broker, may be required to pay us a fee to reimburse for our investigation expenses (which will not exceed the reasonable and actual cost of the interviews, investigations, and analyses). Depending upon the type of product or service for which approval is sought, or for which a new approved supplier, manufacturer, or broker is proposed, we anticipate providing our response to the request within four to twelve weeks after receipt of the request and the accompanying information.

We may also require that the proposed new supplier, manufacturer, or broker comply with certain other requirements that we may deem appropriate. We reserve the right to periodically re-inspect or re-analyze any Approved Products and Services or Approved Suppliers, and to revoke our approval if the non-insurance product or service or the supplier, manufacturer and broker does not continue to meet our then-current criteria or standards. We do not generally make our criteria for approval of non-insurance products or services or suppliers, manufacturers, or brokers available to you, but we may elect to do so if you ask. We have the right to appoint only one supplier for a particular Approved Product and Service, which may be us or one of our affiliates. We may revoke our approval of a non-insurance product or service, or supplier, manufacturer, or broker at our sole discretion at any time and for any reason by providing you written notice or through a change to the Operating Manual

You must use the customized software and the comparative rater software that we periodically require, as described in Item 11.

We anticipate that we will negotiate purchasing or service arrangements from time to time with suppliers for the benefit of our franchisees. We expect, but do not guarantee, that those purchasing arrangements will allow you to obtain certain products, supplies, and services at a lower price than if you were to purchase them individually. We do not otherwise provide material benefits to you for purchasing from designated or approved sources. Also, we may be compensated by suppliers based on franchisee purchases. In some cases, suppliers may pay us a percentage of the total purchases made by franchisees to be used in the marketing of the supplier's brand at or through the Franchised Businesses. Some suppliers may pay us a cash rebate based on franchisee purchases. We retain these rebates. In some cases, we may purchase non-insurance products and supplies from a supplier at a volume discount and re-sell these products and supplies to you. If we re-sell products and supplies to you, we may require that you pay us more than we paid for those products and supplies in consideration for our administrative expenses incurred in arranging for bulk sales and volume discounts or for warehousing or distributing those products and supplies to you.

Except as described above, neither we, nor any affiliates are approved suppliers for any products.

Insurance Coverage

Under the Franchise Agreement, you must obtain and maintain the following insurance:

- comprehensive general liability insurance protecting against any and all claims for personal, bodily and/or property injury occurring in or about the Franchised Business, with minimum limits of $1,000,000 combined single limit per occurrence and $2,000,000 general aggregate.

- professional indemnity insurance providing coverage for loss or damage arising out of an act or omission by you or your employees, with a minimum of Professional Liability (Errors & Omissions) Insurance (minimum of $1,000,000 of coverage and $3,000,000 in aggregate.

- data theft and cybersecurity (a/k/a cyber risk) coverage with limits of liability not less than $1,000,000.

You may also be required to purchase the following types of insurance as required in the Operating Manual:

- business automobile liability insurance with liability of not less than $1,000,000 combined single limit for both bodily injury and property damage.

- statutory workers' compensation insurance and employer's liability insurance for a minimum limit equal to at least the greater of $100,000 or the amounts required by your umbrella carrier.

- commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages (commercial general liability, comprehensive automobile liability, and worker's compensation insurance and employer's liability insurance) to not less than $2,000,000 total limit of liability.

- property insurance providing coverage for direct physical loss or damage to real and personal property for all-risk perils, including the perils of flood and earthquake that values property (real and personal) on a new replacement cost basis without deduction for depreciation and the amount of insurance shall not be less than 90% of the full replacement value of the Franchised Business, its furniture, fixtures, equipment, and stock (real and personal property).

- any other insurance coverage that is required by the Operating Manual or federal, state, or municipal law.

Each insurance policy required under the Franchise Agreement must be primary and noncontributory. We reserve the right to require you to procure such policies from the provider(s) we designate as part of a System-wide insurance program we implement. If we do not designate such provider(s), such policies must be written by an insurance company or companies we approve, who must have a rating of at least "A-" in the most recent *Key Rating Guide* published by the A.M. Best Company (or another rating that we reasonably designate if A.M. Best Company

no longer publishes the Key Rating Guide) and must be licensed to do business in the Approved State(s). All liability and property damage policies must name us as additional insureds and must provide that each policy cannot be cancelled unless we are given thirty days' prior written notice. We may periodically increase required coverage limits or require additional or different coverage to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances. You must deliver to us (and in the future maintain on file with us) valid and current certificates of insurance showing that all required insurance is in full force and effect.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Franchise Agreement Section	Disclosure Document Item
a. Location selection and acquisition/lease	1.2 and 5	11 and 12
b. Pre-opening purchases	5	5, 7, and 8
c. Location development and other pre-opening requirements	3.2, 5.3, 5.4 and 5.6	11
d. Initial and ongoing training	3.1 and 6	11
e. Opening	3.3, 3.7, 5.1, 5.6 and 8.2	11
f. Fees	4, 13.1 and 16.5.9	5, 6, and 7
g. Compliance with standards and policies/operating manual	1.4, 3.4, 5, 7, 8.4, and 10	8, 11, and 14
h. Trademarks and proprietary information	1.1 and 9	13 and 14
i. Restrictions on products/services offered	7 and 8.4.1	5, 8, and 16
j. Warranty and customer service requirements	Not applicable	11

Obligation	Franchise Agreement Section	Disclosure Document Item
k. Territorial development and sales quotas	1.3	12
l. Ongoing product/service purchases	7	8
m. Maintenance, appearance, and remodeling requirements	5 and 8.8	8
n. Insurance	15	6, 7, and 8
o. Advertising	3.5, 3.6 and 13	6 and 11
p. Indemnification	21.4 and Ex. B	6
q. Owner's participation/management/ staffing	6.1 and 8.3	15
r. Records and reports	4.3, 12 and 15.8	6
s. Inspection and audits	3.7 and 12	6 and 11
t. Transfer	8.10 and 16	17
u. Renewal	2.2	17
v. Post-termination obligations	11.1.1, 12.1.2, 18,19, and 21.4	17
w. Non-competition covenants	19	17
x. Dispute resolution	27	17
y. Taxes/permits	5.4, 5.5 and 20	1
z. Other: Guarantee of franchisee obligations	6.1.1, Ex. A and Ex. E	15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Assistance

Before you open the Franchised Business, we:

(1) Will provide to you the training programs that we designate. Our training programs will be conducted in the English language. You will be responsible for the cost of instruction and materials for your Agency Principal or Manager. *(Franchise Agreement, Sections 3.1 and 6.2)*

(2) May provide our standards and specifications for the furnishings, equipment, and signs of a SelectQuote Local Business. *(Franchise Agreement, Section 3.2)*

(3) Will provide such on-site pre-opening and opening supervision and assistance that we think is advisable, and as may be described and or updated periodically in the Operating Manual *(Franchise Agreement, Section 3.3)*

(4) May evaluate the Franchised Business and its location before it first opens for business. You may not open the Franchised Business or otherwise start operations until you, your Agency Principal, or your Manager have successfully completed training and you have received our prior written approval. Opening of the office is required no later than the start of the 13th month. *(Franchise Agreement, Section 3.7)*

(5) Will provide you, on line access to the manual (the "**Operating Manual**"), which we will have the right to provide in any format we choose (which may include paper, physical media such as a CD, or online). *(Franchise Agreement, Section 3.4).* You will agree in your Franchise Agreement that we are not joint employers of your employees and other personnel. We do not and will not share or determine any of your employees' essential terms and conditions of employment. More specifically, in no case do we have any authority to determine or set your employees': (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions related to the safety and health of employees. You alone have sole authority to determine any or all your employees' essential terms and conditions of employment.

Continuing Obligations

We are required by the Franchise Agreement to provide certain assistance and service to you.

During the operation of the Franchised Business:

(1) We will provide you periodic assistance in the marketing and operation of the Franchised Business at the times and in the manner that we determine. Certain services may be provided for a fee. We may periodically offer you the services of certain of our representatives, such as a representative from support, and these representatives may periodically visit the Franchised Business and offer advice regarding your operations. *(Franchise Agreement, Section 3.8)*

(2) We will provide ongoing training that we periodically deem appropriate, at such places and times that we deem proper. *(Franchise Agreement, Section 6.3)*

(3) We will have the right to approve or disapprove all marketing and promotional materials that you propose to use. *(Franchise Agreement, Section 3.5)*

(4) We have the right to administer the National Marketing Fund as stated in the Franchise Agreement and as described below in this Item 11. *(Franchise Agreement, Section 3.6)*

(5) Before the last day of each month, we will provide you with a detailed report of Commissions received on your behalf for insurance policies and/or services sold in the preceding calendar months. In order to provide you with this report, we must receive a commission detail report from Approved Carriers and Approved Suppliers by the 20th day of the month, for policies or services you sold during the preceding month. The report will only include Commissions related to insurance policies or services properly recorded in our system as prescribed in the Operating Manual *(Franchise Agreement, Section 3.9)*

(6) We maintain a service center, staffed by licensed insurance agents, as well as a remote workforce for the purpose of selling various insurance related products and for providing centralized client service for all businesses operating under the System and the Proprietary Marks. The service center's hours are typically between 8 a.m. and 5 p.m. Central Time, Monday through Friday (excluding holidays). You must comply with any rules and regulations adopted by us (in the Operating Manual or otherwise) regarding the service center. *(Franchise Agreement, Section 3.10)*

Neither the Franchise Agreement, nor any other agreement, requires us to provide any other assistance or services to you during the operation of the Franchised Business.

Location Selection

On or before the anniversary of signing your agreement, you must acquire or lease/sublease, at your own expense, real estate that is properly zoned for the use of the Franchised Business that is located within the state that we have approved in writing (the "**Approved State(s)**"). The location you select within the Approved State(s) will become the Authorized Location after we have given you our written approval through an "**Authorized Location Amendment**" signed by you and us for that location and you have obtained the right to occupy the premises, by lease, sublease, or acquisition of the property, all subject to our prior written approval.

We will provide you with our location guidelines, as available, including our minimum standards for a location for the Franchised Business, and such location selection counseling and assistance as we may deem advisable. If we deem an on-site evaluation to be necessary and appropriate, then we may conduct up to two on-site evaluations at our cost and expense. If we perform any additional on-site evaluations, you must reimburse us, as applicable, for all reasonable expenses that we incur in connection with providing such on-site evaluation, including, without limitation, the cost of travel, lodging and meals.

You must submit to us, in the form we specify, a copy of the location plan and such other materials or information that we may require, together with an option contract, letter of intent, or other evidence satisfactory to us which confirms your favorable prospects for obtaining the location.

We will have 30 days following receipt of this information and materials from you to approve or disapprove the proposed location for the Franchised Business. If we do not approve a proposed location by written notice to you within this 30-day period, then the location will be deemed disapproved.

When considering a location for a SelectQuote Local Business, we consider factors such as general location and neighborhood; demographics; size and ease of access to the proposed location; the location in relation to other businesses; availability of utilities; the proposed lease or sublease; ingress and egress; utilities; and zoning issues.

Failure to acquire or lease a location for the Franchised Business, may result in the termination of your Franchise Agreement or your exclusive right to the territory.

Once authorized, the location for the Franchised Business will become the "**Authorized Location**." Before the end of the term of the location selection, you must execute a lease and provide a copy of the lease to us.

Training

You must have an individual Owner serve as your "**Agency Principal**." The Agency Principal must supervise the operation of the Franchised Business and must own at least 20% of the voting and ownership interests in the franchise entity. If the Agency Principal is not supervising the Franchised Business on a full-time and daily basis, you must employ a full-time Franchised Business manager (a "**Manager**") with qualifications reasonably acceptable and approved by us, who will assume responsibility for the daily operation of the Franchised Business. The Manager must own at least 10% of the voting and ownership interests in the franchise entity.

Before opening the Franchised Business, you, your Agency Principal, or your Manager must attend and successfully complete, to our satisfaction, the initial training program (which may include an online component) we offer for SelectQuote Local Businesses at our headquarters or another location that we specify. The Franchised Business must at all times be under the active full-time management of either you or the Agency Principal or Manager who has successfully completed (to our satisfaction) our training program.

In addition, as part of your initial training program, within 6 weeks of signing you, your Agency Principal and your Manager must attend and satisfactorily complete our then current Training program. Any failure by you, your Agency Principal or your Manager to successfully complete

our Training program is considered failure to complete your initial training obligations. All parties must successfully complete our Training program before being permitted to offer and sell insurance for the Franchised Business or access our database or systems.

Finally, all of your Producers must also attend and complete, to our satisfaction, their training program before any Producer is permitted to sell insurance for the Franchised Business or access our database or systems.

If you, your Agency Principal, or your Manager cease active management or employment at the Franchised Business, then you must enroll a qualified replacement (who must be reasonably acceptable and approved by us to serve in that capacity) in our initial training program within 30 days after the former individual ended their full time employment and/or management responsibilities. The replacement must attend and successfully complete the initial training program, to our reasonable satisfaction, as soon as it is practical to do so (in all cases, the replacement shall successfully complete training within 120 days). You must pay our then-current per diem training charges (up to $500 per day) for replacement training.

We may require that your Agency Principal, Managers, and employees periodically attend additional courses, seminars, and other training programs.

The subjects covered in the initial training program are described below.

SELECTQUOTE LOCAL UNIVERSITY

TRAINING PROGRAM OVERVIEW

Initial Training

Subjects Taught	Hours of Training	Location
Pre-Training	80	Remote
StartSQ	2	Remote
Health Training	0-120	Remote
Life Training	0-40	Remote
SQ Selling University	10-20	In office
Office basics/Recruiting	4	In office
Finance, Accounting, HR	4	In office
Communication	2	In office
Marketing, Leads, Tech	4	In office

Subjects Taught	Hours of Training	Location
Legal/Compliance	2	In office
Budgeting	3	In office
Totals	131-281	In office/Remote

We may require that you, your Agency Principal, your Manager, or your employees attend additional training that we deem necessary. We may consider many factors in determining whether or not to require that you or your employees attend additional training, including: (a) the length of time since the completion of the initial training program, (b) the existence of new procedures, processes or technology in the System or in your service segment, and (c) performance. Subjects covered in any additional training may include, for example: (i) System-wide changes in processes, procedures or offerings, (ii) franchisee-specific or employee-specific trouble-shooting, (iii) sales effectiveness, (iv) marketing, (v) service, (vi) computer hardware and software, and (vii) budgeting. Initial and additional training will be held at a location decided by the company, which could be the Overland Park office, your site, or another suitable venue. Additional training, if provided, will be a minimum of one day and can extend up to two weeks or longer. While initial training may be included, any subsequent training might incur fees and will require you to cover all travel costs for your employees.

There are approximately eighty hours of required pre-work to be completed before you start your virtual training and before you attend the on-site initial training. The on-site initial training is offered at various times. The initial training program is required for all Agency Principals, Managers, and Producers. Portions of the Remote training may be waived or reduced at our sole discretion.

The instructional materials used in the training program include product guides, reference sheets, operating manual, process flow charts, contact lists and training slide decks. These and other materials are found on the SelectQuote Local Training Hub.

Marketing

The National Marketing Fund

We will have sole discretion over how the National Marketing Fund creates, places, and pays for national marketing. We (or our designee, which might be a corporate subsidiary or a marketing agency) will maintain and administer the National Marketing Fund, as follows:

(a) We or our designee will direct all marketing programs, with sole discretion over the concepts, materials, and media used in these programs and the placement and allocation of the programs. The National Marketing Fund is intended to maximize general public recognition (building the SelectQuote Local Insurance brand), acceptance, and use of the System. Neither we nor our designee are obligated to make expenditures for you that are equivalent or proportionate to your contribution,

or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the National Marketing Fund.

(b) The National Marketing Fund, all contributions, and any earnings, will be used exclusively to meet the costs of marketing and any other activities that we believe will enhance the System's image and, in our sole discretion, promote general public awareness of and favorable support for the System.

(c) All sums you pay to the National Marketing Fund will be maintained in an account separate from our other monies and will be used to defray expenses we may incur in activities reasonably related to the direction and implementation of the National Marketing Fund and marketing programs for you and the System. The National Marketing Fund and its earnings will not otherwise inure to our benefit or be used to solicit the sale of franchises. We or our designee will maintain separate bookkeeping accounts for the National Marketing Fund.

(d) Although the National Marketing Fund is intended to be of perpetual duration, we maintain the right to terminate the National Marketing Fund at any time for any reason or no reason. The National Marketing Fund will not be terminated, however, until all monies in the National Marketing Fund have been expended for marketing purposes or redistributed to our franchisees. If amounts are unspent in the National Marketing Fund at fiscal year-end, those amounts are carried over by the National Marketing Fund for expenditure in the following year. If amounts are overspent in the National Marketing Fund at the fiscal year-end, those amounts are carried over by the National Marketing Fund for future recapture.

Local Marketing

Certain criteria will apply to the local marketing that you conduct. All of your local marketing must be professional and dignified, must conform to our standards and requirements, and must be conducted in the media, type, and format that we have approved. You may not use any marketing, advertising, or promotional plans that we have not approved in writing. You must submit to us samples of all proposed plans and materials (unless, within the previous six months, we prepared or already approved the plans or materials). If you email us with your request for approval, along with all needed information, we will ordinarily provide you with our response (whether approval or disapproval) to the proposed plans or materials within three business days; but if we do not give our approval within 14 days, we will have been deemed to disapprove the plans or materials.

All copyrights in and to marketing, advertising and promotional materials you develop (or that are developed for you) will become our sole property. You must sign the documents (and, if necessary, require your independent contractors to sign the documents) that we deem reasonably necessary to implement this provision.

We may periodically make available to you certain marketing materials for your use in local advertising and promotion, some of which must be purchased.

As used in the Franchise Agreement, the term "**local marketing and promotion**" refers to only the direct costs of purchasing and producing marketing materials (such as camera-ready advertising and point of sale materials), marketing to referral partners, and your direct out-of-

pocket expenses related to costs of marketing and sales promotion in your local market or area. Local marketing and promotion also includes postage, shipping, telephone, and photocopying costs. "Marketing" does not, however, include any of the following: (a) salaries, incentives or discounts offered to your employees, and your employees' expenses; and/or (b) charitable, political, or other contributions or donations.

Online Sites are considered "marketing" under the Franchise Agreement, and are subject (among other things) to our review and prior written approval before they may be used.

Computer Systems

Franchisees must acquire and use the current Computer System required to operate the franchised business. This system, which is subject to our specifications, may encompass all potentially necessary technology, including:

Operational Systems: Back-office, point of sale (POS), and data management systems.

Communications: Telephone, voice, and data transmission and retrieval systems.

Audio and Visual: All audio and video components, including managed video security and digital menu boards.

Security: Both physical and electronic security systems and measures.

Hardware and Peripherals: Printers and other required peripheral devices.

Data Management: Archival and backup systems.

Internet Access: Internet connectivity and speed, including the type of telecommunications connection used.

Client Experience Technology: Any technology deployed to enhance and evaluate the client experience.

We can require you to use specific computer software, accounting software, and recording media for the Computer System. You must also install any updates or enhancements we provide for this software and use the database file structure that we designate.

We rely on suppliers to provide support for the hardware and software and we may require that you enter into service contracts directly with the hardware and software suppliers and pay the suppliers directly for this support.

Currently, the Required Software includes our Agency Management System ("**SelectLocal**"). The "SelectLocal" customized software is a web-based customer relationship management and sales enablement tool that will allow you to track every step of the sales process and, through different integrated aspects of the software, will assist you with client service, document creation, contract procurement, commission accounting, marketing and business reporting. The software will allow you to access the comparative rater software which is a proprietary web-based comparative rater that allows you to run quotes across a broad portfolio of insurance carriers with a single data entry point. You will be able to go directly into the carrier's system to refine the quote and issue the

policy. We have obtained licenses for you to use these programs. You will pay us a monthly fee of $500 for each user, to use the "SelectLocal" customized software, e-mail accounts, spam filter and virus protection. There is a separate fee for access to our helpdesk, which is open 8 hours a day, 5 days a week, for assistance with network, PC/laptop, printer and mobile device issues. The amount of this fee is expected to increase each year based on the cost of additional software and processes made available to you. All upgrades and updates are included in that monthly fee and will be provided.

We estimate that the cost of purchasing the Computer System and Required Software will typically range from $0 to $5,000 per person.

To operate the business, you must have a computer system with reliable internet access and email functionality. You are responsible for all costs associated with technology, including necessary hardware and software updates, which we may require from time to time. The company retains the right to approve or mandate the use of a company-provided email address for business communication.

You will provide us with full access to your computer system as reasonably requested. We may retrieve and use the system's data and information as necessary.

We have the right to require you to use one or more designated telephone vendors. If we require, you must use our designated telephone vendors for the phone service of the Franchised Business. We may designate, and own, the telephone numbers of the Franchised Business.

Online Sites

Unless we give you prior written permission, you may not create or allow anyone else to create any website, social media page, app, or other online presence that is related to the franchised business or mentions our brand names and trademarks. We will have the right, but not the obligation, to provide one or more references or webpage(s), as we may periodically designate, within our Online Site. The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social media and networking sites (e.g., Facebook, Twitter, LinkedIn, YouTube, Google Plus, Pinterest, Instagram, etc.), blogs, vlogs, applications to be installed on mobile devices (for example, iOS or Android apps), and other applications, etc.

The table of contents of the Operating Manual is attached as Exhibit D. The total number of pages in the Operating Manual changes over time and is currently in excess of 100 pages.

ITEM 12
TERRITORY

Each Franchised Business will be operated from a location that we must first approve (the "**Authorized Location**") on or before the anniversary or your signed Franchise Agreement. You may not relocate the Franchised Business from the Authorized Location without our prior written consent through an Authorized Location Amendment signed by you and us for that location and you have obtained the right to occupy the premises. Any proposed relocation will be subject to our review and approval of the proposed new location under our then-current standards for location

selection, and we will also have the right to take into consideration any commitments we have given to other franchisees, licensees, landlords, and other parties relating to the proximity of a new SelectQuote Local Business to their establishment. You must pay us a fee in the amount of $500 at the time you request the relocation of the Franchised Business. Our consent to a relocation of the Franchised Business is conditioned, among other things, on amending the terms of the Franchise Agreement, as necessary, to conform to the contractual provisions contained in the form of franchise agreement we are offering to new franchisees under the System at the time you request relocation of the Franchised Business. See Item 11 for a more detailed description concerning the Authorized Location and location selection requirements.

Your territory ("**Territory**") will be non-exclusive. SelectQuote Local may corporately and/or its affiliates may sell products in your territory that you may or may not be licensed to sell. In addition, all SelectQuote Local franchisees can sell up to 25 policies per year in another territory assuming they were referrals. Prospecting outside or your territory is prohibited. Territories will be based primarily on total population and then zip codes of territory assigned. The size will typically vary from about 1,000,000 to 1,500,000 people. (See Performance Standards)

You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. We retain the right to conduct any business and sell services and products at any location, including: (a) the right to use, and to license others to use, the System and the Proprietary Marks for the operation of SelectQuote Local Businesses at any location; (b) the right to sell, and to license others to sell, products and services (including Approved Insurance Products) that are also authorized for sale at SelectQuote Local Businesses through other channels of distribution (including, but not limited to, through toll free numbers, sales via Internet websites, and other forms of electronic commerce); (c) the right to acquire and operate businesses of any kind and to grant or franchise the right to others to operate other businesses of any kind, no matter where located; and (d) the right to use and license the use of the Proprietary Marks and other marks in connection with the operation of businesses at any location, which businesses and marks may be the same as, similar to, or different from the Franchised Business and the Proprietary Marks, on such terms and conditions as we deem advisable, and without granting you any rights therein.

You may offer and sell Approved Insurance Products only: (a) in accordance with the requirements of the Franchise Agreement and the procedures set out in the Operating Manual; and (b) to clients of the Franchised Business. You may only sell Approved Insurance Products to clients located within the Approved State(s).

We operate a business under the SelectQuote Local Insurance name and the Proprietary Marks that sells goods or services similar to those that you will offer and we have the right to solicit and sell similar products anywhere and through any channel of distribution. If we solicit or sell products near the Authorized Location, we are not required to compensate you.

Under the Franchise Agreement you will not have any options, rights of first refusal, or similar rights to acquire additional franchises or other rights.

We reserve all rights not specifically granted to you.

Performance Standards

Once you begin operating the Franchised Business, we have the right to identify and implement quantitative operational performance standards (for example, the number of insurance policies sold in a specific line of business or in aggregate) upon which your development and active implementation of the System will be evaluated (the "**Performance Standards**"). If your performance under the Performance Standards fails to meet or exceed the performance of the lowest 25% in New Business production of all franchised SelectQuote Local Businesses operating under the System and/or in the geographic region, as defined in the Operating Manual, of the Authorized Location (the "**Bottom Quartile**"), as we determine, in any one fiscal quarter of any fiscal year, we may elect to: (a) require you and such other of your employees, as we determine, to attend and complete to our satisfaction such additional training programs that we deem necessary; or (b) provide such on-site assistance and consultation as we deem necessary. If your performance under the Performance Standards fails to meet or exceed the Performance Standards of the Bottom Quartile due to your failure to devote full-time and attention to the operation of the Franchised Business, then you will be in default of the Franchise Agreement. You will be required to cure the default by improving your performance on the Performance Standards to meet or exceed the Bottom Quartile within the 90-day period following your receipt of written notice from us. If you fail to cure the default within such a 90-day period, then we have the right to terminate your Franchise Agreement. In the event we provide any such additional training, assistance or consultation, you will be responsible for all costs and expenses for that training assistance or consultation, which may include a fee payable to us. If you fail to improve your performance under the Performance Standards by at least 10%, or fail to meet or exceed the performance of the Bottom Quartile in each subsequent fiscal quarter, then we may deem your failure to be a default of the Franchise Agreement, which may result in termination.

Growth Expectations

In addition to the Performance Standards, you must also meet certain expectations regarding the continued growth of the Franchised Business (the "**Growth Expectations**"). The Growth Expectations for the Franchised Business will be set out in the Operating Manual, and will not exceed 20% in New Business growth each year. You must meet or exceed the Growth Expectations during each year of the term of the Franchise Agreement. If you fail to meet or exceed the Growth Expectations in any trailing 12 month period, then you will be in default of the Franchise Agreement. Following your receipt of a notice of default, you will have 90 days to meet or exceed the Growth Expectations for the Franchised Business. If you receive two notices of default for failure to meet or exceed the Growth Expectations in any given year, we may elect to terminate the Franchise Agreement.

Hiring Additional Sales Agents

In addition to Performance Standards and Growth Expectations, you must meet certain expectations regarding the continued growth of the Franchised Business by adding Sales Agents (Producers). The expectations for the Franchised Business will be set out in the Operating Manual and will not exceed 6 per year. You must meet or exceed adding sales agents expectations during each year of the term of the Franchise Agreement. If you fail to meet or exceed the expectations in any trailing 12 month period, then you will be in default of the Franchise Agreement. Following your receipt of a notice of default, you will have 90 days to meet or exceed the expectations for

the Franchised Business. If you receive two notices of default for failure to meet or exceed the expectations in any given year, you will lose your territory and we may elect to terminate the Franchise Agreement.

Prospecting

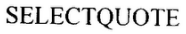
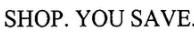
In order to achieve your minimum performance expectations it is important that all personnel within the franchise are spending time prospecting for new business. While SelectQuote Local doesn't mandate a minimum amount of time and/or money spent to achieve, it is expected that each location will spend a considerable amount of time prospecting. Various types of insurance may require more structured time commitments. SelectQuote Local may offer fee based marketing support, free, overflow or sell leads to Franchisee. SelectQuote Local may also suggest methods for cultivating prospects locally, but franchisee and SelectQuote Local both recognize variances in territories and agree franchisees may reach the various minimum performance thresholds by varying methods. SelectQuote Local reserves the right to require a specific amount of time or money spent to achieve minimum performance expectations and may update specifics via the Operating Manual.

ITEM 13
TRADEMARKS

SELECTQUOTE LOCAL is a licensee of SelectQuote, Inc., of the trade name and service marks "SELECTQUOTE", and "SELECTQUOTE" and Design, the trade dress of the franchise materials, and associated logos and commercial symbols, for use in selling insurance agency services from a variety of insurance carriers franchise system, throughout the United States. Under the Franchise Agreement, SELECTQUOTE grants to Franchisee the right, franchise, privilege and license to operate a Franchised Business under the trade name and service mark "SELECTQUOTE" and "SELECTQUOTE" and Design, and under any other trade names, trademarks, service marks, logotypes, or other commercial symbols ("**Marks**") currently authorized for use or that may thereafter be authorized by SELECTQUOTE for use in connection with the operation of Franchises under the System. Under a license agreement dated _____ between SELECTQUOTE and SELECTQUOTE LOCAL, SELECTQUOTE LOCAL is a non-exclusive licensee for franchising of the Marks and the sublicensor of all right, title, and interest in the Marks for insurance agency franchises. The term of the license agreement is in perpetuity, and the license agreement cannot be modified or terminated except by the mutual agreement of the parties.

SELECTQUOTE has registered the following Marks with the USPTO on the Principal Register:

Mark	Registration No. / Serial No.	Registration / Application Date	Description/Status
SELECTQUOTE	Reg. No. 6497885	September 28, 2021	Registered

Mark	Registration No. / Serial No.	Registration / Application Date	Description/Status
	Serial No. 90351848		
SELECTQUOTE 	Reg. No. 2653112 Serial No. 75860612	November 26, 2002	Registered
"WE SHOP. YOU SAVE." (Word Mark) 	Reg. No. 2888458 Serial No. 76507056	September 28, 2004	Registered
"WE SHOP. YOU SAVE." (Word Mark)	Reg. No. 6497888 Serial No. 90351917	September 28, 2021	Registered
SELECTQUOTE LOCAL 	Serial No. 99/629,399	February 2, 2026	Pending
SELECTQUOTE LOCAL (Word Mark) 	Serial No. 99/617,440	January 27, 2026	Pending

SELECTQUOTE has made all required renewal and affidavit filings (if any are due) for these registrations.

You are authorized to use the Marks appearing in the tables above, or other Marks subsequently developed and designated by SELECTQUOTE, in the operation of your Franchised Business, if you do so following SELECTQUOTE's standards and specifications.

No state registrations of any of the Marks have been applied for or granted. SELECTQUOTE's Licensor, SELECTQUOTE INSURANCE SERVICES, INC., as the owner of all rights, title, and interest to the Marks, claims common law rights to the Marks.

SELECTQUOTE is not aware of any presently effective determinations of the United States Patent and Trademark Office, the trademark administrator of any state, or any court, or of any pending interference, opposition, or cancellation proceeding, or any pending material litigation concerning any of the Marks.

There are no infringing uses known to SELECTQUOTE that could materially affect your use of the Marks in this state or in any other state in which the Franchised Businesses are to be located. There are no agreements currently in effect that significantly limit the rights of SELECTQUOTE to use or license the use of the Marks, trade names, logotypes or other commercial symbols in any manner material to the franchise, except as set forth herein.

SELECTQUOTE may change or modify the System presently identified by the Marks including the adoption and use of new or modified trade names, service marks, trademarks or copyrighted materials, new programs or systems for the franchise system, new product lines, new employee training, new equipment or new techniques and you shall accept, use and display any changes in the System as if they were part of the Franchise Agreement at the time of its execution.

All usage of the Marks by you and any goodwill established thereby will inure to the exclusive benefit of SELECTQUOTE and its Licensor. You are prohibited from contesting the validity or ownership of any of the Marks or assisting any other person in contesting the validity or ownership of any Marks during the term of the Franchise Agreement or at any time thereafter.

You shall promptly notify SELECTQUOTE of any claim, demand, or cause of action based upon or arising from any attempt by any other person, firm or corporation to use the Marks or any colorable imitation thereof. You shall notify SELECTQUOTE of any action, claim, or demand against you relating to the Marks, within 10 calendar days after you receive notice of said action, claim, or demand. Upon receipt of timely notice of an action, claim, or demand against you relating to the Marks, SELECTQUOTE or its Licensor, shall have the sole and absolute right to defend any action. SELECTQUOTE or its Licensor shall have the exclusive right and obligation to contest or bring action against any third party regarding the third party's use of any of the Marks and shall exercise this right at its sole and absolute right. In any defense or prosecution of any litigation relating to the Marks or components of the System undertaken by SELECTQUOTE or its Licensor, you shall cooperate with SELECTQUOTE, or its Licensor sign any documents and take all actions as may be desirable or necessary in the opinion of SELECTQUOTE's or Licensor's counsel, to carry out this defense or prosecution. All parties will make every effort consistent with the foregoing to protect, maintain, and promote the Marks as identifying the System. SELECTQUOTE makes no representation or warranty, express or implied, as to the use, exclusive ownership, validity, or enforceability of the Marks.

SELECTQUOTE has no obligation, under the Franchise Agreement or other agreement to indemnify you for damages if you are a party to any administrative or judicial proceeding involving the Marks.

You may not use any of the Marks as part of any corporate or trade name, or in any modified form or in connection with the sale of any unauthorized product or service. You must comply within a reasonable time if SELECTQUOTE notifies you that the use of any Mark be discontinued or modified.

SELECTQUOTE or its agents shall, at all reasonable times, and in a reasonable manner, have the right of entry and inspection of your Franchised Business. SELECTQUOTE shall have the right to observe the manner in which you are rendering services and conducting operations and to inspect equipment, merchandise, accessories, products, supplies, reports, forms, documents, and related data for test of content and evaluation purposes to make certain that your Franchised Business is being operated in accordance with the quality control provisions and performance standards established by SELECTQUOTE.

In the highly unlikely event that SELECTQUOTE would lose the right to license the Mark, SELECTQUOTE would promptly initiate an effort to acquire, and provide the use thereof to you of an appropriate Mark or Marks to replace the "SELECTQUOTE" Mark, at no additional cost to you, except for stationery and other supplies.

Your use of the trademarks, service marks, or commercial symbols of SELECTQUOTE in any advertising or in any form of promotion shall conform to the guidelines stated in the Franchise Agreement and the Operating Manual.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

SELECTQUOTE LOCAL INSURANCE SERVICES, INC. (SQ LOCAL), by license agreement by and between SELECTQUOTE INSURANCE SERVICES and SQ LOCAL has obtained the following patent protection for certain of the proprietary technology used in SELECTQUOTE's insurance agency services from a variety of insurance carriers:

Patent Nos. U.S. 12299750 and U.S. 11900467; entitled *Selectively determining optimal coverage*.

#U.S. 12299750

Patent Number: 12299750
Filing Date: January 3, 2024
Date of Patent: May 13, 2025
Status: Issued
Type: Grant
Inventor: Robert Clay Grant

Abstract: Systems and methods are disclosed for identifying a set of suitable coverage plans for a healthcare consumer. A starting coverage year and geographical location are received. The healthcare consumer is presented with an option to provide a list of prescription medicines as well as an option to provide an identification of one or more pharmacies and one or more preferred physicians. The healthcare consumer is presented with a user interface component for creating an account. A list of plans is presented based on the one or more geographical location parameters, the list of prescription medicines, and pharmacies, and the identification of one or more preferred physicians.

#U.S. 11900467

Patent Number: 11900467
Filing Date: October 23, 2020
Date of Patent: February 13, 2024
Status: Issued
Type: Grant
Inventor: Robert Clay Grant

Abstract: Abstract: Systems and methods are disclosed for identifying a set of suitable coverage plans for a healthcare consumer. A starting coverage year and geographical location are received. The healthcare consumer is presented with an option to provide a list of prescription medicines as well as an option to provide an identification of one or more pharmacies and one or more preferred physicians. The healthcare consumer is presented with a user interface component for creating an account. A list of plans is presented based on the one or more geographical location parameters, the list of prescription medicines, and pharmacies, and the identification of one or more preferred physicians.

Except as described above, no registered patents or copyrights are material to the franchise.

Proprietary Information

You are prohibited from duplication of the SELECTQUOTE System and shall not disclose or cause to be disclosed any part of the SELECTQUOTE System or Operating Manual.

Your entire knowledge of the operation of the Franchised Business is derived from information disclosed to you by SELECTQUOTE and certain information is proprietary, confidential, and a trade secret of SELECTQUOTE. "**Trade Secret**" includes the Business Records and the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures, and/or improvements regarding the Franchised Business that is valuable and secret in the sense that it is not generally known to competitors of SELECTQUOTE. You shall maintain the absolute confidentiality of all trade secret information during and after the term of the franchise and will not use any information in any other business or in any manner not specifically authorized or approved in writing by SELECTQUOTE. However, your obligation to maintain proprietary information confidential should not include the following exceptions: (i) information as previously known by you before disclosure by SELECTQUOTE if you identify any information as previously known; (ii) information disclosed to you by a third party, unless the third party is under a duty not to disclose or use the information, or unless the third party is not in rightful

possession of any information; or (iii) information generally known in the pertinent trade. Information shall be deemed generally known only if you can establish that the full particulars of the proprietary information in the combination disclosed to you are well known or generally used within the trade or industry.

Exceptions (i) - (iii) above shall only apply if you notify SELECTQUOTE of the pertinent exception (i) - (iii) within 30 days after disclosure of SELECTQUOTE to you of any confidential proprietary information.

Proprietary information shall not be deemed to be within the foregoing exceptions merely because this information is embraced by part of or more general information in the public domain or in your possession. In addition, any combination of features shall not be deemed to be within the foregoing exceptions merely because individual features are in the public domain and are in your possession, but only if the combination itself, its principal of operation, knowledge, or know-how are in the public domain or in your possession.

You will divulge confidential information and trade secrets only to those of your employees as they must have access to it in order to operate the Franchised Business. Any and all information, knowledge and know-how, including, specifications and materials concerning commercial janitorial services, commercial janitorial supplies, carpet cleaning, window washing, construction clean-up, blind cleaning, hard surface floor care, pest control, upholstery cleaning, concrete coatings, and other commercial services concepts, and the SELECTQUOTE System, systems and activities, and other data which SELECTQUOTE designates as confidential shall be deemed confidential for purposes of the Franchise Agreement.

SELECTQUOTE is entitled to immediate equitable remedies, including restraining orders and injunctive relief, in order to safeguard the proprietary, confidential, unique, and special information of SELECTQUOTE. All of your employees having access to the confidential and proprietary information of SELECTQUOTE shall sign a confidentiality agreement in a form acceptable to SELECTQUOTE.

SELECTQUOTE has no obligations under the Franchise Agreement or otherwise to protect any or all rights that you have or may acquire to use a patent, patent application, or copyright which SELECTQUOTE may have or obtain.

There is no infringing use known to SELECTQUOTE or its affiliates, which would materially affect your use of proprietary and/or copyrighted materials.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must personally participate in the direct operation of the Franchised Business. With our approval and operating in the top quartile of locations, your personal supervision may not be required if the day-to-day operation of the Franchised Business is performed by a Manager who has successfully completed our required training program and has, in our sole discretion, the appropriate experience and training. You or your Manager must devote full time and best efforts to the operation of the Franchised Business.

We require that you or others sign other agreements with us, like a Mutual Non-Disclosure Agreement (see Exhibit E to this Disclosure Document), a Confidentiality and Non-Disclosure Agreement (see Exhibit E-1 to the Franchise Agreement), an In-Term Covenant Not To Compete (see Exhibit E-2 to the Franchise Agreement), a Post-Term Covenant Not To Compete (see Exhibit E-3 to the Franchise Agreement), and a Guarantee, Indemnification, and Acknowledgment (See Exhibit B to the Franchise Agreement).

Mutual Non-Disclosure Agreement. We will require that any people involved in your evaluation of the franchise offered under this Disclosure Document execute the Mutual Non-Disclosure Agreement, under which they will agree to maintain the confidentiality of any confidential information they receive in connection with their involvement in your evaluation. Under that Agreement, we also will agree to maintain the confidentiality of your confidential information that we may receive during your evaluation of the franchise offered under this Disclosure Document.

Confidentiality Agreement. We will require that certain people (including your Manager and employees) involved in the Franchised Business execute the Confidentiality Agreement, under which they will agree to maintain the confidentiality of any confidential information they receive in connection with their involvement in the Franchised Business.

In-Term Covenant Not To Compete. We will require that certain people (including your Manager and Producers) involved in the Franchised Business execute the In-Term Covenant Not To Compete, under which they will agree that, during the term of their involvement with the Franchised Business, they will not compete with us or any of our franchisees or solicit any clients, prospective clients, or referral sources as defined in the In-Term Covenant Not To Compete.

Post-Term Covenant Not To Compete. We will require that certain people (including your Manager and Producers) involved in the Franchised Business execute the Post-Term Covenant Not To Compete, under which they will agree that for a period of two years after the term of their involvement with the Franchised Business, they will not compete with us or any of our franchisees within the territory for the Authorized Location or solicit any clients, prospective clients, referral sources, or franchisees as defined in the Post-Term Covenant Not to Compete.

Guarantee, Indemnification, and Acknowledgment. We will require that all Owners of the Franchised Business execute the Guarantee, Indemnification, and Acknowledgment under which they will agree to pay or perform each obligation under the Franchise Agreement. In certain circumstances, we may require your spouse to sign the Guarantee, Indemnification and Acknowledgement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only offer for sale Approved Insurance Products from Approved Carriers. You are required to offer for sale only the Approved Insurance Products that we designate. We have the right to modify the list of Approved Insurance Products or Approved Carriers in the Operating Manual, and after notice of such modification, you may not sell any insurance products from any insurance carrier or broker which is no longer approved.

You may not offer for sale any Prohibited Insurance Products, and you may not use and/or offer for sale any Prohibited Products and Services.

If you wish to purchase, use or sell any products or services which are not Approved Insurance Products or Approved Products and Services, then you must first obtain our approval. There is no limit to our right to modify the list of Approved Insurance Products and Approved Products and Services, to approve or disapprove insurance products, other products, or services, or to modify the list of Prohibited Insurance Products or Prohibited Products and Services. See Item 8 for more information.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP

These tables list certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document

Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 2.1	10 years.
b. Successor or extension	Section 2.2	You may renew for one ten year successor terms, if you meet our conditions and sign the then most current agreement.
c. Requirement for franchisee to renew or extend	Section 2.2	You may renew if you give us notice of your intent to renew, modernize the Franchised Business to reflect the System standards in effect at the time, are not in default, have paid all your monetary obligations, sign our then-current Franchise Agreement, sign a release of claims against us, and meet our qualification and training requirements in effect at the time. When renewing, you may be asked to sign a contract with materially different terms and conditions than your original contract.
d. Termination by franchisee	Section 17.8	You may, prior to you or any of your employees beginning the initial training program, elect to terminate the Franchise Agreement upon written notice to us. If you elect to terminate the Franchise Agreement, then you must enter into a termination agreement with us, which will include a mutual release (excluding your confidentiality obligations under Section 11)

Provision	Section in Franchise Agreement	Summary
		of all claims against us. (Subject to applicable state law.)
e. Termination by franchisor without cause	Not Applicable	No provision.
f. Termination by franchisor with cause	Section 17	We can terminate your Franchise Agreement if you are in default.
g. "Cause" defined – curable defaults	Section 17.3	All other defaults not specified in Sections 17.1 and 17.2 of the Franchise Agreement.
h. "Cause" defined – non-curable defaults	Sections 17.1 and 17.2	Bankruptcy, abandonment, conviction of felony, failure to meet Performance Standards or Growth Expectations, and others; see Sections 17.1 and 17.2 of the Franchise Agreement. Under the U.S. Bankruptcy Code, we may be unable to terminate the Franchise Agreement merely because you make a bankruptcy filing.
i. Franchisee's obligations on termination/non-renewal	Section 18	Stop representing yourself as a franchisee, stop using our Proprietary Marks, pay all money due to us and our affiliates, and others.
j. Assignment of contract by franchisor	Section 16.1	We may transfer the Franchise Agreement to any person or legal entity.
k. "Transfer" by franchisee – defined	Section 16.4.1-16.4.4	Includes transfer of any interest.
l. Franchisor approval of transfer by franchisee	Section 16.4	Transfer approvals.
m. Conditions on approval of transfer	Section 16.5	Release, renovate and modernize the Franchised Business, pay transfer fee, and others, including our consent to transfer deal

Provision	Section in Franchise Agreement	Summary
		terms; see Section 16.6.1 – 16.6.11 of the Franchise Agreement.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 16.6	We can match any offer.
o. Franchisor's option to purchase franchisee's business	Sections 16.7.3, 18.4 and 18.5	If your interest in the Franchised Business has not been transferred within 6 months of your death or incapacity, we have the option to purchase your interest in the Franchised Business. Also, on expiration or non-renewal, we will buy your business. We may elect to exclude the furniture, fixtures, equipment and lease from the assets we purchase.
p. Death or disability of franchisee	Section 16.7	The franchise must be transferred within 6 months of your death or incapacity to a third party we have approved.
q. Non-competition covenants during the term of the franchise	Section 19.2-19.6	Includes prohibition on engaging in a "Competitive Business," which is any business that is engaged in the development, marketing, franchising, or distribution of products and/or services (whether patented or otherwise) which involve or relate to our business or other products and/or technology developed by us during the term your Franchise Agreement.; see Section 19.2 - 19.6.
r. Non-competition covenants after the franchise is terminated or expires	Section 19.2-19.6	Includes a two-year prohibition similar to "q" (above), within Territory of the Authorized Location.
s. Modification of the agreement	Section 25	No modifications generally, but the Operating Manual is subject to change.
t. Integration/merger clause	Section 25	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of this

Provision	Section in Franchise Agreement	Summary
		Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Sections 27.2 and 27.3	Before bringing an action in court, the parties must first submit the dispute to non-binding mediation (except for injunctive relief). Any claims not resolved by mediation are to be arbitrated through JAMS by a single arbitrator. The Franchise Agreement contains provisions that may affect your legal rights, including a waiver of jury trial, waiver of punitive or exemplary damages, and limitations on when claims may be raised. See Section 27 of the Franchise Agreement. Please also see the various state disclosure addenda and agreement amendments attached to this Disclosure Document, which contain additional terms that may be required under applicable state law.
v. Choice of forum	Section 27.2	Arbitration is to take place at the JAMS office nearest to our then-current principal place of business (currently, Overland Park, Kansas). (Subject to applicable state law.)
w. Choice of law	Section 27.1	Except to the extent governed by the Lanham Act, Kansas law applies. (Subject to applicable state law.)

ITEM 18
PUBLIC FIGURES

We are a publicly traded company and we may or may not use public figures to promote SelectQuote Local Businesses overtime.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and the information is included in the disclosure document. Financial performance information that differs from that included in ITEM 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or

(2) a franchisor supplements the information provided in this ITEM 19, for example, by providing information about performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Daniel "Al" Boulware, General Counsel at 6800 W. 115th Street, Suite 2511, Overland Park, KS 66211, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1

Systemwide Outlet Summary
For Fiscal Years 2023, 2024, 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	1	1	1
	2024	1	1	1
	2025	1	1	1
Total Outlets	2023	1	1	1
	2024	1	1	1
	2025	1	1	1

TABLE NO. 2

Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor or an Affiliate)
For Fiscal Years 2023, 2024, 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Totals	**2023**	**0**
	2024	**0**
	2025	**0**

TABLE NO. 3

Status of Franchised Outlets
For Fiscal Years 2023, 2024, 2025

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Totals	**2023**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**	**0**

TABLE NO. 4

Status of Company-Owned Outlets
For Fiscal Years 2023, 2024, 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
California	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Kansas	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Totals	**2023**	**1**	**0**	**0**	**0**	**0**	**3**
	2024	**1**	**0**	**0**	**0**	**0**	**3**
	2025	**1**	**0**	**0**	**0**	**0**	**3**

TABLE NO. 5

Projected Openings as of December 31, 2025

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in Next Fiscal Year (1)	Projected New Company-Owned Outlets in Next Fiscal Year (1)
None	0	0	0
Totals	**0**	**0**	**0**

During the last three (3) fiscal years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Franchised business.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no trademark-specific franchisee associations applicable to you, either created, sponsored or endorsed by SelectQuote, or independent franchisee associations.

ITEM 21
FINANCIAL STATEMENTS

Attached as **Exhibit C** to this Franchise Disclosure Document is our audited opening balance sheet as of December 22, 2025. We have not been in business for three years or more and cannot include all financial statements required for Item 21.

Our fiscal year end is September 30.

ITEM 22
CONTRACTS

The following contracts are attached to this Disclosure Document:

Exhibit A	The Franchise Agreement with its seven attachments: A. Territory Map and Zip Codes B. Guarantee, Indemnification, and Acknowledgment C. Franchisee Ownership Acknowledgement D. ACH Authorization Form E. Confidentiality, Non-Disclosure and Non-Competition Agreements E-1 Confidentiality and Non-Disclosure Agreement E-2 In-Term Non-Competition Agreement E-3 Post-Term Non-Competition Agreement F. Release
Exhibit E	Mutual Non-Disclosure Agreement

ITEM 23
RECEIPTS

The Receipts to be signed by all prospective franchisees are attached in duplicate to this Disclosure Document as the last two pages. You will sign and date one copy and return that copy to us at the time we present the Disclosure Document to you. You will also sign and date the other copy but keep it for your records.

EXHIBIT A to FDD

FRANCHISE AGREEMENT

SelectQuote Local Insurance Services, LLC
FRANCHISE AGREEMENT



SELECTQUOTE Local

DECLARATIONS PAGE

1.	1.2	The "Authorized Location" under this Agreement is to be determined.
2.	1.4	The "Approved State(s)" will be: _____.
3.	4.1	You agree that the Initial Franchise Fee is fully earned, non-refundable, and due in its entirety, pursuant to Section 4.1 of this Agreement, in the amount of fifty-five thousand dollars ($55,000), when you sign this Agreement.
4.		The "Effective Date" will be: _____.
5.		Territory Name is:_____
6.		Zip Codes included in Territory are: SEE EXHIBIT "A" TO FRANCHISE AGREEMENT

Initials

_____ _____

Franchisee Franchisor

SelectQuote Local Insurance Services, LLC
Franchise Agreement

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SelectQuote Local Insurance Services, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of _____ _____ (the "**Effective Date**") by and between:

- SelectQuote Local Insurance Services, LLC, a Delaware limited liability company with its principal place of business at 6800 West 115th Street, Suite 2511, Overland Park, Kansas 66211 ("**SQ Local**," "**Franchisor**," "**we**," "**us**," or "**our**"); and

- _____, a [corporation organized in] [limited liability company organized in] the state of _____ and having an office location that is to be determined ("**you**" or the "**Franchisee**").

Introduction

We have developed our own distinctive and proprietary systems for insurance services, including Medicare advantage, Medicare supplement, final expense, instant term, dental, vision, and hearing (the "**System**"). Our System includes (among other things): business processes, technologies, trade secrets, Confidential Information, carrier contracts, client lists, knowledge, know-how, Proprietary Marks and other intellectual property; distinctive signage; standards, specifications and sources for services, products, supplies, appearance, operations and management control; safety standards; training and assistance; purchasing programs; strategies; and advertising, marketing, promotional and sales programs; all of which we may periodically change, discontinue, improve, modify and further develop.

We identify the System by means of the Proprietary Marks. Our Proprietary Marks include certain trade names (for example, the mark "SelectQuote Local Insurance" and logo), service marks, trademarks, logos, emblems, and indicia of origin, as well as other trade names, service marks, and trademarks that we may periodically specify in writing for use in connection with the System (all of these are referred to as the "**Proprietary Marks**"). We continue to develop, use, and control the use of the Proprietary Marks in order to identify for the public the source of services and products marketed under those marks and under the System, and to represent the System's high standards of quality, appearance, and service.

We are in the business of developing and awarding franchise rights to third party franchisees, such as you, to develop and operate businesses providing insurance services ("**Services**") to clients under the System and using the Proprietary Marks ("**SelectQuote Local Business(es)**").

You have asked to enter into the business of operating a SelectQuote Local Business under the System and wish to obtain a franchise from us for that purpose, as well as to receive the training and other assistance we provide as described in this Agreement. You also understand and acknowledge the importance of our high standards of quality, appearance, and service and the necessity of operating the business franchised under this Agreement in conformity with our standards and specifications.

You will be in the business of operating a SelectQuote Local Business, using the same brand Proprietary Marks as other independent businesses that operate other SelectQuote Local Businesses under the System. We will not operate your SelectQuote Local Business for you, although we have (and will continue) to set standards for SelectQuote Local Businesses that you will have chosen to adopt as yours by signing this Agreement and by your day-to-day management of your SelectQuote Local Business to our brand standards.

In recognition of all of the details noted above, the parties have chosen to enter into this Agreement, taking into account all of the promises and commitments that they are each making to one another in this Agreement, and for other good and valuable consideration (the sufficiency and receipt of which they hereby acknowledge) and they agree as follows:

1. GRANT

1.1 *Rights and Obligations*. We grant you the right, and you accept the obligation, all under the terms (and subject to the conditions) of this Agreement:

1.1.1 To operate one SelectQuote Local Business under the System (the "**Franchised Business**");

1.1.2 To use the Proprietary Marks and the System, but only in connection with the Franchised Business (recognizing that we may periodically change or improve the Proprietary Marks and the System); and

1.1.3 To do all of those things only from the Authorized Location (as defined in Section 1.2) and in the Approved State(s).

1.2 *Authorized Location*. The street address of the location for the Franchised Business approved under this Agreement is specified in the Declarations Page to this Agreement and is referred to as the "**Authorized Location**."

1.2.1 Within twelve months (12) months following the commencement of the initial training program described in Section 6.2, you agree to acquire or lease/sublease, at your own expense, real estate that is properly zoned for the use of the Franchised Business that is located in the Approved State(s). The location you select within the Approved State(s) will become the Authorized Location after we have given you our written authorization for that location and you have obtained the right to occupy the premises, by lease, sublease, or acquisition of the property, may be subject to our prior written approval.

1.2.2 We will provide you with our location guidelines, including our minimum standards for a location for the Franchised Business, and such location selection assistance as we may deem advisable.

1.2.3 You must submit to us, in the form that we specify: **(a)** a completed site approval form; and **(b)** such other information or materials that we may reasonably require. You acknowledge that time is of the essence. We will have fourteen (14) days after receipt of all such information and materials from you to authorize or reject the

proposed location for the Franchised Business. If we do not authorize a proposed location by giving you written notice within the 14-day period, then we will be deemed to have rejected the proposed location.

1.2.4 We have the right to grant or withhold authorization of the Authorized Location under this Section 1.2. You understand, acknowledge, and agree that our review and authorization of your proposed location, under this Section 1.2, does not constitute our assurance, representation, or warranty of any kind, that the Franchised Business at the Authorized Location will be profitable or successful. Our authorization of the location indicates only that we believe the location complies with our minimum acceptable criteria solely for our own purposes as of the time of the evaluation. The parties each acknowledge that application of criteria that may have been effective with respect to other locations may not be predictive of potential for all locations and that, subsequent to our authorization a of a location, demographic and/or economic factors, such as competition from other similar businesses, included or excluded from criteria that we used could change, thereby altering the potential of a location. Such factors are unpredictable and beyond our control. We will not be responsible for the failure of a location (even if we have approved that location) to meet your expectations as to revenue or operational criteria.

1.2.5 If you fail or refuse to acquire or lease a location (that we have authorized in writing) for the Franchised Business within twelve (12) months from the commencement of the initial training program described in Section 6.2, your failure or refusal will constitute, at a minimum, a default under Section 17.2 of the Agreement.

1.2.6 You must execute a binding agreement to purchase or lease the Authorized Location. You must submit a copy of the lease or purchase agreement to us. We are not responsible for reviewing the purchase agreement or the lease.

1.2.7 You agree not to operate (or allow your Agency Principals, your Managers, or any of your employees to operate) the Franchised Business at any location other than the Authorized Location without our prior written consent, which we have the right to grant or deny for any reason or no reason.

1.2.8 You agree not to relocate the Franchised Business from the Authorized Location without our prior written consent, which we have the right to grant or deny for any reason or no reason. You must pay us a fee in the amount of Five Hundred Dollars ($500) at the time you request the relocation of the Franchised Business. You must submit to us, in the form that we specify: **(a)** a completed site authorization form; and **(b)** such other information or materials that we may reasonably require. You acknowledge that time is of the essence. We will have thirty (14) days after receipt of all such information and materials from you to authorize or reject the proposed location for the Franchised Business. If we do not authorize a proposed location by giving you written notice within the 14-day period, then we will be deemed to have rejected the proposed location.

1.2.9 Any proposed relocation of the Franchised Business will be subject to our review of the proposed new location under our then-current standards for location selection. If we grant our consent to a relocation of the Franchised Business, you must enter into an amendment, which, among other things, will amend the terms of this Agreement, as necessary, to conform to the contractual provisions contained in the form of franchise agreement we are then offering to new franchisees in the System at the time you request relocation of the Franchised Business.

1.3 *Territory*. You expressly acknowledge and agree that the territory ("**Territory**") granted to the Franchised Business under this Agreement is non-exclusive. SelectQuote Local corporately may sell products in your territory that you are not licensed to sell, products you sell and we also sell through our call centers. In addition, all SelectQuote Local franchisees can sell up to 25 policies per year in another territory assuming they were referrals and all other required approvals, licensing requirements are met. Documentation of the referral, must be notated in our Agency Management System. Prospecting outside or your Territory is prohibited. Prospecting and selling outside of your Territory will result in default and possibly termination. To maintain your territory rights you must meet all the minimum performance criteria as outlined in the FDD. Accordingly, we retain the right to conduct any business and sell services and products at any location, notwithstanding the proximity of that business activity to the Authorized Location. We retain all rights, including but not limited to: (a) the right to use, and to license others to use, the System and the Proprietary Marks for the operation of SelectQuote Local Businesses at any location; (b) the right to sell, and to license others to sell, products and services (including Services) that are also authorized for sale at SelectQuote Local Businesses through other channels of distribution (including, but not limited to, toll free numbers, sales via Internet websites, and other forms of electronic commerce); (c) the right to acquire and operate businesses of any kind and to grant or franchise the right to others to operate other businesses of any kind, no matter where located; and (d) the right to use and license the use of the Proprietary Marks and other marks in connection with the operation of businesses at any location, which businesses and marks may be the same as, similar to, or different from the Franchised Business and the Proprietary Marks, on such terms and conditions as we deem advisable, and without granting you any rights therein.

1.4 *Limits on Where You May Operate*.

1.4.1 You may offer and sell Services only: (a) in accordance with the requirements of this Agreement and the procedures set out in the Operating Manual; (b) to clients of the Franchised Business; (c) within the Territory that we have approved in writing on the Declarations Page to this Agreement (the "**Approved Territory**"); and (d) carriers for which you have been approved.

1.4.2 You agree not to offer or sell any services or products (including the Services and Products) through any means other than through the Franchised Business as provided in this Section 1.4. You may only provide and deliver Services to clients located within your Territory or otherwise notated.

2. TERM AND RENEWAL

2.1 *Initial Term*. The term of this Agreement starts on the Effective Date and, unless this Agreement is earlier terminated in accordance with its provisions, will expire ten (10) years from the Effective Date. We reserve the right to charge a successor fee of 50% of the then-current initial franchise fee.

2.2 *Successor Franchise Agreement and Successor Term*. Upon the expiration of this Agreement, you have the right to enter into a successor franchise agreement ("**Successor Franchise Agreement**") so long as you have satisfied all of the conditions specified in Section 2.2.1 through 2.2.9 below:

2.2.1 You agree to give us written notice of your choice to request a Successor Franchise Agreement at least six (6) months before the end of the term of this Agreement (but not more than nine (9) months before the term expires).

2.2.2 You agree to comply with our then-current standards in effect for new SelectQuote Local Business locations (as well as the provisions of Section 8.8 and 8.9).

2.2.3 At the time you enter into the Successor Franchise Agreement, you must be in material compliance with the provisions of this Agreement (including any amendment to this Agreement), any successor to this Agreement, and/or any other contract between you (and your affiliates) and us (and our affiliates), and in our Reasonable Business Judgment, you must have been in material compliance during the term of this Agreement, even if we did not issue a notice of default or exercise our right to terminate this Agreement if you did not meet your obligations. You are not eligible for renewal if you are in the Default or Termination process.

2.2.4 You must have timely met all of your financial obligations to us, our affiliates, the National Marketing Fund, as well as your vendors, throughout the term of this Agreement (even if we did not issue a notice of default or exercise our right to terminate this Agreement if you did not meet your obligations).

2.2.5 You must sign our then-current form of the franchise agreement, which will supersede this Agreement in all respects and which you acknowledge and agree may contain terms, conditions, obligations, rights, and other provisions that are substantially and materially different from those contained in this Agreement (including, for example, a higher percentage Royalty Fee and Marketing Contribution and a longer or shorter term). If you are an entity, then your direct and indirect owners must also sign and deliver to us a personal guarantee of your obligations under the renewal form of the franchise agreement. In this Agreement, the term "**entity**" includes but is not limited to a corporation, limited liability company, partnership, and a limited liability partnership.

2.2.6 You agree to sign and deliver to us a release, in a form that we will provide, which will release all claims against us and our affiliates, and our respective officers, directors, members, managers, agents, and employees. If you are an entity, then

your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us.

2.2.7 You and your personnel must meet our then-current qualification and training requirements.

2.2.8 You agree to present to us satisfactory evidence that you have the right to remain in possession of the Authorized Location or that you have obtained the right to occupy new premises for the Authorized Location.

2.2.9 You must be current with respect to your financial and other obligations to your lessor, suppliers, and all other parties with whom you do business.

2.3 *Interim Period*. If you do not sign a Successor Franchise Agreement before the expiration of this Agreement and you continue to accept the benefits of this Agreement after the expiration of this Agreement, then at our sole and absolute right, this Agreement may be treated either as (i) expired as of the date of expiration with Franchisee then operating without a license to do so and in violation of our rights; or (ii) continued on a month-to-month basis ("**Interim Period**") until you sign a Successor Franchise Agreement or one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period (unless applicable state law requires a longer notice period). In the latter case, all of your obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on you upon expiration of this Agreement shall be deemed to take effect upon termination of the Interim Period.

3. OUR DUTIES

3.1 *Training*. We will provide you with the training specified in Section 6.

3.2 *Layout and Equipping of a SelectQuote Local Business*. We have the right to provide our standards and specifications for the furnishings, equipment, and signs of a SelectQuote Local Business. We have the right to periodically modify these specifications as we deem appropriate. We will also provide the location selection and lease review assistance called for under Section 5.3 and 5.4.

3.3 *Opening and Additional Assistance*. We will provide such on-site pre-opening and opening supervision and assistance that we think is advisable, and as may be described in the Operating Manual.

3.4 *Operating Manual* During the term of this Agreement, we will provide you with access to our confidential Operating Manual(s) and other written instructions relating to the operation of a SelectQuote Local Business (the "**Operating Manual**"), in the manner and as described in Section 10.

3.5 *Marketing Materials*. We have the right to approve or disapprove all marketing and promotional materials that you propose to use, pursuant to Section 13.

3.6 *National Marketing Fund*. We have the right to administer the National Marketing Fund in the manner set forth in Section 13.

3.7 *Inspection Before Opening*. We may evaluate the Franchised Business Location before it first opens for business. You agree to not open the Franchised Business Location without our prior written approval.

3.8 *Periodic Assistance*. We will provide you periodic assistance in the marketing, management, and operation of the Franchised Business at the times and in the manner that we determine. We may periodically offer you the services of certain representatives, these representatives may periodically visit the Franchised Business and offer advice regarding your operations.

3.9 *Revenue Report*. Before the last day of each month, we will provide you with a detailed report of Commissions received on your behalf for insurance policies and/or services sold in the preceding calendar months. In order to provide you with this report, we must receive commission detail reports from Approved Carriers and Approved Suppliers by the 20th day of the month, for insurance policies or services you sold during the preceding month. The report we provide you will only include Commissions and Clawbacks related to insurance policies or services properly recorded in our Agency Management System as prescribed in the Operating Manual.

3.10 *Service Center*. SelectQuote maintains a service center, staffed by licensed insurance agents, as well as a remote workforce for the purpose of selling various insurance related products and for providing centralized client service for all businesses operating under the System and the Proprietary Marks. The service center's hours are typically between 8 a.m. and 5 p.m. Central Time, Monday through Friday (excluding holidays), although we (or our affiliate) retain the right to change the operating hours of the service center at any time. You must comply with any rules and regulations adopted by us (in the Operating Manual or otherwise) regarding the service center.

3.11 *Services Performed*. You acknowledge and agree that any of our designees, employees, agents, or independent contractors may perform any duty or obligation imposed on us by the Agreement, as we may direct (if so, we will, nonetheless, remain responsible to you for the performance of these obligations).

3.12 *Our Decision-Making*. Franchisor agrees to use "Reasonable Business Judgement" in fulfilling our obligations under this Agreement, and in conducting any activities or exercising our rights pursuant to this Agreement, we (and our affiliates) will always have the right to: **(a)** take into account, as we see fit, the effect on, and the interests of, other franchised and company-owned or affiliated businesses and systems; **(b)** share market and product research, and other proprietary and non-proprietary business information, with other franchised businesses and systems in which we (or our affiliates) have an interest, and/or with our affiliates; **(c)** test or market various items in some or all parts of the System; **(d)** introduce new proprietary items and non-proprietary items; and/or **(e)** allocate resources and new developments between and among systems, and/or our affiliates, as we see fit. You understand and agree that all of our obligations under this Agreement are

subject to this Section, and that nothing in this Section will in any way affect your obligations under this Agreement.

4. FEES; SALES REPORTING

4.1 *Initial Franchise Fee*. You agree to pay us an initial franchise fee in the amount set out in the Declarations Page attached hereto (the "**Initial Franchise Fee**"). The Initial Franchise Fee must be paid to us in full prior to you, your Agency Principal, your Manager, or any of your employees enrolling in our initial training program. Once you sign this Agreement the Initial Franchise Fee becomes fully earned and non-refundable in consideration of administrative and other expenses that we incur in providing you with training, carrier appointments, and pre-opening assistance as part of the initial launch of the Franchised Business.

4.2 *Royalty Fee*. We will receive all Commissions from Approved Carriers. In the event that funds of any kind are received directly by you, these funds must be forwarded to us within 3 business days of receipt. Beginning on the first day of the first month that you, your Agency Principal, your Manager, or any of your employees begin(s) the initial training program prior to opening the Franchised Business (the "**Commencement Date**"), we will remit to you Net Revenues on a monthly basis. The following terms have the following meanings:

"**Commission**" means the fees paid to us, by Approved Carriers as a percentage of the Premiums received from the sale or renewal of Approved Insurance Products generated by the Franchised Business.

"**Net Revenues**" means the amount of Commissions, net of clawbacks of Commissions for insurance policy cancellations or changes for the sale of Approved Insurance Products by the Franchised Business

"**Minimum Royalty**" means a minimum monthly Royalty Fee payment, beginning six months after the Commencement Date, that differs if you are new to us or if you are purchasing a franchise after being a corporate agent with us or our affiliates.

If you are new to us, the Minimum Royalty, beginning six months after the Commencement Date, is as follows:

Number of Months following the Commencement Date	**Amount of Monthly Minimum Royalty**
Six (6) to Eighteen (18)	Five Hundred Dollars ($500)
Nineteen (19) to Thirty-Six (36)	One Thousand Dollars ($1,000)
Thirty-Seven (37) to Forty-Eight (48)	One Thousand Five Hundred Dollars ($1,500)
Forty-Nine (49) and for the remainder of the term of this Agreement	Two Thousand Dollars ($2,000)

Typically, once a month, the Approved Carriers will send a commission report and Commissions earned by you, to us. On or before the last day of each month, unless the Franchise Agreement has been terminated for any reason, we will pay to you the Net Revenues for all Approved Insurance Products identified in a commission detail report that we receive from the Approved Carriers. If the Franchise Agreement has been terminated, then you are no longer entitled to the Net Revenues regardless of when the Commissions were earned. Please note that we expect each Approved Carrier to submit commission detail reports on a monthly basis for all policies written during the preceding month by no later than the 20th day of the subsequent month. But, if an Approved Carrier does not provide us with a commission detail report (and the applicable Commission) by the 20th day of the month, or if an Approved Insurance Product is not identified in the commission detail report we receive, you will not receive the Net Revenues for those Approved Insurance Products until the Approved Carrier provides us with the appropriate report and/or Commissions. We may delay or withhold payment of Net Revenues — on a policy by policy basis — for any Approved Insurance Product for which you fail to observe the risk management procedures we prescribe in the Operating Manual, including that you obtain a signed application from the client and provide all required documentation. If we review your accounting and client records and find that you have not forwarded to us funds of any kind that you collect, you will be responsible for reimbursing us for those amounts, in addition to paying a fee to us to cover our reasonable expenses in processing those payments and interest on those amounts, at the rate of 2% per month (but not more than the maximum rate permitted by law, if any such maximum rate applies). We have the right to set-off as part of Net Revenues any amounts you owe to us.

4.2.1 The "**Royalty Fee**" is an amount charged in consideration of your use of the System. The Royalty Fee will be the following amounts: (a) the greater of (i) twenty percent (20%) of Net Revenues on Approved Life and Health Insurance Products in their initial term, or (ii) the Minimum Royalty; and (b) thirty percent (30%) of Net Revenues on Approved Health Insurance Products in their renewal terms and Approved Insurance Products written for existing clients on the same risk profile within a one-year period of the cancellation of their existing policy (also known as "**re-writes**"). Approved Insurance Products sold by you in their initial term that are not re-writes are referred to as "**New Business**".

4.2.2 The "**Technology Fees**" may vary during the term of this Agreement, and we have the right to adjust the amount of the Technology Fees to account for our costs, separate from the Index (see section 4.7) (See Item 6 for list and Operating Manual)

4.3 *Monthly Accounting*. Typically, once a month, the Approved Carriers will send a commission report and Commissions earned by you, to us. On or before the last day of each month, unless this Agreement has been terminated for any reason, we will pay to you the Net Revenues for all Approved Insurance Products identified in a commission detail report that we receive from the Approved Carriers. If the Agreement has been terminated, then you are no longer entitled to the Net Revenues regardless of when the Commissions were earned. Please note that we expect each Approved Carrier to submit commission detail reports on a monthly basis for all policies written during the preceding month by no later than the 20th day of the subsequent month. But, if an Approved Carrier does not provide us with a commission detail report (and the applicable Commission) by the 20th day of the month, or if an Approved Insurance Product is not identified in the commission

detail report we receive, you will not receive the Net Revenues for those Approved Insurance Products until the Approved Carrier provides us with the appropriate report and/or Commissions. We may delay or withhold payment of Net Revenues for any Approved Insurance Product for which you fail to observe the risk management procedures we prescribe in the Operating Manual, including that you obtain a signed application from the client and provide all required documentation. If we review your accounting and client records (as described in Section 12) and find that you have not forwarded to us any funds, you will be responsible for reimbursing us for those amounts, in addition to paying a fee to us to cover our reasonable expenses in processing those payments and interest on those amounts, at the rate of two percent (2%) per month (but not more than the maximum rate permitted by law, if any such maximum rate applies). Entitlement to such interest will be in addition to any other remedies we may have.

4.3.1 You agree to deliver to us all of the reports, statements, and/or other information that is required under Section 12, at the time and in the format that we reasonably request.

4.3.2 You agree to establish an arrangement for electronic funds transfer to us, or electronic deposit to us of any payments required under this Agreement. You agree to sign and return to us our current form of "ACH - Authorization Agreement for Prearranged Payments (Direct Debits)," a copy of which is attached to this Agreement as Exhibit D (and any replacements for that form that we deem to be periodically needed to implement this, and you agree to; **(a)** comply with the payment and reporting procedures that we may specify in the Operating Manual or otherwise in writing; and **(b)** maintain an adequate balance in your bank account at all times to pay by electronic means the charges that you owe under this Agreement. If we elect to use ACH withdrawal to sweep payment of fees or charges that you owe under this Agreement, then you will not be required to submit a separate payment to us unless you do not maintain sufficient funds to pay the full amount due.

4.3.3 You acknowledge and agree that your obligations to make full and timely payment of Royalty Fees, Marketing Contributions, and Technology Fees, and all other sums due to us are absolute, unconditional, and fully-earned by us.

4.3.4 You agree that you will not, for any reason, delay or withhold the payment of any amount due to us under this Agreement; put into escrow any payment due to us; set-off payments due to us against any claims or alleged claims that you may allege against us, the National Marketing Fund, affiliates, suppliers, or others. We reserve the right to apply any monies received from you, or from Approved Carriers on your behalf, to any of your obligations as we determine and to withhold payment of any monies if this Agreement has been terminated for any reason. You acknowledge and agree that we have the right to set-off as part of Net Revenues any amounts you owe to us.

4.3.5 You agree that if you do not provide us, as requested, with access to your computer system to obtain sales information or, if we require pursuant to Section 12.1.4 or

otherwise, printed and signed sales reports, then we will have the right to impute your sales for any period using (among other things) your sales figures from any month(s) that we choose (which may be those with your highest grossing sales), and that you agree to pay the Royalty Fee on that amount.

4.3.6 You agree that you will not, whether on grounds of alleged non-performance by us or others, withhold payment of any fee, including, without limitation, Royalty Fees, Marketing Contributions, and Technology Fees, nor withhold or delay submission of any reports due under this Agreement.

4.4 *No Subordination*. You agree: **(a)** not to subordinate to any other obligation your obligation to pay us the Royalty Fee and/or any other amount payable to us, whether under this Agreement or otherwise; and **(b)** that any such subordination commitment that you may give without our prior written consent will be null and void.

4.5 *Late Payment*. If we do not receive any payment due under this Agreement on or before the due date, which we may establish at our sole discretion, then that amount will be deemed overdue and shall be a default under this Agreement. If any payment is overdue, then you agree to pay us, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of two percent (2%) per month (but not more than the maximum rate permitted by law, if any such maximum rate applies). Our entitlement to such interest will be in addition to any other remedies we may have. Any report that we do not receive on or before the due date will also be deemed overdue and shall be a default under this Agreement.

4.6 *Other Funds Due*. You agree to pay us, within ten (10) days of our written request (which is accompanied by reasonable substantiating material), any amounts that we have paid, that we have become obligated to pay, and/or that we choose to pay on your behalf.

4.7 *Index*. We have the right to adjust, for inflation, all fixed-dollar amounts under this Agreement (except for the Initial Franchise Fee) once a year to reflect changes in the Index from the year in which you signed this Agreement. For the purpose of this section, the term "**Index**" means the Consumer Price Index (1982-84=100; all items; CPI-U; all urban consumers) as published by the U.S. Bureau of Labor Statistics ("**BLS**"). If the BLS no longer publishes the Index, then we will have the right to designate a reasonable alternative measure of inflation.

5. FRANCHISED BUSINESS LOCATION, CONSTRUCTION AND RENOVATION

5.1 *Opening Deadline.* You are responsible for purchasing, leasing, or subleasing a suitable location for the Franchised Business. You agree to establish the Franchised Business and have it open and in operation within twelve (12) months after the Effective Date (the "**Opening Deadline**"). **Time is of the essence.**

5.2 *Our Review and Your Responsibilities*. Any reviews that we conduct under this section and section 1.2 (if applicable) are for our benefit only. In addition:

5.2.1 You acknowledge and agree that our review and authorization of a location, lease, sublease, design plans or renovation plans for the Franchised Business does not constitute a recommendation, endorsement, or guarantee of the suitability of that location or the terms of the lease, or sublease, or purchase agreement.

5.2.2 You agree to take all steps necessary to determine for yourself whether a particular location and the terms of any lease, sublease, or purchase agreement for the location are beneficial and acceptable to you. Additionally, no matter to what extent (if any) that we participate in any lease or purchase negotiations, discussions with the landlords or property owners, and/or otherwise in connection with reviewing the lease or purchase agreement, you have to make the final decision as to whether or not the proposed contract is sensible for your business, and the final decision as to whether or not to sign the lease or purchase agreement is yours, and we will not be responsible for the terms and conditions of your lease or purchase agreement.

5.2.3 You acknowledge and agree that: **(a)** any standard layout and plans that we provide to you, as well as any review and comments that we provide to the plans that you develop for the Franchised Business, are not meant to address the requirements of any Operating Codes (as defined in Section 8.7); **(b)** our standard plans or comments to your modified plans, will not reflect the requirements of, nor may they be used for, construction drawings or other documentation that you will need in order to obtain permits or authorization to build a specific Franchised Business; **(c)** you will be solely responsible to comply with all local laws, requirements, architectural needs, and similar design and construction obligations associated with the location, at your expense; and **(d)** our review, comment, and approval of your plans will be limited to reviewing those plans to assess compliance with our standards (including issues such as trade dress, presentation of Proprietary Marks, and the provision to the potential client of certain products and services that are central to the purpose, atmosphere, and functioning of SelectQuote Local Businesses).

5.2.4 We will not review nor may our authorization be deemed to address whether or not you have complied with any of the Operating Codes, including provisions of the Americans with Disabilities Act (the "**ADA**"); and you acknowledge and agree that compliance with such laws is and will be your sole responsibility.

5.3 *Lease Review.* You agree to provide us with a copy of the proposed lease, sublease, or purchase agreement for such Authorized Location, and you agree not to enter into that lease, sublease, or purchase agreement until you have received our written authorization. We have the right to condition our approval of the lease, sublease, or purchase agreement upon the inclusion of terms that we find acceptable and that are consistent with our rights and your responsibilities under this Agreement. You also agree to provide us with a copy of the fully signed lease before you begin construction or renovations at the Authorized Location.

5.4 *Preparing the Location.* You agree that promptly after obtaining possession of the Authorized Location, you will do all of the following:

5.4.1 obtain all required zoning permits, all required building, utility, health, sign permits and licenses, and any other required permits and licenses;

5.4.2 purchase or lease equipment, fixtures, furniture and signs as required under this Agreement (including the specifications we have provided in writing, whether in the Operating Manual or otherwise);

5.4.3 complete the construction and/or remodeling as described in Section 5.5; and

5.4.4 obtain all customary contractors' partial and final waivers of lien for construction, remodeling, decorating and installation services.

5.5 *Construction or Renovation*. In connection with any construction or renovation of the Franchised Business (and before you start any such construction or renovation) you agree to comply, at your expense, with all of the following requirements to our reasonable satisfaction:

5.5.1 You agree to employ a qualified, licensed architect or engineer to prepare architectural drawings and layout and specifications for site improvement and construction of the Franchised Business based upon our standards and specifications.

5.5.2 You agree to comply with all Operating Codes, including, without limitation, the applicable provisions of the ADA regarding the construction and design of the Franchised Business.

5.5.3 You are solely responsible for obtaining (and maintaining) all permits and certifications (including without limitation, zoning permits, licenses, construction, building, utility, health, sign permits and licenses) which may be required by state or local laws, ordinances, or regulations (or that may be necessary or advisable due to any restrictive covenants relating to your location) for the lawful construction and operation of the Franchised Business. Upon request, you must certify in writing to us that all such permits and certifications have been obtained.

5.5.4 You agree to employ a qualified licensed general contractor to construct the Franchised Business and to complete all improvements.

5.5.5 You agree to obtain (and maintain) during the entire period of construction the insurance required under Section 15; and you agree to deliver to us proof of such insurance as we may reasonably require.

5.6 *Pre-Opening*. Before opening the Franchised Business, you agree to meet all of the pre-opening requirements specified in this Agreement, the Operating Manual, and/or that we may otherwise specify in writing.

6. AGENCY PRINCIPAL, PERSONNEL, AND TRAINING

6.1 *Agency Principal and Management*.

6.1.1 You must have an individual Owner serve as your "**Agency Principal**," who may be you. The Agency Principal must supervise the operation of the Franchised Business and must own at least twenty percent (20%) of the voting and ownership interests in the franchisee entity, unless you obtain our prior written approval for the Agency Principal to hold a smaller interest. The Agency Principal must have qualifications reasonably acceptable to and approved by us to serve in this capacity, must have authority over all business decisions related to the Franchised Business, must have the power to bind you in all dealings with us, and must have signed and delivered to us the Guarantee, Indemnification, and Acknowledgement attached to this Agreement as Exhibit B. You may not change the Agency Principal without our prior written approval.

6.1.2 If the Agency Principal will not supervise the Franchised Business on a full-time and daily basis, you must employ a full-time Franchised Business manager (a "**Manager**") with qualifications reasonably acceptable to and approved by us, who will assume responsibility for the daily operation of the Franchised Business. The Franchised Business Manager must own at least 10% of the voting and ownership interests in the franchise entity.

6.1.3 The Franchised Business must at all times be under the active full-time management of either you or the Agency Principal or Manager who has successfully completed (to our satisfaction) our training program.

6.2 *Initial Management and Employee Training*.

6.2.1 Before opening the Franchised Business, you, your Agency Principal, or your Manager must attend and successfully complete, to our satisfaction, the initial training program (which may include an online component) we offer for SelectQuote Local at our headquarters or another location that we specify. The Franchised Business must at all times be under the active full-time management of either you or the Agency Principal or Manager who has successfully completed (to our satisfaction) our training program.

6.2.2 In addition, as part of your initial training program, within 6 weeks of signing you, your Agency Principal and your Manager must attend and satisfactorily complete our then current Training program. Any failure by you, your Agency Principal or your Manager to successfully complete our Training program is considered failure to complete your initial training obligations. All parties must successfully complete our Training program before being permitted to offer and sell insurance for the Franchised Business or access our database or systems.

6.2.3 Finally, all of your Producers must also attend and complete, to our satisfaction, their training program before any Producer is permitted to sell insurance for the Franchised Business or access our database or systems.

6.2.4 We may require that your Agency Principal, Managers, and employees periodically attend additional courses, seminars, and other training programs. If you, your Agency Principal, or your Manager cease active management or employment at the Franchised Business, then you agree to send a qualified replacement (who must be reasonably acceptable to us to serve in that capacity) to our training program within thirty (30) days after the former individual ended their full time employment and/or management responsibilities. The replacement must attend and successfully complete the initial training program to our reasonable satisfaction as soon as it is practical to do so (in all cases, the replacement shall successfully complete training within 120 days). You must pay our then-current per diem training charges for replacement training.

6.2.5 Your Agency Principal, Managers, and any other employees must sign and deliver to us a signed confidentiality agreement, an in-term non-competition agreement, and a post-term non-competition agreement in substantially the same forms in Exhibit E to this Agreement.

6.2.6 *Training Costs and Expenses*.

6.2.6.1 You will be responsible for all travel, fees, lodging and living expenses, including meals, for you, your Agency Principals, your Managers or employees, which are incurred in connection with initial and additional training. In addition, except for the initial training for you and one additional employee (which may be an Agency Principal, Manager, or other employee), we may charge you our then-current per diem training charges, and/or require a deposit, for any other training that we provide.

6.2.6.2 You also agree to cover all of your employees at all times (including the pre-opening period, and including those attending training) under the insurance policies required in Section 15.

6.2.6.3 We have the right to reduce the duration or content of the training program for any trainee who has prior experience with the System or in similar businesses.

6.3 *Conventions and Meetings*. You agree to attend the conventions and meetings that we may periodically require and to pay a reasonable fee for each person who is required to attend (and, if applicable, additional attendees that you choose to send as well). You will also be responsible for all of the other costs of attendance, including but not limited to travel, room and board, and your employees' wages, benefits and other expenses.

7. PURCHASE AND SALE OF PRODUCTS AND SERVICES

7.1 *Insurance Products and Services.* You agree that you may offer for sale only such insurance products and services that conform to our specification and quality standards that we have approved (and which we have not subsequently disapproved) ("**Approved Insurance Products**") and only through insurance carriers and brokers that we make

available to you through our appointment process ("**Approved Carriers**"). The parties further agree:

7.1.1 In determining whether we will approve any particular insurance carrier or broker or any particular product or service with an Approved Carrier, we will consider various factors, including: (a) whether the insurance carrier or broker can demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current standards and specifications for insurance products or services; (b) whether the insurance carrier or broker has adequate quality controls and capacity to properly serve our clients; (c) whether approval of the insurance carrier or broker or a particular product or service would enable the System, in our sole discretion, to take advantage of marketplace efficiencies; and (d) whether the insurance carrier or broker will sign an agreement in the form that we require.

7.1.2 For the purpose of this Agreement, the term "**insurance carriers and brokers**" includes, but is not limited to, insurance carriers, distributors, brokers, resellers, and other vendors in the insurance industry.

7.1.3 With regard to the Approved Insurance Products offered by you, the Approved Carriers will set the Premiums.

7.1.4 If you want to sell any insurance products or services from an unapproved insurance carrier or broker or any unapproved insurance products or services from an Approved Carrier, then you must first submit a written request to us asking for our written approval. You agree not to sell any unapproved insurance products or services from any unapproved carriers or brokers or from any Approved Carriers unless and until we have given you our prior written consent to do so. We have the right to require that our representatives be permitted to investigate the new insurance product, interview the new insurance carrier or broker, inspect its financials (as needed), investigate and interview references, and otherwise analyze the need for the desired insurance product, service, carrier, or broker. Either you or the proposed new insurance carrier or broker may be required to pay us a fee (which will not exceed the reasonable and actual cost of the interviews, investigations, and analyses). Depending upon the type of insurance product or service for which approval is sought, or for which a new approved insurance carrier or broker is proposed, we anticipate providing our response to the request within four (4) to twelve (12) weeks after receipt of the request and the accompanying information. We may also require that the proposed new insurance carrier or broker comply with certain other requirements that we deem appropriate.

7.1.5 We reserve the right to periodically re-inspect or re-analyze any Approved Insurance Product or any Approved Carrier and to revoke our approval if the insurance product or service or the insurance carrier or broker does not continue to meet our then-current criteria or standards. We do not generally make our criteria for approval of insurance products, services, carriers, or brokers available to you, but we may elect to do so if you ask. We may impose limits on the number of Approved Insurance Products and Approved Carriers available to you. We may revoke our

approval of an Approved Insurance Product or Approved Carrier at our sole discretion at any time and for any reason by providing you written notice or through a change to the Operating Manual.

7.1.6 We are not required to approve any particular insurance product or service or to appoint any particular insurance carrier or broker. Any approval of insurance products or services or any insurance carrier or broker (which may include us or our affiliates) is at our sole discretion. Further, we may, at our sole discretion, revoke your appointment with an Approved Carrier if you are in default under the terms of this Agreement or any other contract between you (and/or your affiliates) and us (and/or our affiliates).

7.1.7 You acknowledge and agree that we have the right to collect and retain all marketing allowances, rebates, contingencies, credits, monies, payments or benefits (collectively, "**Insurance Allowances**") offered by Approved Carriers to us (or our affiliates) based upon your sale of Approved Insurance Products. These Insurance Allowances include those based on growth and volume metrics and/or loss ratios. You assign to us or our designee all of your right, title and interest in and to any and all such Insurance Allowances and authorize us (or our designee) to collect and retain any or all such Insurance Allowances without restriction.

7.1.8 We are not required to offer or approve your appointment with insurance carriers, and any such appointments will be at our sole discretion. Before being considered for an appointment with an insurance carrier, you must complete additional training and meet certain criteria as set out in the Operating Manual (which may be modified at any time). In addition, if we approve your appointment with an insurance carrier, then you may be required to purchase additional professional liability insurance with certain minimum limits as set out in the Operating Manual

7.2 *Prohibited Insurance Products.* You acknowledge and agree that the Franchised Business will not offer for sale such insurance products or services which we have prohibited you from using and/or selling ("**Prohibited Insurance Products**"). Prohibited Insurance Products include but are not limited to selling any insurance services or products other than Approved Insurance Products through Approved Carriers. Prohibited Insurance Products also include the purchase of a group of insurance policies from a third party or insurance carriers and brokers. We may periodically provide you with a list of Prohibited Insurance Products. You also acknowledge and agree that if the Franchised Business uses or sells any Prohibited Insurance Products, then we will have the right, subject to state law, to immediately terminate this Agreement upon notice pursuant to Section 17.2.17.

7.3 *Non-Insurance Products and Services*. We may require that you purchase, use or offer for sale any non-insurance products or services used in the operation of the Franchised Business ("**Approved Products and Services**") only from suppliers, manufacturers, and brokers approved by us and/or our affiliates ("**Approved Suppliers**"). The parties further agree:

7.3.1 In determining whether we will approve any particular supplier, we will consider various factors, including whether: (a) the supplier can demonstrate, to our

continuing reasonable satisfaction, the ability to meet our then-current standards and specifications for such items; (b) the supplier has adequate quality controls and capacity to supply your needs promptly and reliably; (c) approval of the supplier would enable the System, in our sole opinion, to take advantage of marketplace efficiencies; and (d) the supplier will sign an agreement in the form that we require (which may include a royalty fee for the right to use the Proprietary Marks and any other proprietary rights, recipes, and/or formulae).

7.3.2 For the purpose of this Agreement, the term "**supplier**" includes, but is not limited to, service providers, lead aggregators, client management systems, online marketing software, social media companies, manufacturers, non-insurance brokers and other vendors.

7.3.3 We have the right to appoint only one supplier for a particular Approved Product and Service (which may be us or one of our affiliates).

7.3.4 If applicable, you must maintain at all times an inventory of Approved Products and Services related to the Franchised Business sufficient in quantity, quality and variety to realize the Franchised Business's full potential.

7.3.5 We have the right to establish one or more strategic alliances or preferred vendor programs with one or more nationally or regionally-known suppliers that are willing to supply all or some SelectQuote Local Businesses with some or all of the products and/or services that we require for use and/or sale in the development and/or operation of SelectQuote Local Businesses, notwithstanding anything to the contrary contained in this Agreement. In this event, we may limit the number of Approved Suppliers with whom you may deal, designate sources that you must use for some or all Approved Products and Services, and/or refuse any of your requests if we believe that this action is in the best interests of the System or the network of SelectQuote Local Businesses. We have the right to approve or disapprove the suppliers who may be permitted to sell products to you. Any of our affiliates that sell products to you will do so at our direction. If you are in default of this Agreement, we reserve the right to direct our affiliates not to sell products to you, or to withhold certain discounts which might otherwise be available to you.

7.3.6 We have the right to collect and retain all, marketing allowances, rebates, contingencies, credits, monies, payments or benefits (collectively, "**Product Allowances**") offered by suppliers to you or to us (or to our affiliates) based upon your purchases of Approved Products and Services or other goods and services. These Product Allowances include those based on purchases of Approved Products and Services, other products and services, paper goods, ink, and other items (such as packaging). You assign to us or to our designee all of your right, title and interest in and to any and all such Product Allowances and authorize us (or our designee) to collect and retain any or all such Product Allowances without restriction.

7.4 *Prohibited Products*. You acknowledge and agree that the Franchised Business will not use and/or offer for sale such products or services which we have prohibited you from using and/or selling ("**Prohibited Products and Services**"). Prohibited Products and

Services include (1) any product or service that we have explicitly prohibited in the Operating Manual; and (2) any product or service that stores or uses Confidential Information that has not been approved by us pursuant to Section 7.4.1. We may periodically update the list of Prohibited Products and Services. You also acknowledge and agree that if the Franchised Business uses or sells any Prohibited Products and Services, we will have the right, subject to state law, to immediately terminate this Agreement upon notice pursuant to Section 17.2.17.

7.4.1 If you want to buy any products, services or any item from an unapproved supplier that stores or uses confidential Information, then you must first submit a written request to us asking for our prior written approval. You agree not to buy from any such supplier unless and until we have given you our prior written consent to do so. We have the right to require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to us. You (or the supplier) may be required to pay a charge, not to exceed the reasonable cost of the inspection, as well as the actual cost of the test. We have the right to also require that the supplier comply with such other requirements that we have the right to designate, including payment of reasonable continuing inspection fees and administrative costs and/or other payment to us by the supplier on account of their dealings with you or other franchisees, for use of our trademarks, and for services that we may render to such suppliers. We also reserve the right, at our option, to periodically re-inspect the facilities and products of any such Approved Supplier and to revoke our approval if the supplier does not continue to meet any of our then-current criteria. We are not required to approve any particular supplier, nor to make available our standards, specifications, or formulas to prospective suppliers, which we have the right to deem confidential.

7.5 *Use of the Marks*. You must require all marketing materials, signs, decorations, paper goods (including, without limitation, all forms and stationery used in the Franchised Business), and other items which we may designate to bear the Proprietary Marks in the form, color, location, and manner we prescribe and subject to our prior written approval as provided in Section 13.8.

8. YOUR DUTIES

In addition to all of the other duties specified in this Agreement, for the sake of brand enhancement and protection, you agree to all of the following:

8.1 *Importance of Following Standards*. You understand and acknowledge that every detail of the Franchised Business is important to you, to us, and to other SelectQuote Local Franchisees in order to develop and maintain high operating standards, to provide superior client service to clients and participants, to increase the demand for the services and products sold, by all franchisees, and to protect and enhance the reputation and goodwill associated with our brand.

8.2 *Opening*. In connection with the opening of the Franchised Business:

8.2.1 You agree to conduct, at your expense, such promotional and marketing activities as we may require.

8.2.2 You agree to open the Franchised Business by the date specified in Section 5.1.

8.2.3 You will not open the Franchised Business until we have determined that all construction, if any, has been substantially completed, and that such construction conforms to our standards including to materials, quality of work, signage, decor, paint, and equipment.

8.2.4 You agree not to open the Franchised Business until all required individuals have successfully completed, to our satisfaction, *all* training that we require.

8.2.5 You will not open the Authorized Location until we have verified your compliance with this Section 8.2 and have given you our written approval to open, which we will not unreasonably withhold.

8.3 *Staffing*.

8.3.1 You agree to maintain a competent, conscientious staff in numbers sufficient to maintain the full-time and daily operation of the Franchised Business and as necessary or appropriate for providing quality client experience according to our standards. We may provide requirements for certain positions that we may establish from time to time and which will be set forth in the Operating Manual

8.3.2 For the sake of efficiency and to enhance and protect our brand you and your staff must, at all times, cooperate with us and with our representatives, and conduct the operation of the business in a first-class and professional manner in terms of dealing with clients, referral partners, vendors, and our staff.

8.3.3 Your employees must comply with such professional attire standards as we may periodically require.

8.4 *Operation According to Our Standards.* To ensure that the highest degree of quality and service is maintained, you agree to operate the Franchised Business in strict conformity with such methods, standards, and specifications that we may periodically require in the Operating Manual or otherwise in writing. In this regard:

8.4.1 You agree to use at all times only the items, products, services, materials, and supplies that meet our written standards and specifications, and you also agree not to deviate from our standards and specifications by using or offering any non-conforming items without our specific prior written consent.

8.4.2 You agree: **(a)** to sell or offer for sale only those Approved Insurance Products and Approved Products and Services using the standards and techniques that we have approved in writing for you to offer and use at the Franchised Business; **(b)** to sell or offer for sale all Approved Insurance Products and Approved Products and

Services using the standards and techniques that we specify in writing; **(c)** not to deviate from our standards and specifications; **(d)** to stop using and offering for use any insurance products or services or any non-insurance products or services that we at any time disapprove in writing (recognizing that we have the right to do so at any time); and **(e)** that if you propose to deviate (or if you do deviate) from our standards and specifications(unless we have approved such deviation in writing), then any revenue that results from the deviation will become our property.

8.4.3 You agree to buy and install, at your expense, all fixtures, furnishings, equipment, decor, and signs as we may specify, and to periodically make upgrades and other changes to such items at your expense as we may reasonably request in writing. Without limiting the above, you acknowledge and agree that changes in the System standard may require you to purchase new and/or additional equipment for use in the Franchised Business.

8.4.4 You agree not to install or permit to be installed on or about the premises of the Franchised Business, without our prior written consent, any fixtures, furnishings, equipment, machines, décor, signs, or other items that we have not previously approved in writing as meeting our standards and specifications.

8.4.5 We reserve the right to immediately suspend operation of and close the Franchised Business if: **(a)** any products or services sold at the Franchised Business deviate from our standards; and/or **(b)** you fail to maintain the Franchised Business premises, personnel, or operation of the Franchised Business in accordance with this Agreement, the Operating Manual, or any applicable law or regulations. In the event of such closing, you agree to immediately notify us, in writing, and also remedy the unsafe, or other condition or violation of the applicable law or regulation. You agree not to reopen the Franchised Business until we have determined that you have corrected the condition.

8.4.6 You agree to immediately notify us in writing if you or any of your Agency Principals, Managers, agents or employees lose their insurance license, are sanctioned or are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that is likely to have an adverse effect on the System, the Proprietary Marks, your insurance license or the insurance license of any of your Agency Principals, Managers, or employees, the goodwill associated therewith, or our interest therein.

8.4.7 You agree to participate in programs and/or adhere to any then current policies or specifications we develop, maintain or require from time to time with respect to the use of Artificial Intelligence in connection with the development and operation of SelectQuote Local Businesses generally or the Franchised Business. The term "**Artificial Intelligence**" means a field of science concerned with building computers and machines that can reason, learn, and act in such a way that would normally require human intelligence or that involves data whose scale exceeds what humans can analyze.

8.5 *Use of the Authorized Location Premises.* You may only use the Authorized Location for the purpose of operating the Franchised Business and for no other purpose. You agree not to co-brand or to permit any other business to operate at the Authorized Location without our written consent.

8.6 *Hours and Days of Operation.* You agree to keep the Franchised Business open and in normal operation for such hours and days as we may periodically specify in the Operating Manual or as we may otherwise approve in writing.

8.7 *Operating Codes*. You agree to fully and faithfully comply with all Operating Codes applicable to the Franchised Business. You will have the sole responsibility to fully and faithfully comply with all Operating Codes, and we will not review whether you are in compliance with any Operating Codes. The term "**Operating Codes**" means applicable federal, state, and local laws, codes, ordinances, and/or regulations that apply to the Services, products, construction and design of the Franchised Business and other aspects of operating the Franchised Business, including the ADA. You must furnish to us, within three (3) days of your receipt, a copy of all notices from inspection reports, complaints, warnings, citations, certificates, and/or ratings resulting from inspections conducted or complaints received by any federal, state or municipal agency with jurisdiction over the Franchised Business. You must also obtain and maintain during the term of this Agreement all licenses and approvals from any governmental or regulatory agency, including all applicable insurance licenses, required for the operation of the Franchised Business or provision of the Services you will offer, sell, and provide. Where required, you must obtain the approval of any regulatory authority with jurisdiction over the operation of the Franchised Business. You acknowledge that we will have no liability to you or any regulatory authority for any failure by you to obtain or maintain during the term of this Agreement any necessary licenses or approvals required for the operation of the Franchised Business.

8.8 *The Franchised Business Condition, Maintenance*. You agree that at all times, you will maintain the Franchised Business in a high degree of repair and condition. You also agree to make such repairs and replacements to the Franchised Business as may be required for that purpose (but no others without our prior written consent), including the periodic repainting or replacement of obsolete signs, furnishings, equipment, and decor that we may reasonably require. Your maintenance and upkeep obligations under this Section 8.8 are separate from those with respect to periodic upgrades that we may require regarding fixtures, furnishings, equipment, decor, and signs.

8.9 *Use of the Marks*. You will require all marketing and promotional materials, signs, decorations, merchandise, and other items that we may designate to bear our then-current Proprietary Marks and logos in the form, color, location, and manner that we have then-prescribed.

8.10 *If You Are an Entity*:

8.10.1 *Corporate Franchisee*. If you are a corporation, then you agree to: **(a)** confine your activities exclusively to operating the Franchised Business; **(b)** maintain stop transfer instructions on your records against the transfer of any equity securities

and will only issue securities upon the face of which a legend, in a form satisfactory to us, appears which references the transfer restrictions imposed by this Agreement; **(c)** not issue any voting securities or securities convertible into voting securities; and **(d)** maintain a current list of all Owners of record and all beneficial Owners of any class of voting stock of your company and furnish the list to us upon request.

8.10.2 *Partnership*. If you are a partnership or a partnership with limited liability, then you agree to: **(a)** confine your activities exclusively to operating the Franchised Business; **(b)** furnish us with a copy of your partnership agreement as well as such other documents as we may reasonably request, and any amendments thereto; **(c)** prepare and furnish to us, upon request, a current list of all of your general and limited partners; and **(d)** consistent with the transfer restrictions set out in this Agreement, maintain instructions against the transfer of any partnership interests without our prior written approval.

8.10.3 *LLC Franchisee*. If you are a limited liability company, then you agree to: **(a)** confine your activities exclusively to operating the Franchised Business; **(b)** furnish us with a copy of your articles of organization and operating agreement, as well as such other documents as we may reasonably request, and any amendments thereto; **(c)** prepare and furnish to us, upon request, a current list of all members and managers in your LLC; and **(d)** maintain stop transfer instructions on your records against the transfer of equity securities and will only issue securities upon the face of which bear a legend, in a form satisfactory to us, which references the transfer restrictions imposed by this Agreement.

8.10.4 *Other Type of Entity*. If you are an entity not identified above, then you agree to: **(a)** confine your activities exclusively to operating the Franchised Business; **(b)** furnish us with a copy of your articles of organization and operating agreement, as well as such other documents as we may reasonably request, and any amendments thereto; **(c)** prepare and furnish to us, upon request, a current list of all members, managers, Owners or partners in your entity; and **(d)** consistent with the transfer restrictions set out in this Agreement, maintain instructions against the transfer of any Ownership interests without our prior written approval.

8.10.5 *Guarantees*. You agree to obtain, and deliver to us, a guarantee of your performance under this Agreement and covenant concerning confidentiality and competition, in the form attached as Exhibit B, from each current and future direct and indirect: **(a)** shareholder of a corporate Franchisee; **(b)** member of a limited liability company Franchisee; **(c)** partner of a partnership Franchisee; and/or **(d)** partner of a limited liability partnership Franchisee.

8.11 *Quality-Control and Client Survey Programs.* We may periodically internally or externally designate an evaluation service to conduct a "mystery shopper," "client survey," and/or similar quality-control and evaluation programs with respect to SelectQuote Local Businesses. You agree to participate in such programs as we require, and promptly pay the then-current charges of the evaluation service. If you receive an unsatisfactory or failing report in connection with any such program, then you agree to: **(a)** immediately implement

any remedial actions we require; and **(b)** reimburse us for the expenses we incur as a result thereof (including the cost of having the evaluation service re-evaluate the Franchised Business, our inspections of the Franchised Business, and other costs or incidental expenses). Failure to meet the standards may result in deficiencies and/or default and all related rules are applicable.

8.12 *Prices*. Pricing is set by the insurance carriers and known as premiums.

8.13 *Environmental Matters*. We are committed to working to attain optimal performance of SelectQuote Local Businesses with respect to environmental, sustainability, and energy performance. We each recognize and agree that there are changing standards in this area in terms of applicable law, competitors' actions, consumer expectations, obtaining a market advantage, available and affordable solutions, and other relevant considerations. In view of those and other considerations, as well as the long-term nature of this Agreement, you agree that we have the right to periodically set reasonable standards with respect to environmental, sustainability, and energy for the System through the Operating Manual, and you agree to abide by those standards.

8.14 *Innovations.* You agree to disclose to us all products, services, ideas, concepts, methods, techniques and information conceived or developed by you, your affiliates, Owners and/or employees during the term of this Agreement relating to the development and/or operation of SelectQuote Local Businesses. All such products, services, ideas, concepts, methods, techniques, and information will be deemed to be our sole and exclusive property and works made-for-hire for us. You hereby grant to us (and agree to obtain from your affiliates, Owners, employees, and/or contractors), a perpetual, non-exclusive, and worldwide right to use any such products, services, ideas, concepts, methods, techniques and information in any businesses that we and/or our affiliates, franchisees and designees operate. We will have the right to use those ideas, concepts, methods, techniques, and/or products without making payment to you. You agree not to use or allow any other person or entity to use any such product, service, idea, concept, method, technique or information without obtaining our prior written approval.

8.15 *Performance Standards.* You recognize that your active development of the Franchised Business is important to the effective development of the System and that we have entered into this Agreement in reliance upon your express obligation to actively implement the System. Therefore, you acknowledge and agree that, upon the Commencement Date, we will have the right to identify and implement quantitative operational performance standards (for example, the number of New Business insurance policies sold in a specific line of business or in the aggregate, documenting marketing efforts and sales related activities in our CRM) upon which your development and active implementation of the System will be evaluated (the "**Performance Standards**").

8.15.1 If your performance under the Performance Standards fails to meet or exceed the performance of the lowest twenty-five percent (25%) in New Business production of all franchised SelectQuote Local Businesses operating under the System and/or in the geographic region, as defined in the Operating Manual, of the Authorized Location (the "**Bottom Quartile**"), as we determine, in any one (1) fiscal quarter

of any fiscal year, we may elect to: (a) require you and such other of your employees, as we determine, to attend and complete to our satisfaction such additional training programs that we deem necessary; or (b) provide such on-site assistance and consultation as we deem necessary. In the event we provide any such additional training, assistance or consultation, you will be responsible for all costs and expenses for that training assistance or consultation, which may include a fee payable to us. If you fail to improve your performance under the Performance Standards by at least ten percent (10%), and fail to meet or exceed the performance of the Bottom Quartile in each subsequent fiscal quarter, we may, in our discretion, deem such failure to be a default of this Agreement.

8.15.2 If, in our sole discretion, your performance under the Performance Standards fails to meet or exceed the Performance Standards of the Bottom Quartile due to your failure to devote full time and attention to the operation of the Franchised Business, then you will be in default of this Agreement.

8.15.3 If you are in default pursuant to this section, you will be required to cure the default by improving your performance on the Performance Standards to meet or exceed the Bottom Quartile within the ninety (90) day period following your receipt of written notice from us. If you fail to cure the default within a ninety (90) day period, then this Agreement will be terminated pursuant to Section 17.2.

8.16 *Growth Expectations.* Notwithstanding your requirement to meet or exceed the Performance Standards, you recognize that the continuation of your rights to operate the Franchised Business depends on your active and best efforts to continue to develop the Franchised Business and your achievement of certain expectations regarding the continued growth of the Franchised Business (the "**Growth Expectations**"). The Growth Expectations for the Franchised Business will be set out in the Operating Manual, and will not exceed twenty percent (20%) in New Business growth each year. You must meet or exceed the Growth Expectations during each year of the term of this Agreement. If you fail to meet or exceed the Growth Expectations in any trailing twelve (12) month period, then you will be in default of this Agreement. Following your receipt of such notice of default, you will have ninety (90) days to meet or exceed the Growth Expectations for the Franchised Business. If you receive two (2) notices of default for failure to meet or exceed the Growth Expectations in any given year, we may elect to terminate this Agreement.

8.17 *Franchisee Advisory Council.* We may establish an organization to facilitate communication between us and franchisees operating under the Proprietary Marks and the System (the "**Franchisee Advisory Council**"). In the event we form the Franchisee Advisory Council, you agree to fully participate in the Franchisee Advisory Council if requested by us. The Franchisee Advisory Council may be terminated or dissolved by us at any time. At this time, we have not established a Council. Fees associated with this meeting will be split evenly between all franchisees with the exception of those serving on the Council.

8.18 *Non-Compliance Fees*. You acknowledge the importance of operating the Franchised Business in full compliance with this Agreement and the Operating Manual, and that any

deviation from any contractual requirement, including any requirement in the Brand Standard Manual, is a violation of this Agreement and will trigger incalculable administrative and management costs for us to address the violation (separate and apart from any damages your violation might cause to the System, our business opportunities, or the goodwill associated with the Proprietary Marks). Therefore, you agree to pay non-compliance fees to us as follows: If you deviate from any contractual requirement, including any deviation from the Operating Manual Non-Compliance Fees compensate us for administrative and management costs, not for our damages due to your default. The fee is $500 for the first violation, $1,000 for a repeat violation. You agree that the Non-Compliance Fees are a reasonable estimate of our administrative and management costs and not a penalty. We need not give you a cure opportunity before charging the Non-Compliance Fees, and charging the Non-Compliance Fee does not prevent us from seeking to recover damages to the System, our business opportunities, or the goodwill associated with the Proprietary Marks due to your violation, seeking injunctive relief to restrain any subsequent or continuing violation, and/or formally defaulting you and terminating this Agreement in accordance with its terms. The Non-Compliance Fee does not apply to payment defaults for which we may charge interest.

9. PROPRIETARY MARKS

9.1 *Our Representations*. We represent to you that we own (or have an appropriate license to) all right, title, and interest in and to the Proprietary Marks, and that we have taken (and will take) all reasonably necessary actions to preserve and protect the ownership and validity in, and of, the Proprietary Marks.

9.2 *Your Agreement*. With respect to your use of the Proprietary Marks, you agree that:

9.2.1 You will use only the Proprietary Marks that we have designated in writing, and you will use them only in the manner we have authorized and permitted in writing. All items bearing the Proprietary Marks must bear our then-current logo.

9.2.2 You will use the Proprietary Marks only for the operation of the Franchised Business and only at the Authorized Location, or in franchisor-approved marketing for the business conducted at or from the Authorized Location (subject to the other provisions of this Agreement).

9.2.3 Unless we otherwise direct you in writing to do so, you agree to operate and advertise the Franchised Business only under the name "SelectQuote Local Insurance" without prefix or suffix.

9.2.4 During the term of this Agreement and any Successor Term of this Agreement, you will identify yourself (in a manner reasonably acceptable to us) as the Owner of the Franchised Business in conjunction with any use of the Proprietary Marks, including uses on invoices, order forms, receipts, and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Franchised Business as we may designate in writing.

9.2.5 Your right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof will constitute an infringement of our rights.

9.2.6 You will not use the Proprietary Marks to incur any obligation or indebtedness on our behalf unless expressly authorized by this Agreement (e.g. to sell Approved Insurance Products).

9.2.7 You agree not to use the Proprietary Marks:

9.2.7.1 As part of your corporate or other legal name without our written permission;

9.2.7.2 As part of your identification in any e-mail address, domain name, or other electronic medium (except as otherwise provided in Section 14.10.3; and/or

9.2.7.3 In connection with any employment or human resources documents (including employment applications, paychecks, pay stubs, and employment agreements).

9.2.8 You agree to execute any documents that we (or our affiliates) deem necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

9.2.9 With respect to litigation involving the Proprietary Marks, the parties agree that:

9.2.9.1 You will promptly notify us of any suspected infringement of the Proprietary Marks, any known challenge to the validity of the Proprietary Marks, or any known challenge to our ownership of, or your right to use, the Proprietary Marks licensed under this Agreement. You acknowledge and agree that we will have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. We will also have the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks.

9.2.9.2 If you used the Proprietary Marks in accordance with this Agreement, then we will defend you at our expense against any third-party claim, suit, or demand involving the Proprietary Marks arising out of your use thereof. If you used the Proprietary Marks in a manner that does not comply with this Agreement, then we will still defend you, but at your expense, against such third-party claims, suits, or demands.

9.2.9.3 We agree to reimburse you for your out-of-pocket travel costs in support of litigation involving the Proprietary Marks, and you will bear the salary costs of your employees, and we will bear the costs of any judgment or

settlement, unless such litigation is the result of your use of the Proprietary Marks in a manner that does not comply with this Agreement.

9.2.9.4 To the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, then you agree to reimburse us (upon our request, which may be periodic and/or upon the conclusion of the proceedings) for the cost of such litigation and/or upon our written request, pay our legal fees directly (your obligation under this Section includes reasonable attorneys' fees, court costs, discovery costs, and all other related expenses, as well as the cost of any judgment or settlement).

9.2.9.5 If we undertake the defense or prosecution of any litigation or other similar proceeding relating to the Proprietary Marks, then you agree to sign any and all documents, and do those acts and things that may, in our counsel's opinion and at our discretion, be necessary to carry out the defense or prosecution of that matter (including becoming a nominal party to any legal action).

9.3 *Your Acknowledgements*. You expressly understand and acknowledge that:

9.3.1 We own all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them.

9.3.2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System.

9.3.3 Neither you nor any of your Owners, Agency Principals, Managers, employees or other persons acting on your behalf will directly or indirectly contest the validity or our ownership of the Proprietary Marks, nor will you, directly or indirectly, seek to register the Proprietary Marks with any government agency.

9.3.4 Your use of the Proprietary Marks does not give you any ownership interest or other interest in or to the Proprietary Marks, except by the license granted by this Agreement.

9.3.5 Any and all goodwill arising from your use of the Proprietary Marks will inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license granted as part of this Agreement, there will be no monetary amount assigned as attributable to any goodwill associated with your use of the System or of the Proprietary Marks.

9.3.6 The right and license of the Proprietary Marks that we have granted to you under this Agreement is non-exclusive, and we therefore have the right, among other things:

9.3.6.1 To use the Proprietary Marks ourselves in connection with selling Services and products;

9.3.6.2 To grant other licenses for the Proprietary Marks, in addition to licenses we may have already granted to existing franchisees; and

9.3.6.3 To develop and establish other systems using the same or similar Proprietary Marks, or any other proprietary marks, and to grant licenses or franchises for those other marks without giving you any rights to those other marks.

9.4 *Change to Marks*. We reserve the right to substitute different Proprietary Marks for use in identifying the System and the businesses operating as part of the System if our currently owned Proprietary Marks can no longer be used, or if we determine, exercising our right to do so, that substitution of different Proprietary Marks will be beneficial to the System. In such circumstances, your right to use the substituted Proprietary Marks will be governed by (and pursuant to) the terms of this Agreement.

10. CONFIDENTIAL Operating Manual

10.1 *You Agree to Abide by the Operating Manual* In order to protect our reputation and goodwill and to maintain high standards of operation under the Proprietary Marks, you agree to conduct your business in accordance with the written instructions that we provide, including the Operating Manual which we will permit you to have access to only for your use in connection with operating the Franchised Business during the term of this Agreement.

10.2 *Format of the Operating Manual* We will have the right to provide the Operating Manual in any format we determine is appropriate (including paper and/or by making some or all of the Operating Manual available to you only in electronic form, such as through an internet website or an extranet). If at any time we choose to provide the Operating Manual electronically, you agree to immediately return to us any and all physical copies of the Operating Manual that we have previously provided to you.

10.3 *We Own the Operating Manual* The Operating Manual will at all times remain our sole property and you agree to promptly return the Operating Manual, if you have been provided a hard-copy, when this Agreement expires or if it is terminated.

10.4 *Confidentiality and Use of the Operating Manual*

10.4.1 The Operating Manual contains our proprietary information and you agree to keep the Operating Manual confidential both during the term of this Agreement and after this Agreement expires or is terminated. Whenever the Operating Manual is not in use by authorized personnel, you agree to maintain secure access to the Operating Manual at the premises of the Franchised Business, and you agree to grant only authorized personnel (as defined in the Operating Manual) with access to the security protocols for the Operating Manual

10.4.2 You agree to never make any unauthorized use, disclosure, and/or duplication of the Operating Manual in whole or in part.

10.5 *You Agree to Treat the Operating Manual as Confidential*. You agree that, at all times, you will treat the Operating Manual, any other manuals that we create (or approve) for use in the operation of the Franchised Business, and the information contained in those materials, as confidential, and you also agree to use your best efforts to maintain such information as secret and confidential. You agree that you will never copy, duplicate, record, or otherwise reproduce those materials, in whole or in part, nor will you otherwise make those materials available to any unauthorized person.

10.6 *Which Copy of the Operating Manual Controls*. You agree that if there is any dispute as to the contents of the Operating Manual, the terms of the master copy of the Operating Manual that we maintain at our headquarters will control. Access to any electronic version of the Operating Manual will also be subject to our reasonable requirements with respect to security and other matters, as described in Section 14.

10.7 *Revisions to the Operating Manual* We have the right to revise the contents of the Operating Manual whenever we deem it appropriate to do so, and you agree to make corresponding revisions to your copy of the Operating Manual and to comply with each new or changed standard.

10.8 *Modifications to the System*. You recognize and agree that we may periodically change or modify the System and you agree to accept and use for the purpose of this Agreement any such change in the System (which may include, among other things, new or modified trade names, service marks, trademarks or copyrighted materials, new products, and new techniques), as if they were part of this Agreement on the Effective Date; You agree to make such expenditures and such changes or modifications as we may reasonably require pursuant to this Section and otherwise in this Agreement.

10.9 *We are Not Joint Employers*. We and you are not joint employers of your employees and other personnel. We do not and will not share or codetermine any of your employees' essential terms and conditions of employment. More specifically, in no case do we have any authority to determine or set your employees': (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions related to the safety and health of employees. You alone have sole authority to determine any or all your employees' essential terms and conditions of employment.

11. CONFIDENTIAL INFORMATION

11.1 *Confidentiality*.

11.1.1 You agree that you will not, during the term of this Agreement or at any time thereafter (except as otherwise provided in Section 11.2), communicate, divulge, or use (for yourself and/or for the benefit of any other person (including members of your household), partnership, entity, association, or corporation) any Confidential Information that may be communicated to you or of which you may be apprised by

virtue of your operation under the terms of this Agreement. You agree that you will divulge our confidential information only to those of your employees which must have access to it in order to operate the Franchised Business.

11.1.2 Any and all information, knowledge, know-how, and techniques that we designate as confidential will be deemed Confidential Information for purposes of this Agreement, except information that you can demonstrate came to your attention before disclosure of that information by us; or which, at or after the time of our disclosure to you, had become or later becomes a part of the public domain, through publication or communication by another party that has the right to publish or communicate that information.

11.1.3 Any employee who may have access to any confidential information must execute a covenant that the employee will maintain the confidentiality of such information . Such covenants must be on a form that we provide, which form will, among other things, designate us as a third-party beneficiary of such covenants with the independent right to enforce them.

11.1.4 You recognize that our parent, SelectQuote Insurance Services, is a publicly traded company on the NYSE stock exchange. You acknowledge and agree that you will comply with all United States and other applicable securities laws that prohibit any person who has received material nonpublic information relating to SelectQuote from purchasing or selling securities of SelectQuote or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

11.1.5 As used in this Agreement, the term "**Confidential Information**" includes, without limitation, our business concepts and plans, operating techniques, marketing methods, processes, vendor information and agreements, referral partner information, results of operations and quality control information, financial information, demographic and trade area information, market penetration techniques, plans, or schedules, the Manuals, client lists, client data, insurance carrier information, insurance policy information, underwriting guidelines, research, profiles, preferences, and statistics, itemized costs, franchisee composition, territories, and development plans, and all related trade secrets and other confidential or proprietary information treated as such by us, whether by course of conduct, by letter or report, or by the use of any appropriate proprietary stamp or legend designating such information or item to be confidential or proprietary, by any communication to such effect made prior to or at the time any Confidential Information is disclosed to you.

11.2 *Requests from Governmental Authority.* Nothing contained in this Section 11 precludes you from contacting or otherwise engaging with governmental authorities regarding the Franchised Business. However, should you receive a valid legal order or are otherwise required by applicable law to disclose any Confidential Information to any governmental agency or court, you must promptly notify us in writing regarding your receipt of such request and provide a copy of the request and all relevant information regarding the request

as it pertains to Confidential Information, including any specific required date for dissemination. Before complying with the request, subject to any specific disclosure deadline in the request, you should provide us at least 14 days' time to review the request and, at our election and expense, permit us to seek a protective order or other remedy with the requesting party. You must provide us with reasonable assistance with any such action we elect to undertake. If we elect not to contest the request or if we are unsuccessful with our efforts and you remain legally compelled to make such disclosure, then you may do so, but you should: **(a)** only disclose that portion of the Confidential Information that it is required to disclose; **(b)** use reasonable efforts to ensure that such Confidential Information is afforded confidential treatment; and **(c)** concurrently provide to us a copy of all information provided to the governmental authority.

11.3 *Consequences of Breach*. You acknowledge and agree that any failure to comply with the requirements of this Section 11 will cause us irreparable injury, and you agree to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 11.

12. ACCOUNTING, FINANCIAL AND OTHER RECORDS, AND INSPECTIONS

12.1 *Accounting Records and Sales Reports*.

12.1.1 With respect to the operation and financial condition of the Franchised Business, we will have the right to designate, and you agree to adopt, the fiscal year and interim fiscal periods that we decide are appropriate for the System.

12.1.2 With respect to the Franchised Business, you agree to maintain for at least seven (7) years during (as well as after) the term of this Agreement (and also after any termination and/or transfer), full, complete, and accurate books, records, and accounts prepared in accordance with generally accepted accounting principles and in the form and manner we have prescribed periodically in the Operating Manual or otherwise in writing, including: **(a)** cash disbursements and weekly payroll journals and schedules; **(b)** monthly bank statements, daily deposit slips and cancelled checks; **(c)** all tax returns; **(d)** supplier's invoices (paid and unpaid); **(e)** semi-annual fiscal period balance sheets and fiscal period profit and loss statements; **(f)** operational schedules; and **(g)** such other records that we may periodically and reasonably request.

12.1.3 We have the right to specify the accounting software and a common chart of accounts, and, if we do so, you agree to use that software and chart of accounts (and require your bookkeeper and accountant to do so) in preparing and submitting your financial statements to us. We have the right to require you to use only an approved bookkeeping service and an approved independent certified public accounting firm. You agree to provide to the accounting service provider complete and accurate information that we or the accounting service provider require and agree that we will have full access to the data and information that you provide to the accounting service provider or through the designated program. We may require you to use us to provide Accounting Services.

12.1.4 Each month you agree to submit to us, in the form we specify and/or utilizing our Required Software, a report for the immediately preceding month. You agree to submit the report to us by whatever method that we reasonably require (whether electronically through your use of our Required Software or otherwise) for our receipt no later than the times required under Section 4.3. You agree that if you do not submit those reports to us in a timely manner, we will have the right to charge you for the costs that we incur in auditing your records.

12.2 *Financial Statements*.

12.2.1 If we require you to do so, you agree to provide us, at your expense, and in a format that we reasonably specify, a complete set of annual financial statements prepared on a review basis by an independent certified public accountant (as to whom we do not have a reasonable objection) within ninety (90) days after the end of each fiscal year of the Franchised Business during the term of this Agreement. Your financial statements must be prepared according to generally accepted accounting principles, include a fiscal year-end balance sheet, an income statement of the Franchised Business for that fiscal year reflecting all year-end adjustments, and a statement of changes in your cash flow reflecting the results of operations of the Franchised Business during the most recently completed fiscal year.

12.2.2 If required by us, no later than the 20th day after each month (or, if we elect, other periodic time period) during the term of this Agreement after the opening of the Franchised Business, you will submit to us, in a format acceptable to us (or, at our election, in a form that we have specified): **(a)** a fiscal period and fiscal year-to-date profit and loss statement and a quarterly balance sheet (which may be unaudited) for the Franchised Business; and **(b)** upon request, reports of those income and expense items of the Franchised Business that we periodically specify for use in any revenue, earnings, and/or cost summary we choose to furnish to prospective franchisees (provided that we will not identify to prospective franchisees the specific financial results of the Franchised Business).

12.2.3 You must certify as correct and true all reports and information that you submit to us pursuant to this Section 12.2.

12.2.4 You agree that upon our request, you will provide us (and/or our agents, such as our auditors) with passwords and pass codes necessary to access your computer system in order to conduct the inspections specified in this Section 12.

12.3 *Additional Information*. You also agree to submit to us (in addition to the reports required pursuant to Section 12.1, for review or auditing, such other forms, reports, records, information, and data as and when we may reasonably designate, in the form and format, and at the times and places as we may reasonably require, upon request and as specified periodically in the Operating Manual or otherwise in writing, including: **(a)** information in electronic format; **(b)** restated in accordance with our financial reporting periods; **(c)** consistent with our then-current financial reporting periods and accounting practices and standards; and/or **(d)** as necessary so that we can comply with reporting obligations

imposed upon us by tax authorities with jurisdiction over the Franchised Business and/or our company.

12.4 *Our Right to Inspect Your Books and Records*. We have the right at all reasonable times to examine, copy, and/or personally review or audit (at our expense) all of your sales receipts, books, records, and sales and income tax returns in person or through electronic access (at our option). We will also have the right, at any time, to have an independent audit made of your books and records. If an inspection should reveal that you have understated any payments in any report to us, then this will constitute a default under this Agreement, and you agree to immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of two percent (2%) per month (but not more than the maximum rate permitted by law, if any such maximum rate applies), and to reimburse us for any and all costs and expenses we incur in connection with the inspection (including travel, lodging and wages expenses, and reasonable accounting and legal costs). These remedies will be in addition to any other remedies we may have. We may exercise our rights under this Section 12 directly or by engaging outside professional advisors (for example, a CPA) to represent us.

12.5 *Operational Inspections*. In addition to the provisions of Section 12.4, you also grant to us and to our agents the right to enter the Authorized Location at any reasonable time for the purpose of conducting inspections, for among other purposes, preserving the validity of the Proprietary Marks, and verifying your compliance with this Agreement and the policies and procedures outlined in the Operating Manual. You agree to cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from us or from our agents (and without limiting our other rights under this Agreement), you agree to take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. You further agree to pay us our then-current per diem fee for our representative(s) and to reimburse us for our reasonable travel expenses if additional inspections at the Authorized Location are required when a violation has occurred and you have not corrected the violation, or if you did not provide us with your records or access to your records upon reasonable request that is permitted under this Agreement.

13. MARKETING

13.1 *Marketing Contribution Activities and Funds*. For each month during the term of this Agreement, if we require you to do so, you agree to contribute an amount of two percent (2%) of Net Revenues to be allocated in the manner described in Section 13.2 (the "**National Marketing Fund**"). The Marketing Contribution is payable and/or allocated in the manner and at the times required under Section 4.3 and as otherwise provided in Section 13.

13.2 *Allocation and Collection*.

13.2.1 If and when we require you to make the Marketing Contribution, we have the right to allocate your Marketing Contribution in the proportion that we designate among the following:

13.2.1.1 National Marketing Fund

13.2.1.2 Local marketing

13.2.2 We have the right to periodically make changes to the allocation of the Marketing Contribution as specified in Section 13.2.1 among those funds and/or local marketing and promotion or any other method that we may deem appropriate.

13.2.3 No part of the Marketing Contribution (whether deposited in the National Marketing Fund or designated for local marketing and promotional expenditures) shall be subject to refund or repayment under any circumstances.

13.3 *National Marketing Fund*. We have the right (but not the obligation) to establish, maintain, and administer a System wide marketing and promotional fund (the "**National Marketing Fund**"). If we establish the National Marketing Fund, then the following provisions will apply:

13.3.1 We (or our designee) will have the right to direct all marketing programs, with sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof. You agree and acknowledge that the National Marketing Fund is intended to maximize general public recognition, acceptance, and use of the System; and that we and our designee are not obligated, in administering the National Marketing Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the National Marketing Fund.

13.3.2 The National Marketing Fund, all contributions to that fund, and any of that fund's earnings, will be used exclusively to meet any and all costs of maintaining, administering, staffing, directing, conducting, preparing advertising, marketing, public relations and/or promotional programs and materials, and any other activities that we believe will enhance the image of the System (including, among other things, the costs of preparing and conducting marketing and media advertising campaigns on radio, television, cable, and other media; direct mail advertising; developing and implementing website, social networking/media, search optimization, and other electronic marketing strategies; marketing surveys and other public relations activities; employing marketing personnel (including salaries for personnel directly engaged in consumer-oriented marketing functions), advertising and/or public relations agencies to assist therein; purchasing and distributing promotional items, conducting and administering visual merchandising, point of sale, and other merchandising programs; engaging individuals as spokespersons and celebrity endorsers; purchasing creative content for local sales materials; reviewing locally-produced ads; preparing, purchasing and distributing door hangers, free-standing inserts, coupons, brochures, and trademarked apparel; market research; conducting sponsorships, sweepstakes and competitions; engaging mystery shoppers for SelectQuote Local Businesses and their competitors; paying association dues (including the International Franchise

Association), establishing third-party facilities for customizing local advertising; purchasing and installing signage; and providing promotional and other marketing materials and services to the SelectQuote Local Businesses operated under the System).

13.3.3 You agree to make your Marketing Contribution to the National Marketing Fund in the manner specified in Section 4.3. All sums you pay to the National Marketing Fund will be maintained in an account separate from our other monies and will not be used to defray any of our expenses, except for such reasonable costs and overhead, if any, as we may incur in activities reasonably related to the direction and implementation of the National Marketing Fund and marketing programs for franchisees and the System and any other purposes described in Section 13. The National Marketing Fund and its earnings will not otherwise inure to our benefit. We or our designee will maintain separate bookkeeping accounts for the National Marketing Fund. If amounts are unspent in the National Marketing Fund at fiscal year-end, those amounts are carried over by the National Marketing Fund for expenditure in the following year. If amounts are overspent in the National Marketing Fund at the fiscal year-end, those amounts are carried over by the National Marketing Fund for future recapture.

13.3.4 The National Marketing Fund is not and will not be our asset. We will prepare and make available to you upon reasonable request an annual statement of the operations of the National Marketing Fund as shown in our books.

13.3.5 Although the National Marketing Fund is intended to be of perpetual duration, we maintain the right to terminate the National Marketing Fund. The National Marketing Fund will not be terminated, however, until all monies in the National Marketing Fund have been expended for marketing purposes or returned to franchisees.

13.4 *Local Marketing and Promotion*. You must make monthly expenditures on local marketing and promotion of the Franchised Business in such amounts as we may designate in the Operating Manual as part of the allocation of the Marketing Contribution specified in Section 13.2. As used in this Agreement, the term "**local marketing and promotion**" will consist only of the direct costs of purchasing and producing marketing materials (including camera ready advertising and point of sale materials), marketing to referral partners, and those direct out of pocket expenses related to costs of marketing and sales promotion that you spend in your local market or area, postage, shipping, telephone, and photocopying; however, the parties expressly agree that local marketing may not include costs or expenses that you incur or that are spent on your behalf in connection with any of the following:

13.4.1 Salaries and expenses of your employees, including salaries or expenses for attendance at marketing meetings or activities, or incentives provided or offered to such employees, including discount coupons; and/or

13.4.2 Charitable or other contributions or donations.

13.5 *Materials Available for Purchase*. We may periodically make available to you for purchase, marketing plans and promotional materials, merchandising materials, sales aids, point-of-purchase materials, special promotions, community relations programs, and similar marketing and promotional materials for use in local marketing.

13.6 *Standards*. All of your local marketing and promotions must: **(a)** be in the media, and of the type and format, that we approve; **(b)** be conducted in a dignified manner; and **(c)** conform to the standards and requirements that we specify. You agree not to use any software, vendor, advertising, marketing materials, and/or promotional plans unless and until you have received our prior written approval, as specified in Section 13.8.

13.7 *Our Review and Right to Approve All Proposed Marketing*. For all proposed software, vendors, advertising, marketing, and promotional plans, you must submit to us samples of such plans and materials, for our review and prior written approval. If you have not received our written approval within fourteen (14) days after we have received those proposed samples or materials, then we will be deemed to have disapproved them. You acknowledge and agree that any and all copyright in advertising, marketing materials, and promotional plans developed by or on behalf of you will be our sole property, and you agree to sign such documents (and, if necessary, require your employees and independent contractors to sign such documents) that we deem reasonably necessary to give effect to this Section 13.8.

13.8 *Approved Marketing Programs and Promotions*. You acknowledge and agree that periodic marketing programs and promotions will, if and when we approve and adopt them, be an integral part of the System. Accordingly, you agree to honor and to participate (at your expense) in marketing programs and promotions that we establish and/or that other franchisees sponsor, so long as they do not violate regulations and laws of appropriate governmental authorities.

13.9 *omitted*

13.10 *Additional Marketing Expenditure*. You understand and acknowledge that the required contributions and expenditures are minimum requirements only, and that in order to grow the business an additional spend for local marketing and promotion is likely necessary, which will focus on disseminating marketing directly related to the Franchised Business.

14. TECHNOLOGY

14.1 *Computer Systems and Required Software.* With respect to computer systems and required software:

14.1.1 We have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, vendors, and hardware to be used by or to operate the Franchised Business, and in accordance with our standards, including without limitation: (a) back office systems, data, audio, video (including managed video security surveillance), telephone, voice messaging, retrieval, and transmission systems ; (b) physical, electronic, and other security systems and measures; (c) printers and other peripheral devices; (d) archival back-up systems;

(e) internet access mode (e.g., form of telecommunications connection) and speed; and (f) technology used to enhance and evaluate the client experience (collectively, all of the above are referred to as the "**Computer System**").

14.1.2 We will have the right, but not the obligation, to develop or have developed for us, or to designate: (a) computer software programs and accounting system software that you must use in connection with the Computer System (including applications, technology platforms, client relationship management, and other such solutions) ("**Required Software**"), which you must install; (b) updates, supplements, modifications, or enhancements to the Required Software, which you must install; (c) the media upon which you must record data; and (d) the database file structure of your Computer System. If we require you to use any or all of the above items, then you agree that you will do so.

14.1.3 You agree to install and to use the Computer System and Required Software at your expense. You agree to pay us or third-party vendors, as the case may be, initial and ongoing fees in order to install, maintain, and continue to use the Required Software, hardware, and other elements of the Computer System.

14.1.4 You agree to implement and periodically make upgrades and other changes at your expense to the Computer System and Required Software as we may reasonably request in writing (collectively, "**Computer Upgrades**").

14.1.5 You agree to comply with all specifications that we issue with respect to the Computer System, the Required Software, and Computer Upgrades, at your expense. You agree to afford us unimpeded access to your Computer System and Required Software, including all information and data maintained thereon, in the manner, form, and at the times we request.

14.1.6 You also agree that we will have the right to approve or disapprove your use of any other technology solutions.

14.2 *Data*.

14.2.1 You agree that all data that you collect, create, provide, or otherwise develop on the Computer System (whether or not uploaded to our system from your system and/or downloaded from your system to our system) is and will be owned exclusively by us, and that we will have the right to access, download, and use that data in any manner that we deem appropriate without compensation to you.

14.2.2 You agree that all other data that you create or collect in connection with the System, and in connection with your operation of the Franchised Business (including client lists and transaction data), is and will be owned exclusively by us during the term of, and after termination or expiration of, this Agreement.

14.2.3 In order to operate the Franchised Business under this Agreement, we hereby license use of such data back to you, at no additional cost, solely for the term of this Agreement and for your use in connection with operating the Franchised Business.

You acknowledge and agree that except for the right to use the data under this Section, you will not develop or have any ownership rights in or to the data.

14.2.4 You agree to transfer to us all data (in the digital machine-readable format that we specify, and/or printed copies, and/or originals) promptly upon our request when made, whether periodically during the term of this Agreement, upon termination and/or expiration of this Agreement, any transfer of an interest in you, and/or a transfer of the Franchised Business.

14.3 *Data Requirements and Usage*. We may periodically specify in the Operating Manual or otherwise in writing the information you agree to collect and maintain on the Computer System used to operate the Franchised Business, and you agree to provide to us such reports as we may reasonably request from the data so collected and maintained. In addition:

14.3.1 You agree to abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("**Privacy Laws**").

14.3.2 You agree to comply with our standards and policies that we may issue (without any obligation to do so) pertaining to the privacy of consumer, employee, and transactional information. If there is a conflict between our standards and policies and Privacy Laws, you agree to: (a) comply with the requirements of Privacy Laws; (b) immediately give us written notice of such conflict; and (c) promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to privacy within the bounds of Privacy Laws.

14.3.3 You agree to not publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to such policy.

14.3.4 You agree to implement at all times appropriate physical and electronic security as is necessary to secure your Computer System, including complex passwords that you change periodically, and to comply with any standards and policies that we may issue (without obligation to do so) in this regard.

14.4 *Technology*. You agree to comply with our requirements (as set forth in the Brand Standards Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections with our systems and/or such other computer systems as we may reasonably require. You agree to purchase and maintain such computer software and hardware (including telecommunications capacity) as may be required to connect to and utilize the internet.

14.5 *No Separate Online Sites*. Unless otherwise approved by us in writing, you agree to neither establish nor permit any other party to establish an Online Site relating in any manner whatsoever to the Franchised Business or referring to the Proprietary Marks. We will have the right, but not the obligation, to provide one or more references or webpage(s), as we may periodically designate, within our Online Site. The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, webpages, microsites, social media and

networking sites (e.g., Facebook, Twitter, LinkedIn, YouTube, Google Plus, Snapchat, Pinterest, Instagram, etc.), blogs, vlogs, applications to be used on mobile devices (e.g., iOS or Android apps), and other applications, etc. (whether they are now in existence or developed at some point in the future). However, if we give you our prior written consent to have some form of separate Online Site (which we are not obligated to approve), then each of the following provisions will apply:

14.5.1 You agree that you will not establish or use any Online Site without our prior written approval.

14.5.2 Any Online Site owned or maintained by or for your benefit will be deemed "marketing" under this Agreement and will be subject to (among other things) our approval under Section 13.8.

14.5.3 Before establishing any Online Site, you agree to submit to us, for our prior written approval, a sample of the proposed Online Site domain name, format, visible content (including, without limitation, proposed screen shots, links, and other content), and non-visible content (including, without limitation, meta tags, cookies, and other electronic tags) in the form and manner we may reasonably require.

14.5.4 You may not use or modify such Online Site without our prior written approval as to such proposed use or modification.

14.5.5 In addition to any other applicable requirements, you agree to comply with the standards and specifications for Online Sites that we may periodically prescribe in the Operating Manual or otherwise in writing (including requirements pertaining to designating us as the sole administrator or co-administrator of the Online Site).

14.5.6 If we require, you agree to establish such hyperlinks to our Online Site and others as we may request in writing.

14.5.7 If we require you to do so, you agree to make weekly or other periodic updates to your Online Site to reflect information regarding specials and other promotions at the Franchised Business.

14.5.8 We may require you to make us the sole administrator (or co-administrator) of any social networking pages that you maintain or that are maintained on your behalf, and we will have the right (but not the obligation) to exercise all of the rights and privileges that an administrator may exercise.

14.6 *Electronic Identifiers; E-Mail*.

14.6.1 You agree not to use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, social network or social media name or address, and/or any other identification of you and/or your business in any electronic medium without our written permission.

14.6.2 You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail, text message, and/or other electronic method without

obtaining our prior written consent as to: (a) the content of such electronic advertisements or solicitations; and (b) your plan for transmitting such advertisements. In addition to any other provision of this Agreement, you will be solely responsible for compliance with any laws pertaining to sending electronic communication including, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "**CAN-SPAM Act of 2003**") and the Federal Telephone Consumer Protection Act. The term "**electronic communication**" includes all methods for sending communication electronically, whether or not currently invented or used, including without limitation e-mails, text messages, internet-based communication, and faxes.

14.7 *Outsourcing*. You agree not to hire third-party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, and/or any other of your obligations, without our prior written approval. Our consideration of any proposed outsourcing vendors may be conditioned upon, among other things, such third-party or outside vendor's entry into a confidentiality and indemnification agreement with us and you in a form that we may reasonably provide and the third-party or outside vendor's agreement to pay for all initial and ongoing costs related to interfaces with our computer systems. The provisions of this Section are in addition to and not instead of any other provision of this Agreement. You agree not to install (and/or remove) any software or firmware from the Computer System without our prior written consent.

14.8 *Telephone Service*. You agree to use the telephone service for the Franchised Business that we may require, which may be one or more centralized vendors that we designate. You agree that we may designate, and own, the telephone numbers for the Franchised Business.

14.9 *Changes*. You acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we will have the right to establish reasonable new standards for the implementation of technology in the System; and you agree to abide by those reasonable new standards we establish and this Section 14 periodically may be revised by us for that purpose and/or updated in the Operating Manual.

14.10 *Electronic Communication – Including E-Mail, Fax, and Texts*. You acknowledge and agree that exchanging information with us by electronic communication methods is an important way to enable quick, effective, and efficient communication, and that we are entitled to rely upon your use of electronic communications as part of the economic bargain underlying this Agreement. To facilitate the use of electronic communication to exchange information, you authorize the transmission of those electronic communications by us and our employees, vendors, and affiliates (on matters pertaining to the Franchised Business) (together, "**Official Senders**") to you during the term of this Agreement.

14.10.1 In order to implement the terms of this Section 14.10, you agree that: (a) Official Senders are authorized to send electronic communications to those of your employees as you may occasionally designate for the purpose of communicating with us and others; (b) you will cause your officers, directors, members, Owners,

Agency Principals, Managers, and employees (as a condition of their employment or position with you) to give their consent (in an electronic communication or in a pen-and-paper writing, as we may reasonably require) to Official Senders' transmission of electronic communication to those persons, and that such persons may not opt-out, or otherwise ask to no longer receive electronic communication, from Official Senders during the time that such person works for or is affiliated with you; and **(c)** you will not opt-out, or otherwise ask to no longer receive electronic communications, from Official Senders during the term of this Agreement.

14.10.2 The consent given in this Section 14.10 will not apply to the provision of notices by either party under this Agreement using e-mail unless the parties otherwise agree in writing signed by both parties.

14.10.3 We may permit or require you to use a specific e-mail address (or address using another communications method) (for example, one that will contain a Top Level Domain Name that we designate, such as "john.jones@SelectQuoteLocal.com") (the "**Permitted E-mail Address**") in connection with the operation of the Franchised Business, under the standards that we set for use of that Permitted E-mail Address. If we assign you a Permitted E-mail Address, then you agree that you (and your employees) will use only that e-mail account for all business associated with the Franchised Business.

15. INSURANCE

15.1 *Required Insurance Coverage*. Before starting any activities or operations under this Agreement, you agree to procure and maintain in full force and effect during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required under this Agreement for events having occurred during the term of this Agreement), at your expense, at least the following insurance policy or policies in connection with the Franchised Business or other facilities on premises, or by reason of the construction, operation, or occupancy of the Franchised Business or other facilities on premises. We reserve the right to require you to procure such policies from the provider(s) we designate as part of a System-wide insurance program we implement. If we do not designate such provider(s), such policy or policies must be written by an insurance company or companies we have approved, having at all times a rating of at least "A-" in the most recent Key Rating Guide published by the A.M. Best Company (or another rating that we reasonably designate if A.M. Best Company no longer publishes the Key Rating Guide) and licensed and admitted to do business in the Approved State(s), and must include, at a minimum (except that we may reasonably specify additional coverages and higher policy limits for all franchisees periodically in the Operating Manual or otherwise in writing to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances), the following:

15.1.1 Commercial general liability insurance, including us, and any entity in which we have an interest and any entity affiliated with us and each of our members,

managers, shareholders, directors, officers, partners, employees, servants and agents as additional insureds protecting against any and all claims for personal, bodily and/or property injury occurring in or about the Franchised Business and protecting against assumed or contractual liability under this Agreement with respect to the Franchised Business and your operations, with such policy to be placed with minimum limits of One Million Dollars ($1,000,000) combined single limit per occurrence and Two Million Dollars ($2,000,000) general aggregate per location; provided, however, that at our election, such minimum limits may be periodically increased.

15.1.2 Professional indemnity insurance provides coverage for loss or damage arising out of an act or omission by you or your employees, with a minimum of One Million Dollars ($1,000,000) of coverage and $3,000,000 in aggregate.

15.1.3 Data theft and cybersecurity (a/k/a cyber risk) coverage with limits of liability not less than One Million Dollars ($1,000,000) per occurrence and $2,000,000 in aggregate.

15.1.4 We may also require you to acquire TCPA Insurance.

15.2

15.3 You may also be required to purchase the following types of insurance as required in the Operating Manual:

15.3.1 Business automobile liability insurance, including owned, non-owned and hired car coverage providing third party liability insurance, covering all licensed vehicles owned or operated by or on behalf of you, with limits of liability not less than One Million Dollars ($1,000,000) combined single limit for both bodily injury and property damage.

15.3.2 Statutory workers' compensation insurance and employer's liability insurance for a minimum limit equal to at least the greater of One Hundred Thousand Dollars ($100,000) or the amounts required by your umbrella carrier, as well as such other disability benefits type insurance as may be required by statute or rule of the Approved State(s).

15.3.3 Commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages (commercial general liability, comprehensive automobile liability, and worker's compensation insurance and employer's liability insurance) to not less than Two Million Dollars ($2,000,000) total limit of liability. Such umbrella liability must provide at a minimum those coverages and endorsements required in the underlying policies.

15.3.4 Property insurance provides coverage for direct physical loss or damage to real and personal property for all risk perils, including the perils of flood and earthquake. Appropriate coverage must also be provided for business interruption/extra expense exposures, written on an actual loss sustained basis. The policy or policies must

value property (real and personal) on a new replacement cost basis without deduction for depreciation and the amount of insurance must not be less than ninety percent (90%) of the full replacement value of the Franchised Business, its furniture, fixtures, equipment, and stock (real and personal property). Any deductibles contained in such policy will be subject to our review and approval. If your Authorized Location is located in a flood zone other than B, C or X, as determined by the Federal Emergency Management Agency, you must also obtain flood insurance coverage in the amount of the lesser of ninety percent (90%) of the replacement cost or the maximum coverage available from the National Flood Insurance Program.

15.3.5 Any other insurance coverage that is required by the Operating Manual or federal, state, or municipal law.

15.4 *Endorsements*. All policies listed in Sections 15.1 and 15.2 (unless otherwise noted below) must contain such endorsements as will, periodically, be provided in the Operating Manual All policies must waive subrogation as between us (and our insurance carriers) and you (and your insurance carriers).

15.5 *Notices to Us*. In the event of cancellation, material change, or non-renewal of any policy, sixty (60) days' advance written notice must be provided to us.

15.6 *Construction Coverages*. In connection with all significant construction, reconstruction, or remodeling of the Franchised Business during the term of this Agreement, you agree to require the general contractor, its subcontractors, and any other contractor, to effect and maintain at general contractor's and all other contractor's own expense, such insurance policies and bonds with such endorsements as are set forth in the Operating Manual, all written by insurance or bonding companies that we have approved, having a rating as set forth in Section 15.1.

15.7 *Other Insurance Does Not Impact Your Obligation*. Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified will not be limited in any way by reason of any insurance that we may maintain, nor will your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 21.4. Additionally, the requirements of this Section 15 will not be reduced, diminished, eroded, or otherwise affected by insurance that you carry (and/or claims made under that insurance) for other businesses, including other SelectQuote Local Businesses that you (and/or your affiliates) operate under the System.

15.8 *Additional Named Insured*. All public liability and property damage policies except workers' compensation must list us as an additional named insured, and must also contain a provision that we, although named as an insured, will nevertheless be entitled to recover under said policies on any loss occasioned to us (and/or our affiliates), agents, or employees by reason of the negligence of you (and/or your affiliates), your agents or employees.

15.9 *Certificates of Insurance*. At least thirty (30) days before the time you are first required to carry any insurance under this Agreement, and from then on, and at least thirty (30) days before the expiration of any such policy, you agree to deliver to us certificates of insurance

evidencing the proper coverage with limits not less than those required under this Agreement. All certificates must expressly provide that we will receive at least thirty (30) days' prior written notice if there is a material alteration to, cancellation, or non-renewal of the coverages evidenced by such certificates. Additional certificates evidencing the insurance required by Sections 15.1 and 15.2 must name us, and each of our affiliates, directors, agents, and employees, as additional insured parties, and must expressly provide that any interest of same therein will not be affected by any breach by you of any policy provisions for which such certificates evidence coverage.

15.10 *Proof of Coverage*. In addition to your obligations under Section 15.8, on the first anniversary of the Commencement Date, and on each subsequent anniversary of the Commencement Date, you agree, as required by the Operating Manual, to provide us with proof of insurance evidencing the proper coverage with limits not less than those required under this Agreement, in such form as we may reasonably require.

15.11 *Coverages are Minimums*. You acknowledge and agree that the specifications and coverage requirements in this Section 15 are minimums, and that we recommend that you review these with your own insurance advisors to determine whether additional coverage is warranted in the operation of the Franchised Business.

15.12 *Changes*. We will have the right, periodically, to make such changes in minimum policy limits and endorsements as we may determine are necessary or appropriate; provided, however, all changes will apply to all of our franchisees who are similarly situated.

16. TRANSFER OF INTEREST

16.1 *By Us*. We will have the right to transfer or assign this Agreement and all or any part of our rights or obligations under this Agreement to any person or legal entity, and any assignee of us, which assignee will become solely responsible for all of our obligations under this Agreement from the date of assignment.

16.2 *Your Owners*. You represent and warrant to us that if you are an entity, then each party that directly or indirectly holds any interest whatsoever in you (each, an "**Owner**"), and the interest that each Owner directly or indirectly holds in you, is identified in Exhibit B to this Agreement. You represent and warrant to us, and agree, that your Owners are accurately set forth on Exhibit B to this Agreement, and you also agree not to permit the identity of those Owners, or their respective interests in you, to change without complying with this Agreement.

16.3 *Owners*. We will have a continuing right to designate any person or entity that owns a direct or indirect interest in you as an Owner, and Exhibit B will be so amended automatically upon written notice to you.

16.4 *By You*. You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted the Franchised Business in reliance on your (or your Agency Principal's) business skill, financial capacity, and personal character. Accordingly:

16.4.1 You agree not to make a transfer (and not to permit any other party to make a transfer) without our prior written consent.

16.4.1.1 As used in this Agreement, the term "**transfer**" is agreed to mean any sale, assignment, conveyance, pledge, encumbrance, merger, creation of a security interest in, and/or giving away of any direct or indirect interest in: (a) this Agreement; (b) you; (c) any or all of your rights and/or obligations under this Agreement; and/or (d) all or substantially all of the assets of the Franchised Business.

16.4.1.2 Any purported assignment or transfer not having our prior written consent as required by this Section 16 will be null and void and will also constitute a material breach of this Agreement, for which we may, subject to state law, immediately terminate this Agreement without opportunity to cure, pursuant to Section 17.2.5.

16.4.2 In considering a request for transfer, we will consider, among other things, the qualifications, apparent ability and credit standing of the proposed transferee as if the same were a prospective, direct franchisee of the us; provided that we may, in our sole discretion, set limits from time to time as to the number of SelectQuote Local Businesses you or your affiliates may own and operate at any given time.

16.4.3 If you are an entity (other than a partnership or a limited liability partnership), then you agree that: **(a)** without our prior written approval, you will not issue any voting securities or interests, or securities or interests convertible into voting securities; and **(b)** the recipient of any such security or other interest will become an Owner under this Agreement, if we designate them as such.

16.4.4 If you are a partnership or limited liability partnership, then the partners of that partnership will not, without our prior written consent, admit additional general partners, remove a general partner, or otherwise materially alter the powers of any general partner. Each general partner in such a partnership will automatically be deemed to be an Owner.

16.4.5 Owners must not, without our prior written consent, transfer, pledge, and/or otherwise encumber their interest in you.

16.5 *Transfer Conditions*. We will not unreasonably withhold any consent required by Section 16.4; provided, if you propose to transfer your obligations under this Agreement or any material asset, or if any party proposes to transfer any direct or indirect interest in you, then we will have the right to require that you satisfy any or all of the following conditions before we grant our approval to the proposed transfer:

16.5.1 The transferor must have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, successors, and assigns, and their respective officers, directors, members, managers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any

other agreement between you and us, and/or our respective affiliates, and federal, state, and local laws and rules.

16.5.2 The transferee will be designated as an Owner in accordance with this Agreement, and each transferee who is designated an Owner must enter into a written agreement, in a form satisfactory to us, agreeing to be bound as an Owner under the terms of this Agreement as long as such person or entity owns any interest in you; and, if your obligations were guaranteed by the transferor, the Owner must guarantee the performance of all such obligations in writing in a form satisfactory to us.

16.5.3 The proposed new Owners (after the transfer) must meet our educational, managerial, and business standards; each must possess a good moral character, business reputation, and credit rating; have the aptitude and ability to operate the Franchised Business, as may be evidenced by prior related business experience or otherwise; and have adequate financial resources and capital to operate the Franchised Business.

16.5.4 You must furnish to us a copy of the contract of sale, including price and payment terms.

16.5.5 We will have the right to require that the transferee execute, for a term ending on the expiration date of this Agreement, the then-current form of our franchise agreement, and such other ancillary agreements that we may require for the Franchised Business, and those agreements will supersede this Agreement and its ancillary documents in all respects (except with respect to the renewal provisions of the new franchise agreement, which will not supersede Section 2), and the terms of which may differ from the terms of this Agreement including, without limitation, a higher percentage Royalty Fee and Marketing Contribution.

16.5.6 If we request, then you must conform to the then-current standards and specifications of new SelectQuote Local Businesses then-being established in the System, and you agree to complete the requirements specified in Section 8 within the time period that we specify.

16.5.7 You agree to pay in full all of your monetary obligations to us and to our affiliates, and to all vendors (whether arising under this Agreement or otherwise), and you must not be otherwise in default of any of your obligations under this Agreement (including your reporting obligations).

16.5.8 The transferor must remain liable for all of the obligations to us in connection with the Franchised Business that arose before the effective date of the transfer, and any covenants that survive the termination or expiration of this Agreement, and must execute any and all instruments that we reasonably request to evidence such liability.

16.5.9 An Owner of the transferee whom we designate to be a new Agency Principal, and those of the transferee's Managers and employees as we may require, must

successfully complete (to our satisfaction) all training programs that we require upon such terms and conditions as we may reasonably require. We will charge a fee for attendance at such a training program for the transferee's new Agency Principal and Manager. However, we reserve the right to charge the transferee our then-current per diem training charges, and/or require a deposit, for any training that we provide. The transferee will be responsible for the salary and all expenses of the person(s) that attend training.

16.5.10 If you or any person holding an interest in the Franchised Business wishes to transfer a minority interest in the entity operating the Franchised Business or in the Franchised Business, we require you to pay us a fee as a condition of transfer. This transfer fee will be $5,000. If you wish to transfer a majority or complete interest to an individual or entity, then the transfer fee is $55,000. All transferees must be approved and meet our standards and you must be in full compliance with minimum performance standards. The transferor must acknowledge and agree that the transferor will remain bound by the covenants contained in Section 19.

16.5.11 If the approved transfer involves the sale of all or any part of your book of insurance business (including Net Revenues payable in connection with that business) to an individual or entity not currently operating within the System or not operating within the System with a Manager or Agency Principal that has successfully completed all of our training programs then in effect, then upon completion of the transfer the transferee must enter into the then-current form of our franchise agreement, and such other ancillary agreements that we may require for the Franchised Business.

16.6 *Right of First Refusal*. If you or any of your Owners wish to accept any *bona fide* offer from a third party to purchase you, any of your material assets, or any direct or indirect interest in you, then all of the following will apply:

16.6.1 You (or the Owner who proposes to sell his/her interest) must promptly notify us in writing of the offer and provide to us the information and documentation relating to the offer that we may require. We will have the right and option, exercisable within thirty (30) days after we have received all such information that we have requested, to send written notice to the seller that we intend to purchase the seller's interest on the same economic terms and conditions offered by the third party. After exercising our right, we will also have the right to conduct additional reasonable due diligence and to require the seller to enter into a purchase agreement in a form mutually acceptable to us and to the seller. If we elect to purchase the seller's interest, then the closing on such purchase will occur within thirty (30) days from the date of notice to the seller of the election to purchase by us.

16.6.2 Any material change in the terms of the offer before closing will constitute a new offer subject to our same rights of first refusal (as set forth in this Section 16.6 as in the case of the third party's initial offer. If we do not exercise the option afforded by this Section 16.6 that will not constitute a waiver of any other provision of this

Agreement, including all of the requirements of this Section 16, with respect to a proposed transfer.

16.6.3 If the consideration, terms, and/or conditions offered by a third party are such that we may not reasonably be required to furnish the same consideration, terms, and/or conditions, then we may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions offered by the third party, they must attempt to appoint a mutually-acceptable independent appraiser to make a binding determination. If the parties are unable to agree upon one independent appraiser, then we will promptly designate an independent appraiser and you will promptly designate another independent appraiser and those two appraisers will, in turn, promptly designate a third appraiser; and all three appraisers will promptly confer and reach a single determination (or, if unable to reach a single determination, a valuation determined by a majority vote of those appraisers), which determination will be binding upon both you and us. Both parties will equally share the cost of any such appraisal.

16.6.4 If we exercise our rights under this Section 16.6, then we will have the right to set off all amounts due from you (including one-half ($^1/_2$) of the cost of an appraisal, if any, conducted under Section 16.6.3 against any payment to you.

16.7 *Death or Incapacity*. Upon the death or mental incapacity of any person with an interest in this Agreement, the Franchisee, the Franchised Business, or in all or substantially all of the assets of the Franchised Business:

16.7.1 The executor, administrator, or personal representative of such person will transfer such interest to a third-party approved by us within six (6) months after such death or mental incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, will be subject to the same conditions as any *inter vivos* transfer. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 16, the executor, administrator, or personal representative of the decedent will transfer the decedent's interest to another party approved by us within a reasonable time (not to exceed six (6) months following such death or mental incapacity), which disposition will be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within six (6) months after such death or mental incapacity, we may terminate this Agreement, pursuant to Section 17.2. Any transfer subject to this Section which is made in accordance with a succession plan approved in advance by us will be deemed approved for the purposes of this Section. We will not unreasonably withhold any approvals required by this Section 16.7.

16.7.2 We will have the right, but not the obligation, to take such steps as are necessary to manage the Franchised Business until such time as a transfer can be completed pursuant to Section 16.7.1. You further grant to us the right to receive a reasonable

fee for such services and reimbursement for our expenses in connection with such services.

16.7.3 *Our Right to Purchase Business Upon Death or Incapacity*.

16.7.3.1 If the transfer of interest described in Section 16.7.1 has not occurred within six (6) months after such death or mental incapacity, we will have the option, but not the obligation, to purchase your interest in the Franchised Business. Such interest may include your economic interest in the book of business for the Franchised Business, and furniture, fixtures, equipment and the rights under the lease for the Authorized Location. We may elect not to include the furniture, fixtures, equipment and the rights under the lease for the Authorized Location in that purchase. If we intend to exercise this option, we will notify you (or your appropriate legal representative) within thirty (30) days of the date we learn of such death or mental incapacity.

16.7.3.2 For assets other than furniture, fixtures or equipment and the rights under the lease for the Authorized Location, the purchase price will be an amount equal to purchase price will be an amount equal to three (3) times the Seller's Discretionary Earnings ("**SDE**") of the Franchised Business during the twelve (12) month period immediately preceding the closing, including add-backs as approved by the Franchisor. For purposes of this Section, SDE is defined as the business's net profit before taxes, interest, depreciation, and amortization (EBITDA), plus the owner's total compensation and any personal or non-recurring expenses. If we and you cannot agree on the specific add-backs to be included in the SDE calculation, the purchase price shall be determined by each party selecting an independent appraiser who will each provide a written appraisal of such assets, and we may elect to exercise the option granted hereunder by paying to you the average of the two appraisals. Regardless of the initial calculation, if we re-sell the assets purchased under this Section within six (6) months of our purchase, the purchase price will be calculated to be ninety percent (90%) of the price for which we re-sell the assets (if more than the original purchase price). The purchase price will be reduced by any current and long-term liabilities of the Franchised Business assumed by us and any amounts due to us from you at the time of sale. The purchase price for furniture, fixtures, equipment and the rights under the lease for the Authorized Location (if we elect to purchase these assets) will be the fair market value as you and we agree. If we and you cannot agree on the fair market value of such furniture, fixtures, equipment or the rights under the lease for the Authorized Location, each party will select an independent appraiser who will each provide a written appraisal of such furniture, fixtures, equipment or rights under the lease for the Authorized Location and we may elect to exercise the option granted hereunder by paying to you the average of the two appraisals. We will pay the purchase price to you in twenty-four (24) equal, monthly installments following the

purchase, provided that you are in full compliance with the covenants contained in this Agreement. If, at any time during the twenty-four (24) months following our purchase of your assets, as described above, you breach any covenant contained in this Agreement (or any other agreement between you and us), our obligation to pay the monthly installments will immediately cease.

16.7.3.3 We may elect to exercise our option to purchase your interest in the Franchised Business by sending written notice of the election to you (or your appropriate legal representative). The election may exclude the purchase of the furniture, fixtures, equipment and rights under the lease for the Authorized Location. The closing of the sale will occur within thirty (30) days after we exercise our option to purchase the Franchised Business or such later date as may be necessary to comply with applicable bulk sales or similar laws. At closing, we and you agree to sign and deliver all documents necessary to vest title in the assets purchased by us free and clear of all liens and encumbrances, except any assumed by us and/or to effectuate assignment of the lease for the Authorized Location. You must cooperate fully and use your best efforts to acquire the landlord's approval of the assignment of the lease for the Authorized Location to us, if necessary. If the lease for the Authorized Location cannot be assigned to us, you will agree to sublease the Authorized Location to us on all the same terms and conditions as are contained in your lease and will cooperate fully and use your best efforts to acquire the landlord's approval of the sublease, if necessary. We reserve the right to assign our option to purchase the Franchised Business or designate a substitute purchaser of the Franchised Business.

16.8 *Consent to Transfer*. Our consent to a transfer that is the subject of this Section 16 will not constitute a waiver of any claims that we may have against the transferring party, nor will it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

16.9 *No Transfers to a Non-Franchisee Party to Operate a Similar Business*. You will not transfer or attempt to transfer any or all of the Franchised Business to a third-party who will operate a similar business but not under the System and the Proprietary Marks, and not under a franchise agreement with us.

16.10 *Bankruptcy Issues*. If you or any person holding any interest (direct or indirect) in you become a debtor in a proceeding under the U.S. Bankruptcy Code or any similar law in the U.S. or elsewhere, it is the parties' understanding and agreement that any transfer of you, your obligations, and/or rights under this Agreement, any material assets of yours, and/or any indirect or direct interest in you will be subject to all of the terms of this Section 16, including without limitation the terms of Section 16.4 and 16.5.

16.11 *Securities Offers*. You and your affiliates shall not conduct any securities offering, whether public or private, without obtaining our prior written consent. Any attempt to do so shall

constitute a material breach of this Agreement, subject to immediate termination. If such consent is granted, you must comply with all federal and state securities laws and include a disclaimer in any offering materials that we do not endorse or participate in the offering. You shall also indemnify us from any claims or liabilities related to such offering.

16.11.1 All materials for an offering of stock, ownership, and/or partnership interests in you or any of your affiliates that are required by federal or state law must be submitted to us for review as described below before such materials are filed with any government agency. Any materials to be used in any exempt offering must be submitted to us for such review before their use.

16.11.2 Absent express written consent from us, which may be withheld in our sole discretion, you may not pursue a securities offering for purposes of raising funds to purchase one or franchises in the System as part of an overarching plan to roll up other franchises in the System under a single public or private Franchised Business.

16.11.3 You agree that: **(a)** no offering by you or any of your affiliates may imply (by use of the Proprietary Marks or otherwise) that we are participating in an underwriting, issuance, or offering of your securities or your affiliates' securities; **(b)** our review of any offering will be limited solely to the relationship between you and us (and, if applicable, any of your affiliates and us); and **(c)** we will have the right, but not obligation, to require that the offering materials contain a written statement that we require concerning the limitations in this Section 16.11.

16.11.4 You (and the offeror if you are not the offering party), your Owners, and all other participants in the offering must fully indemnify us and all of the Franchisor Parties (as defined in Section 21.5.2 in connection with the offering.

16.11.5 For each proposed offering, you agree to pay us a non-refundable fee of Ten Thousand Dollars ($10,000) or such greater amount as is necessary to reimburse us for our reasonable costs and expenses (including legal and accounting fees) for reviewing the proposed offering.

16.11.6 You agree to give us written notice at least thirty (30) days before the date that any offering or other transaction described in this Section 16.11 commences. Any such offering will be subject to all of the other provisions of this Section 16, including without limitation the terms set forth in Sections 16.4 and 16.5; and further, without limiting the foregoing, it is agreed that any such offering will be subject to our approval as to the structure and voting control of the offeror (and you, if you are not the offeror) after the financing is completed.

16.11.7 You also agree that after your initial offering, described above, for the remainder of the term of the Agreement, you will submit to us for our review and prior written approval all additional securities documents (including periodic reports, such as quarterly, annual, and special reports) that you prepare and file (or use) in connection with any such offering. You agree to reimburse us for our reasonable costs and expenses (including legal and accounting fees) that we incur in connection with our review of those materials.

17. DEFAULT AND TERMINATION

17.1 *Automatic*. If any one or more of the following events take place, then you will be deemed to be in default under this Agreement, and (subject to state law) all rights granted in this Agreement may be terminated automatically terminated without notice to you if: **(a)** you become insolvent (meaning, you are unable to pay your debts as they fall due in the usual course of business) or make a general assignment for the benefit of creditors; **(b)** a bill in equity or other proceeding for the appointment of a receiver for you or another custodian for your business or assets is filed and consented to by you; **(c)** a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; **(d)** proceedings for a composition with creditors under any state or federal law is instituted by or against you; **(e)** a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless an appeal or a supersedeas bond is filed); **(f)** you are dissolved or if execution is levied against your business or property; **(g)** suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against you and not dismissed within thirty (30) days; and/or **(h)** the real or personal property of the Franchised Business will be sold after levy thereupon by any sheriff, marshal, or constable.

17.2 *With Notice.* If any one or more of the following events occur, then you will be in default under this Agreement, and we will have the right to, subject to state law, terminate this Agreement and all rights granted under this Agreement, without affording you any opportunity to cure the default, effective immediately upon the delivery or attempted delivery of our written notice to you:

17.2.1 If you do not obtain an Authorized Location for the Franchised Business within the time limits specified under Section 1.2, or if you do not construct and open the Franchised Business within the time limits specified in Sections 5.1 and 8.2, and within the requirements specified in Sections 5 and 8.2;

17.2.2 If you at any time cease to operate or otherwise abandon the Franchised Business for ten (10) consecutive business days (during which you are otherwise required to be open, and without our prior written consent to do so), or lose the right to possession of or access to the premises, at the Authorized Location, or otherwise forfeit the right to transact business in the Approved State(s) (however, if through no fault of yours, the premises are damaged or destroyed by an event such that you cannot complete repairs or reconstruction within ninety (90) days thereafter, then you will have thirty (30) days after such event in which to apply for our approval to relocate and/or reconstruct the premises, which approval we will not unreasonably withhold);

17.2.3 If you or any of your Owners, Agency Principals or Managers are charged with or convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein;

17.2.4 If a threat or danger to public health or safety results from the construction, maintenance, or operation of the Franchised Business;

17.2.5 If you or any of your Owners purport to transfer any rights or obligations under this Agreement or any interest to any third party in a manner that is contrary to the terms of Section 16;

17.2.6 If you fail to comply with the requirements of Section 19;

17.2.7 If, contrary to the terms of Sections 10 or 11, you (whether or not through the actions or omissions of your Owners, Agency Principals, Managers, employees, agents or representatives) disclose or divulge the contents of the Operating Manual or other Confidential Information;

17.2.8 If an approved transfer of an interest in you is not completed within a reasonable time, as required by Section 16.7;

17.2.9 If you (whether or not through the actions or omissions of your Owners, Agency Principals, Managers, employees, agents or representatives) knowingly maintain false books or records, or submit any false reports (including information provided as part of your application for the Franchised Business) to us;

17.2.10 If you commit three (3) or more defaults under this Agreement in any fifty-two (52) week period, whether or not each such default has been cured after notice;

17.2.11 If, after receipt of notice from us, you or your Owners, Agency Principals, Managers or employees continue to sell or use any products or services from or in the Franchised Business that are not Approved Insurance Products or Approved Products and Services;

17.2.12 If you or your Owners, Agency Principals, Managers or employees engage in any conduct or practice that is fraudulent, unfair, unethical, or a deceptive practice, or if you allow any of your employees to operate dishonestly or carelessly;

17.2.13 If you or your Owners, Agency Principals, Managers or employees misuse or misappropriate login information for access to the Computer System, Required Software, or the websites or databases of Approved Carriers or Approved Suppliers;

17.2.14 If an Approved Carrier terminates its ongoing business relationship with you, your Agency Principals or your Managers for cause;

17.2.15 If you or your Agency Principals or Managers fail to maintain the insurance licenses required to sell or service;

17.2.16 If you or your Agency Principals or Managers fail to successfully complete any required training programs to our reasonable satisfaction and/or if you do not timely enroll in or complete the initial training program as required under Section 6.2.1;

17.2.17 If the Franchised Business uses or sells any Prohibited Insurance Products or any Prohibited Products and Services;

17.2.18 If you make or permit any of your Owners, Agency Principals, Managers or employees to make any unauthorized or improper use of the Proprietary Marks, if you use or permit any of your Owners, Agency Principals, Managers or employees to use the Proprietary Marks in a manner that we do not permit (whether under this Agreement and/or otherwise) or that is inconsistent with our direction, or if you or any of your Owners, Agency Principals, Managers or employees directly or indirectly contest the validity of our ownership of the Proprietary Marks, our right to use and to license others to use the Proprietary Marks, or seek to (or actually do) register any of the Proprietary Marks with any agency (public or private) for any purpose without our prior written consent to do so;

17.2.19 If you or your Owners, Agency Principals, Managers or employees violate our External Communications and Media Policy, as set forth in the Operating Manual;

17.2.20 If you receive two (2) notices of default for failure to meet or exceed the Growth Expectations in any given year;

17.2.21 If the Franchised Business is placed in default status pursuant to Section 8.15, and you fail to cure the default; and/or

17.2.22 If you or your Owners, Agency Principals, Managers or employees fail to comply with the Operating Manual to the extent that such failure is not subject to cure.

17.3 *With Notice and Opportunity to Cure*.

17.3.1 Except as otherwise provided in Sections 17.1 and 17.2, if you are in default of your obligations under this Agreement or the Operating Manual, then we may terminate this Agreement by giving you written notice of termination stating the nature of the default at least thirty (30) days before the effective date of termination (or ten (10) days before the effective date of termination for **(i)** any failure to pay the Initial Franchise Fee **(ii)** any failure to pay any amount due to us under this Agreement, or **(iii)** any failure to timely enter information into the agency management system as required by the Operating Manual). You may, however, avoid termination by: **(a)** immediately initiating a remedy to cure such default; **(b)** curing such default to our satisfaction; **(c)** promptly (within ten (10) days) providing written notice to us that you will cure such default; and **(d)** promptly providing proof of the cure to us, all within the thirty (30) day period (or ten (10) day period, as applicable). If you do not cure any such default within the specified time (or such longer period as applicable law may require) or provide us with written notice that you will cure such default, then we will terminate this Agreement without further notice to you effective immediately upon the expiration of the thirty (30) day period (or ten (10) day period, or such longer period as applicable state law may require).

17.3.2 If you are in default under the terms of any other franchise agreement or other contract between you (and/or your affiliates) and us (and/or our affiliates), that will also constitute a default under Section 17.3.1.

17.4 *Bankruptcy*. If, for any reason, this Agreement is not terminated pursuant to this Section 17, and the Agreement is assumed, or assignment of the same to any person or entity who has made a *bona fide* offer to accept an assignment of the Agreement is contemplated, pursuant to the U.S. Bankruptcy Code, then notice of such proposed assignment or assumption, setting forth: **(a)** the name and address of the proposed assignee; and **(b)** all of the terms and conditions of the proposed assignment and assumption; must be given to us within twenty (20) days after receipt of such proposed assignee's offer to accept assignment of the Agreement; and, in any event, within ten (10) days before the date application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption. We will then have the prior right and option, to be exercised by notice given at any time before the effective date of such proposed assignment and assumption, to accept an assignment of the Agreement to us upon the same terms and conditions, and for the same consideration, if any, as in the *bona fide* offer made by the proposed assignee, less any brokerage commissions that may be payable by you out of the consideration to be paid by such assignee for the assignment of the Agreement.

17.5 *Our Rights Instead of Termination*. If we are entitled to terminate this Agreement in accordance with Sections 17.2 and 17.3, we will also have the right to take any lesser action instead of terminating this Agreement.

17.6 *Reservation of Rights under Section 17.5*. If any rights, options, or arrangements are terminated or modified in accordance with Section 17.5, such action will be without prejudice to our right to terminate this Agreement in accordance with Section 17.2 or 17.3, and/or to terminate any other rights, options or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement.

17.7 *Damages*. You agree that you will pay us all damages, costs, and expenses (including reasonable attorneys' fees, court costs, discovery costs, and all other related expenses), that we incur as a result of any default by you under this Agreement and any other agreement between the parties (and their respective affiliates) (in addition to other remedies that we may have).

17.8 *Requested Termination*. You will have the right, prior to you, your Agency Principal, your Manager, or any of your employees beginning the initial training program described in Section 6.2.1 (including the online training component), to elect to terminate this Agreement upon written notice to us. If you elect to terminate this Agreement pursuant to this Section 17.8, you agree to enter into a termination agreement with us in the form we require, which will include a mutual release, excluding your obligations under Section 11, which will release all claims against us and our affiliates, and our respective officers, directors, members, managers, agents, and employees. If you are an entity, then your affiliates and Owners (and any other parties that we reasonably request) must also sign and deliver such release to us.

18. OBLIGATIONS UPON TERMINATION, NON-RENEWAL, OR EXPIRATION

Upon termination, non-renewal or expiration of this Agreement, all rights granted under this Agreement to you will immediately terminate, and all of the following will take effect:

18.1 *Cease Operation*. You agree to: **(a)** immediately and permanently stop operating the Franchised Business; and **(b)** never directly or indirectly represent to the public that you are a present franchisee of ours.

18.2 *Stop Using Marks and Intellectual Property*. You agree to immediately and permanently cease to use, in any manner whatsoever, all aspects of the System, including any confidential methods, procedures and techniques associated with the System, the mark "SelectQuote Local Insurance" and any and all other Proprietary Marks, distinctive forms, slogans, signs, symbols, and devices associated with the System, and any and all other intellectual property associated with the System. Without limiting the foregoing, you agree to stop making any further use of any and all signs, marketing materials, displays, stationery, forms, and any other articles that display the Proprietary Marks.

18.3 *Cancel Assumed Names*. You agree to take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "SelectQuote" or "SelectQuote Local Insurance" and any and all other Proprietary Marks, and/or any other service mark or trademark of ours, and you will give us evidence that we deem satisfactory to provide that you have complied with this obligation within five (5) days after termination or expiration of this Agreement.

18.4 *Premises*. We will have the right (but not the obligation) to require you to assign to us any interest that you (and/or your affiliates) may have in the lease or sublease for the Authorized Location and/or the premises at the Authorized Location.

18.4.1 If we do not elect or if we are unable to exercise any option we may have to acquire the lease or sublease for the premises of the Franchised Business, or otherwise acquire the right to occupy the premises, you will make such modifications or alterations to the premises operated under this Agreement (including, without limitation, the changing of the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of said premises from that of other SelectQuote Local Businesses, and must make such specific additional changes thereto as we may reasonably request for that purpose. In addition, you will cease use of all telephone numbers and any domain names, websites, e-mail addresses, and any other print and online identifiers, whether or not authorized by us that you used to operate the Franchised Business, and must promptly execute such documents or take such steps necessary to remove reference to the Franchised Business from all trade or business directories, including online directories, or at our request transfer same to us.

18.4.2 If you fail or refuse to comply with all of the requirements of this Section 18.4, then we (or our designee) will have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other tort, for the purpose of

making or causing to be made such changes as may be required, at your cost, which expense you agree to pay upon demand.

18.5 *Our Option to Buy Your Assets*. Within thirty (30) days after the expiration or non-renewal of this Agreement, we have the right, but not the obligation, to buy from you (and/or your affiliates) your economic interest in the Franchised Business. We may elect in our sole discretion (but are not required) to include the furniture, fixtures, equipment and the rights under the lease for the Authorized Location in that purchase. We are not obligated to purchase the assets of the Franchised Business under any other circumstances, but we have the right to offer to do so at our sole discretion.

18.5.1 For assets other than furniture, fixtures or equipment and the rights under the lease for the Authorized Location, the purchase price will be an amount equal to three (3) times the Seller's Discretionary Earnings ("**SDE**") received by the Franchised Business during the twelve (12) month period immediately preceding the closing of the purchase of the assets by us, including add-backs as approved by the Franchisor. For purposes of this Section, SDE is defined as the business's net profit before taxes, interest, depreciation, and amortization (EBITDA), plus the owner's total compensation and any personal or non-recurring expenses. If we and you cannot agree on the specific add-backs to be included in the SDE calculation, the purchase price shall be determined by each party selecting an independent appraiser who will each provide a written appraisal of such assets, and we may elect to exercise the option granted hereunder by paying to you the average of the two appraisals. The purchase price will be reduced by any current and long-term liabilities of the Franchised Business assumed by us and any amounts due to us from you at the time of sale. The purchase price for furniture, fixtures, equipment and the rights under the lease for the Authorized Location (if we elect to purchase these assets) will be the fair market value as you and we agree. If we and you cannot agree on the fair market value of such furniture, fixtures, equipment or the rights under the lease for the Authorized Location, each party will select an independent appraiser who will each provide a written appraisal of such furniture, fixtures, equipment or rights under the lease for the Authorized Location, and we may elect to exercise the option granted hereunder by paying to you the average of the two appraisals. The total purchase price will be for the assets of the Franchised Business that we elect to purchase, which may not include the furniture, fixtures, equipment and rights under the lease for the Authorized Location. We will pay the purchase price to you in twelve (12) equal, monthly installments following the purchase, provided that you are in full compliance with the covenants contained in this Agreement. If, at any time during the twelve (12) months following our purchase of your assets, as described above, you breach any covenant contained in this Agreement (or any other agreement between you and us), our obligation to pay the monthly installments will immediately cease. We have the right to offset amounts that you owe to us against any payment that we may be required to make pursuant to this Section 18.5.

18.5.2 Subject to our payment of the purchase price in installments as noted above, the closing of the sale will occur within thirty (30) days after we exercise our option to

purchase the Franchised Business or such later date as may be necessary to comply with applicable bulk sales or similar laws. At closing, we and you agree to sign and deliver all documents necessary to vest title in the assets purchased by us free and clear of all liens and encumbrances, except those assumed by us. We reserve the right to assign our repurchase rights described above or designate a substitute purchaser of the Franchised Business.

18.6 *No Use of the Marks in Other Businesses*. You agree, if you continue to operate or subsequently begin to operate any other business, that you will not use any reproduction, counterfeit copy, and/or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute our rights in and to the Proprietary Marks. You further agree not to use, in any manner whatsoever, any designation of origin, description, trademark, service mark, or representation that suggests or implies a past or present association or connection with us, the System, the equipment, and/or the Proprietary Marks.

18.7 *Pay All Sums Due*. You agree to immediately pay all sums owing to us and our affiliates (regardless of whether those obligations arise under this Agreement or otherwise). In the event of termination for any of your defaults, those sums will include all damages, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur as a result of such default.

18.8 *Pay Damages*. You agree to pay us all damages, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur as a result of your default under this Agreement and/or subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 18, which will be in addition to amounts due to us under Section 18.11.

18.9 *Return Confidential Information*. You agree to immediately return to us the Operating Manual, and all other manuals, records, and instructions containing Confidential Information (including, without limitation, any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be our property.

18.10 *Right to Enter and Continue Operations*. In order to preserve the goodwill of the System following termination, we (or our designee) will have the right to enter the Franchised Business (without liability to you, your Owners, or otherwise) for the purpose of continuing the Franchised Business's operation and maintaining the goodwill of the business.

18.11 *Lost Future Royalties*. If we terminate this Agreement based on your default under this Agreement, in addition to all other amounts due to us under this Agreement, you agree to pay to us, as liquidated damages, an amount calculated as follows: **(a)** the average of your monthly Royalty Fees that are due under this Agreement for the twelve (12) months immediately before your abandonment or our delivery of any notice of default (or, if you have been operating for less than twelve (12) months, the average of your monthly Royalty Fees, or the Minimum Royalty, whichever is greater, for the number of months you have

operated the Franchised Business); and **(b)** multiplied by the lesser of thirty-six (36) or the number of months remaining in the then-current term of this Agreement under Section2.

18.12 *Our Rights.* You agree not to do anything that would potentially interfere with or impede the exercise of our rights under this Section 18.

18.13 *Offsets*. We have the right to offset amounts that you owe to us against any payment that we may be required to make under this Agreement.

19. COVENANTS

19.1 *Full Time Efforts*. You agree that during the term of this Agreement, except as we have otherwise approved in writing, you (or your Agency Principal or Manager) will devote full time, energy, and best efforts to the management and operation of the Franchised Business.

19.2 *Understandings*.

19.2.1 You acknowledge and agree that: **(a)** pursuant to this Agreement, you will have access to valuable trade secrets, specialized training and Confidential Information from us and our affiliates regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; **(b)** the System and the opportunities, associations and experience we have established and that you will have access to under this Agreement are of substantial and material value; **(c)** in developing the System, we and our affiliates have made and continue to make substantial investments of time, technical and commercial research, and money; **(d)** we would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information among franchisees in our system if franchisees were permitted to hold interests in Competitive Businesses; and **(e)** restrictions on your right to hold interests in, or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder your activities.

19.2.2 As used in this Section 19, the term "**Competitive Business**" is agreed to mean any business that is engaged in the development, marketing, franchising, or distribution of Life and Health insurance products and/or services (whether patented or otherwise) which involve or relate to our business or other products and/or technology developed by us during the term of this Agreement.

19.3 *Covenant Not to Compete or Engage in Injurious Conduct*. Accordingly, you covenant and agree that, during the term of this Agreement and, subject to then applicable law, for a continuous period of two (2) years after the non-renewal, expiration or termination of this Agreement, and/or a transfer as contemplated in Section 16, you will not directly, indirectly, for yourself, or through, on behalf of, or in conjunction with any party, in any manner whatsoever, own, maintain, develop, operate, join, engage in, act as a consultant to, franchise or license, make loans to, lease real or personal property to, be associated with, accept any compensation or remuneration from, and/or have any interest whatsoever in, or render services or give advice to, any Competitive Business or otherwise Compete

against us or our affiliates. During the term of this Agreement, there is no geographical limitation on the restrictions set forth herein. During the two (2) year period following the expiration, non-renewal, or earlier termination of this Agreement, or a transfer as contemplated under Section 16, these restrictions will apply within your territory from which you were operating the Franchised Business at the time of termination, expiration, non-renewal or transfer (the "**Restricted Area**"). These restrictions will not apply to businesses that you operate that we (or our affiliates) have franchised to you pursuant to a valid franchise agreement. The term "**Compete**" shall mean any of the following: (1) writing or selling insurance policies (i) to any person that resides within the Restricted Area or (ii) that apply to or cover any real, personal, or commercial property located within the Restricted Area; (2) receiving any compensation or remuneration associated with any personal or commercial insurance lines policies (i) for any person that resides within the Restricted Area or that covers any real, personal or commercial property located within the Restricted Area or (ii) sold or serviced by any Competitive Business operating in the Restricted Area; and (3) soliciting or accepting business from Referral Sources located within the Restricted Area.

19.4 Restriction on Soliciting Clients and Prospective Clients. You agree that during the term of this Agreement, you will not attempt to call on, solicit, accept business from, or take away any clients or Prospective Clients of the Franchised Business or of us or our affiliates for the benefit of any person or entity outside the System. You further agree that you will not call on, solicit, accept business from, or take away for the benefit of yourself or any other person or entity, any Prospective Clients or clients of the Franchised Business or of us or our affiliates, that you worked with or serviced in any capacity or that you received any confidential or proprietary information about, regarding the sale or other offer of products or services similar to those provided by the Franchised Business, for a continuous period of two (2) years after the non-renewal, expiration or termination of this Agreement, and/or a transfer as contemplated in Section 16. The term "**Prospective Client**" includes any person or entity that received a quote for insurance from the Franchised Business, or any person or entity whose information was provided to the Franchised Business, at any time during the six (6) month period preceding the termination, expiration, non-renewal or transfer of the Agreement.

19.5 *Restriction on Soliciting other SelectQuote Local Franchises*. You agree that you will not call on, solicit, or take away for the benefit of yourself or any other person or entity any franchises in the System during the term of this Agreement and for a continuous period of two (2) years after the non-renewal, expiration or termination of this Agreement, and/or a transfer as contemplated in Section 16.

19.6 *Restriction on Soliciting Referral Sources*. You agree that during the term of this Agreement, and for a continuous period of two (2) years after the non-renewal, expiration or termination of this Agreement, and/or a transfer as contemplated in Section 16 you will not attempt to call on, solicit, accept leads or business from, utilize, or take away any Referral Sources relating to the sale of insurance products for the benefit of any person or entity outside the System. "**Referral Sources**" include any mortgage specialist or professional, mortgage banker, loan officer, real estate agent, or any other person employed by or working in any capacity with any entity that has provided two (2) or more referrals

to you or the Franchised Business or to us or our affiliates of clients who successfully purchased Approved Insurance Products during the twenty-four (24) month period prior to the termination, expiration, non-renewal or transfer of this Agreement with whom you had contact as a result of or through the operation of the Franchised Business.

19.7 *Authorized Location*. You further covenant and agree that, for a continuous period of two (2) years after the expiration of this Agreement, the non-renewal of this Agreement, the termination of this Agreement, and/or a transfer as contemplated in Section 16 you will not directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease, and/or transfer the Authorized Location to any person, firm, partnership, corporation, or other entity that you know, or have reason to know, intends to operate a Competitive Business at the Authorized Location. You agree that, by the terms of any conveyance, selling, assigning, leasing or transferring your interest in the Authorized Location, you shall include these restrictive covenants as necessary to ensure that a Competitive Business that would violate this Section is not operated at the Authorized Location for this two-year period, and you will take all steps necessary to ensure that these restrictive covenants become a matter of public record.

19.8 *Periods of Non-Compliance*. Any period of non-compliance with the requirements of this Section 19, whether such non-compliance takes place after termination, expiration, non-renewal, and/or a transfer, will not be credited toward satisfying the two (2) year obligation specified above.

19.9 *Publicly-Held Entities*. Section 19.3 will not apply to your ownership of less than five percent (5%) beneficial interest in the outstanding equity securities of any publicly-held corporation. As used in this Agreement, the term "**publicly-held corporation**" will be deemed to refer to a corporation which has securities that have been registered under the Securities Exchange Act of 1934.

19.10 *Personal Covenants*. Subject to any restrictions under then current applicable law in your jurisdiction, you agree to require and obtain execution of covenants similar to those set forth in Sections 9.3, 11, 16, 18, and this Section 19 (as modified to apply to an individual), from your Agency Principals, Managers, employees and other managerial and/or executive staff, as well as your Owners. The covenants required by this Section must be in the forms provided in Exhibit E to this Agreement, except that you must first modify the covenants as necessary to comply with then current applicable law in your jurisdiction, which you are solely responsible for reviewing and confirming in connection with your obtaining personal covenants under this Section. If you do not obtain execution of the covenants required by this section and deliver to us those signed covenants, that failure will constitute a default under Section 17.2.6.

19.11 *Construction*. The parties agree that each of the foregoing covenants in this Section will be construed as independent of any other covenant or provision of this Agreement. We have the right to reduce in writing the scope of any part of this Section 19 and, if we do so, you agree to comply with the obligations as we have reduced them.

19.12 *Claims Not a Defense*. You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants in this Section 19. You agree to pay all costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in connection with the enforcement of this Section 19.

19.13 *Covenant as to Anti-Terrorism Laws*. You and the Owners agree to comply with and/or to assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws. In connection with such compliance, you and the Owners certify, represent, and warrant that none of their respective property or interests are "blocked" under any of the Anti-Terrorism Laws and that neither you nor any of the Owners are in violation of any of the Anti-Terrorism Laws. You also agree not to knowingly hire or do business with (or continue to employ or do business with) any party who is blocked under any of the Anti-Terrorism Laws. The term "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States, as supplemented, the USA PATRIOT Act, and all other laws and regulations addressing or in any way relating to terrorist acts and/or acts of war.

19.14 *Book of the Business*. You specifically acknowledge that all insurance policies sold by you, your Agency Principals, Managers or employees are and will remain our property, but, subject to the terms of this Agreement, during the term of this Agreement, you will be entitled to benefit from the revenue generated by the operation of the Franchised Business.

19.15 *Defaults*. You acknowledge and agree that your violation of the terms of this Section 19 would result in irreparable injury to us for which no adequate remedy at law may be available, and you accordingly consent to the issuance of an injunction prohibiting any conduct in violation of the terms of this Section 19.

20. TAXES, PERMITS, AND INDEBTEDNESS

20.1 *Payment of Taxes*. You agree to promptly pay when due all taxes levied or assessed, including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of every kind that you incur in the conduct of the Franchised Business. You agree to pay us an amount equal to any sales tax, gross receipts tax, or similar tax imposed on us with respect to any payments that you make to us as required under this Agreement, unless the tax is credited against income tax that we otherwise pay to a state or federal authority.

20.2 *Payment of Vendors*. You agree to promptly pay when due all trade creditors and vendors (including any that are affiliated with us) that supply goods or services to you and/or the Franchised Business.

20.3 *Your Right to Contest Liabilities*. If there is a bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event will you permit a tax sale or seizure by levy of execution or similar

writ or warrant, or attachment by a creditor, to occur against the premises of the Franchised Business, or any improvements thereon.

20.4 *Compliance with Law*. You agree to comply with all federal, state, and local laws, rules, and regulations, and to timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including, without limitation, licenses to do business, health certificates, fictitious name registrations, sales tax permits, and fire clearances. To the extent that the requirements of any such laws are in conflict with the terms of this Agreement, the Operating Manual, or our other instructions, you agree to: **(a)** comply with said laws; **(b)** immediately provide us with written notice describing the nature of the conflict; and **(c)** cooperate with us and our counsel in developing a way to comply with the terms of this Agreement, as well as applicable law, to the extent that it is possible to do so.

20.5 *Notice of Violations and Actions*. You agree to notify us in writing within five (5) days after: **(a)** you receive notice of any health or safety violation, any investigation by a government entity, any complaint or notice from the state or federal department of insurance or department of financial services, the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality; **(b)** the occurrence of any accident or injury which may adversely affect the operation of the Franchised Business or your financial condition, or give rise to liability or a claim against either party to this Agreement; or **(c)** the discovery of any facts that may give rise to a professional liability claim against either party to this Agreement.

21. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

21.1 *Independent Contractor Relationship.* The parties acknowledge and agree that:

21.1.1 This Agreement does not create a fiduciary relationship between them;

21.1.2 You are the only party that will be in day-to-day control of the Franchised Business, even though we will share the brand and Proprietary Marks as specified in this Agreement, and neither this Agreement nor the System, guidance, Computer System, Required Software, processes, or requirements under which you operate alter that basic fact;

21.1.3 Nothing in this Agreement and nothing in our course of conduct is intended to make either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever; and

21.1.4 Neither this Agreement nor our course of conduct is intended, nor may anything in this Agreement (nor our course of conduct) be construed, to state or imply that we are the employer of your employees and/or independent contractors, nor *vice versa.*

21.2 *Notice of Status*. At all times during the term of this Agreement and any extensions hereof, you will hold yourself out to the public as an independent contractor operating the business pursuant to a franchise agreement with us. You agree to take such action as may be

necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Authorized Location, the content of which we reserve the right to specify.

21.3 *No Contracts in our Name*. It is understood and agreed that, except as may be necessary for you to provide Approved Insurance Products or Approved Products and Services to clients using the Proprietary Marks, nothing in this Agreement authorizes you to make any contract (including leases), agreement, warranty, or representation on our behalf, or to incur any debt or other obligation in our name; and that we will in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action; nor will we be liable by reason of any act or omission in your conduct of the Franchised Business or for any claim or judgment arising therefrom against either party to this Agreement.

21.4 *Indemnification*. You agree to indemnify and hold harmless each of the Franchisor Parties against any and all Damages arising directly or indirectly from any Asserted Claim as well as from your breach of this Agreement. Your indemnity obligations will survive the expiration, non-renewal, termination, or transfer of this Agreement, and will not be affected by the presence of any applicable insurance policies and coverages that we may maintain.

21.5 *Definitions*. The parties agree that the following terms will have the following meanings:

21.5.1 "**Asserted Claim**" means any allegation, claim or complaint that is the result of, or in connection with, your exercise of your rights and/or carrying out of your obligations under this Agreement (including any claim associated with your operation of the Franchised Business or otherwise and any actual or alleged claim that we and you are joint employers of any of your employees or personnel), or any default by you under this Agreement, notwithstanding any claim that any Franchisor Party was or may have been negligent.

21.5.2 "**Franchisor Parties**" means us, our shareholders, parents, subsidiaries, and affiliates, and their respective executives, officers, directors, employees, and agents.

21.5.3 "**Damages**" means all claims, demands, causes of action, suits, damages, liabilities, fines, penalties, assessments, judgments, losses, and expenses (including without limitation expenses, costs and attorneys' fees incurred for any indemnified party's primary defense or for enforcement of its indemnification rights).

21.5.4 "**Reasonable Business Judgment**" means whenever Franchisor reserves discretion in a particular area or where Franchisor agrees to exercise Franchisor's rights reasonably or in good faith, Franchisor will satisfy Franchisor's obligations whenever Franchisor exercises reasonable business judgment in making Franchisor's decision or exercising Franchisor's rights. Franchisor's decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Franchisor's financial or other individual interest. Examples of items that will

promote or benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

22. FORCE MAJEURE

22.1 *Impact*. Neither party will be responsible to the other for non-performance or delay in performance occasioned by causes beyond its control, including without limiting the generality of the foregoing: **(a)** acts of nature; **(b)** acts of war, terrorism, or insurrection; **(c)** strikes, lockouts, labor actions, boycotts, floods, fires, hurricanes, tornadoes, national pandemics and/or other casualties; and/or **(d)** our inability (and that of our affiliates and/or suppliers) to manufacture, purchase, provide, and/or cause delivery of any services or products used in the operation of the Franchised Business.

22.2 *Transmittal of Funds*. The inability of either party to obtain and/or remit funds will be considered within control of such party for the purpose of Section 22.1. If any such delay occurs, any applicable time period will be automatically extended for a period equal to the time lost; provided, however, that the party affected makes reasonable efforts to correct the reason for such delay and gives to the other party prompt notice of any such delay; and further provided, however, that you will remain obligated to promptly pay all fees owing and due to us under this Agreement, without any such delay or extension.

23. APPROVALS AND WAIVERS

23.1 *Request for Approval*. Whenever this Agreement requires our prior approval or consent, you agree to make a timely written request to us, and such approval or consent must be obtained in writing.

23.2 *No Warranties or Guarantees*. You acknowledge and agree that we make no warranties or guarantees upon which you may rely, and that we assume no liability or obligation to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay, or denial of any request.

23.3 *No Waivers*. No delay, waiver, omission, or forbearance on our part to exercise any right, option, duty, or power arising out of any breach or default by you or any other franchisee under any of the terms, provisions, covenants, or conditions of this Agreement, and no custom or practice by the parties at variance with the terms of this Agreement, will constitute our waiver of our right to enforce any such right, option, duty, or power as against you, or as to subsequent breach or default by you. If we accept late payments from you or any payments due, that will not be deemed to be our waiver of any earlier or later breach by you of any terms, provisions, covenants, or conditions of this Agreement. No course of dealings or course of conduct will be effective to amend the terms of this Agreement.

24. NOTICES

Any and all notices required or permitted under this Agreement must be in writing and must be personally delivered, sent by certified U.S. mail, or by other means which affords the sender evidence of delivery, of rejected delivery, or attempted delivery to the respective parties at the addresses shown on the signature page of this Agreement, unless and until a different address has been designated by written notice to the other party. Any notice by a means that gives the sender evidence of delivery, rejected delivery, or delivery that is not possible because the recipient moved and left no forwarding address will be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery. The Operating Manual, any changes that we make to the Operating Manual, and/or any other written instructions that we provide relating to operational matters, are not considered to be "notices" for the purpose of the delivery requirements in this Section 24.

25. ENTIRE AGREEMENT AND AMENDMENT

25.1 *Entire Agreement*. This Agreement and the exhibits referred to in this Agreement constitute the entire, full, and complete Agreement between the parties to this Agreement concerning the subject matter hereof, and supersede all prior agreements. The parties confirm that: (a) they were not induced by any representations other than the words of this Agreement (and the franchise disclosure document (the "**FDD**")) before deciding whether to sign this Agreement; and (b) they relied only on the words printed in this Agreement in deciding whether to enter into this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the FDD that we furnished to you.

25.2 *Amendment*. Except for those changes that we are permitted to make unilaterally under this Agreement, no amendment, change, or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

26. SEVERABILITY AND CONSTRUCTION

26.1 *Introductory Paragraphs*. The parties agree that the introductory paragraphs of this Agreement, under the heading "Introduction," are accurate, and the parties agree to incorporate those paragraphs into the text of this Agreement as if they were printed here.

26.2 *Severability*. Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Agreement will be considered severable; and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such will not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible; and the latter will continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms, and/or provisions will be deemed not to be a part of this Agreement. Further, the parties agree that each section, part, term, and/or provision herein that is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, shall be reformed and construed by the court or agency to the

extent permitted by law so that it would be valid, legal and enforceable to the maximum extent possible.

26.3 *No Third Party Rights*. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor will be deemed, to confer upon any person or legal entity other than you, us, and such of our respective successors and assigns as may be contemplated (and, as to you, permitted) by Section 16, any rights or remedies under or by reason of this Agreement.

26.4 *Captions Do Not Amend Terms*. All captions in this Agreement are intended solely for the convenience of the parties, and no caption will be deemed to affect the meaning or construction of any provision hereof.

26.5 *Including*. The parties agree that when used in this Agreement, the terms "includes" and "including" means "*including but not limited to*".

26.6 *Survival*. All provisions of this Agreement which, by their terms or intent, are designed to survive the expiration, non-renewal, termination, or transfer of this Agreement, will so survive the expiration, non-renewal, termination, and/or transfer of this Agreement.

26.7 *How We Exercise Our Rights*. Although we may exercise any of our rights, carry out any of our obligations, or otherwise discharge any of our duties under this Agreement directly, through the use of employees, independent contractors, professional advisors (for example, a Certified Public Accountant), or otherwise, we will still remain responsible for the proper performance of our obligations to you under this Agreement.

26.8 *Expenses*. Each party will bear all of the costs of exercising its rights and carrying out its responsibilities under this Agreement, except as otherwise provided.

26.9 *Counterparts*. This Agreement may be signed in counterparts, and signature pages may be exchanged by e-mail or the internet. Each such counterpart, when taken together with all other identical copies of this Agreement also signed in counterpart, will be considered as one complete Agreement.

27. APPLICABLE LAW AND DISPUTE RESOLUTION

27.1 *Choice of Law*. This Agreement takes effect when we accept and sign this document. This Agreement will be interpreted and construed exclusively under the laws of the State of Kansas, which laws will prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Kansas choice-of-law rules). Nothing in this Section 27.1 is intended by the parties to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of law of the State of Kansas (or any other state) that would not otherwise apply without this Section 27.1.

27.2 *Arbitration.* If the parties are unable to resolve a dispute by mediation as provided in Section 27.3, then except as otherwise provided in Sections 27.5 and 27.6, any dispute, claim, controversy, or cause of action (collectively "**claims**") incident to or arising from the terms of this Agreement, or the relationship created by this Agreement, shall be

resolved by binding arbitration. The arbitration shall be administered by JAMS, Inc. (formerly, Judicial Arbitration and Mediation Services, Inc.) ("**JAMS**") and shall be conducted pursuant to the then-current rules of JAMS. The arbitration will be administered by the JAMS office at its location nearest to our then-current principal place of business (currently, Overland Park, Kansas). If there is no JAMS office within fifty (50) miles of our then-current principal place of business, then the arbitration will be administered by the American Arbitration Association ("**AAA**") pursuant to the then-current AAA rules at an AAA Authorized Location nearest to our then-current principal place of business.

27.2.1 In any arbitration proceeding, there shall be a single arbitrator selected in accordance with the JAMS rules (or AAA rules, if applicable).

27.2.2 The party initiating arbitration shall pay the filing fee of the arbitration administrator, if any.

27.2.3 Neither party may assert claims against the other on behalf of a class. No arbitration commenced by either party may be joined with any other arbitration involving either party, and no other parties may be joined or may intervene in any arbitration between the parties. The arbitrator shall have no power to consolidate claims or disputes from other parties.

27.2.4 The arbitrator shall render his or her decision based solely on the terms of the Agreement and the law of the State of Kansas (including, where applicable, federal law). The arbitrator shall apply the Federal Rules of Civil Procedure and the Federal Rules of Evidence unless otherwise modified by JAMS rules (or AAA rules, if applicable). The arbitrator shall set forth his or her decision and the basis for that decision in writing. The arbitrator may award such relief as is recoverable in law or in equity, except that the arbitrator shall not award punitive or exemplary damages of any kind, including without limitations double, treble, and/or any enhanced damages provided for by statute.

27.2.5 The arbitration proceeding shall remain confidential and all evidence taken, and the opinion, shall be considered confidential information and precluded from disclosure. No decision by the arbitrator of an issue that arises in any arbitration proceeding between us and you will be applied in any subsequent arbitration proceeding between us and you. No decision by the arbitrator of an issue that arises in any arbitration proceeding between us and another franchisee of ours can be applied in any arbitration proceeding between us and you.

27.2.6 Judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction.

27.2.7 Any disputes concerning the enforceability or scope of the arbitration clause shall be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. ("**FAA**"), and the parties agree that the FAA preempts any state law restriction on the enforcement of the arbitration clause. If either we or you commence any action in any court of a claim that is arbitrable under this Agreement, the party commencing

the action shall pay the costs, including without limitation reasonable attorneys' fees, incurred by the other party in enforcing the arbitration clause.

27.2.8 All costs incurred by the Prevailing Party in the arbitration, including without limitation reasonable attorneys' fees and arbitrators' fees, shall be paid by the non-prevailing party. The award of the arbitrators shall include an award of such costs. The term "Prevailing Party" shall be the party who, as determined by the arbitrator, substantially obtains or defeats the relief sought in arbitration.

27.2.9 If any portion of this Section is held to be invalid or unenforceable, or if any portion of this Section would, if effective, violate applicable law, that portion of this Section shall be void and of no effect, but the remainder of this Section shall remain in full force and effect.

27.2.10 The parties agree that this Section shall survive the expiration, non-renewal, termination, or transfer of this Agreement pursuant to Section 26.6.

27.3 *Mediation*. Before any party may bring an action in court (except for injunctive relief) or arbitration against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Sections 27.5 and 27.6). Any such mediation will be non-binding. The mediation shall be conducted by JAMS and shall be conducted pursuant to the then-current rules of JAMS. The mediation will be held in the JAMS office at its location nearest to our then-current principal place of business (currently, Overland Park, Kansas). If there is no JAMS office within fifty (50) miles of our then-current principal place of business, then the mediation will be conducted by the AAA pursuant to the then-current AAA rules at an AAA Authorized Location nearest to our then-current principal place of business. You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, arbitration fees, discovery costs, and all other related expenses) that we incur if you commence an action in court or arbitration against us without first engaging in mediation as required by this provision.

27.4 *Parties Rights Are Cumulative*. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.

27.5 *Injunctions*. Nothing contained in this Agreement will bar our right to obtain injunctive relief in a court of competent jurisdiction against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

27.6 *Collection of Amounts Owed*. Notwithstanding anything to the contrary in this Agreement, claims solely related to the collection of amounts owed to us, including, without limitation, unpaid Royalty Fees, Marketing Contributions, Technology Fees, and all other sums due to us under this Agreement, may be brought by us in any court of competent jurisdiction without first resorting to mediation or arbitration in accordance with this Agreement.

27.7 *Waiver of jury trials.* Each party to this agreement irrevocably waives trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of them against the other, whether or not there are other parties in such action or proceeding.

27.8 *Must bring claims within one year.* Each party to this Agreement agrees that any and all claims and actions arising out of or relating to this agreement, the parties' relationship, and/or your operation of the Franchised Business, brought by any party hereto against the other, shall be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action were known or should have reasonably been known by the claiming party, or, it is expressly acknowledged and agreed by all parties, such claim or action shall be irrevocably barred.

27.9 *Waiver of punitive damages*. Each party to this Agreement hereby waives to the fullest extent permitted by law any right to or claim of any punitive or exemplary damages against the other, and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it.

27.10 *Payment of Legal Fees*. You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, arbitration fees, discovery costs, and all other related expenses) that we incur after the termination, non-renewal, expiration, or transfer of the franchise granted under this Agreement in: (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement (including without limitation Sections 9, 11 and 17); (b) successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship and/or (c) successfully defending a claim from you in a court outside of Kansas and the case is then moved back to Kansas pursuant to Section 27.1.

28. ACKNOWLEDGMENTS

28.1 *Your Investigation of the Franchised Business Possibilities.* You acknowledge and agree that you have conducted an independent investigation of the Franchised Business, recognize that this business venture involves business risks, and that your success will be largely dependent upon your ability (or, if you are an entity, your Owners and Agency Principals as independent businesspersons).

28.2 *No Warranties or Guarantees.* We expressly disclaim the making of, and you acknowledge and agree that you have not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

28.3 *Receipt of FDD and Complete Agreement.* You acknowledge and agree that you received a copy of this Agreement, the exhibits, and agreements relating to this Agreement (if any), with all of the blank lines filled in, and had ample time within which to review with applicable advisors. You also acknowledge that you received the FDD at least fourteen (14) days before the date on which this Agreement was signed.

28.4 *You Have Read the Agreement.* You acknowledge and agree that you have read and understood the FDD, this Agreement, and the exhibits to this Agreement.

28.5 *Your Advisors.* You acknowledge that we have recommended that you seek advice from advisors of your own choosing (including a lawyer and an accountant) about the potential benefits and risks of entering into this Agreement, and that you have had sufficient time and opportunity to consult with those advisors.

28.6 *No Conflicting Obligations.* Each party represents and warrants to the others that there are no other agreements, court orders, or any other legal obligations that would preclude or in any manner restrict such party from: **(a)** negotiating and entering into this Agreement; **(b)** exercising its rights under this Agreement; and/or **(c)** fulfilling its responsibilities under this Agreement.

28.7 *Your Responsibility for the Choice of the Authorized Location.* You acknowledge and agree that you have sole and complete responsibility for the choice of the Authorized Location; that we have not (and will not be deemed to have, even by our approval of the site that is the Authorized Location) given any representation, promise, or guarantee of your success at the Authorized Location; and that you will be solely responsible for your own success at the Authorized Location.

28.8 *Your Responsibility for Operation of the Franchised Business.* Although we retain the right to establish and periodically modify System Standards, which you have agreed to maintain in the operation of the Franchised Business, you retain the right and sole responsibility for the day-to-day management and operation of the Franchised Business and the implementation and maintenance of system standards at the Franchised Business.

28.9 *Different Franchise Offerings to Others.* You acknowledge and agree that we may modify the terms under which we will offer franchises to other parties in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement.

28.10 *Our Advice*. You acknowledge and agree that our advice is just that; that our advice is not a guarantee of success; and that you are the party that must reach and implement your own decisions about how to operate the Franchised Business on a day-to-day basis under the System.

28.11 *Your Independence*. You acknowledge and agree that:

28.11.1 You are the only party that employs your employees (even though we may provide you with advice, guidance, and training);

28.11.2 We are not your employer nor are we the employer of any of your staff, and even if we express an opinion or provide advice, we will play no role in your decisions regarding their employment (including matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal);

28.11.3 The guidance that we provide, and requirements under which you will operate, are intended to promote and protect the value of the brand and the Proprietary Marks;

28.11.4 When forming and in operating your business, you had to adopt standards to operate that business, and that instead of developing and implementing your own standards (or those of another party), you chose to adopt and implement our standards for your business (including the System and the requirements under this Agreement); and

28.11.5 You have made (and will remain responsible at all times for) all of the organizational and basic decisions about establishing and forming your entity, operating your business (including adopting our standards as your standards), and hiring employees and employment matters (including matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal), engaging professional advisors, and all other facets of your operation.

28.12 *Success Depends on You.* You acknowledge and agree that the success of the Franchised Business is speculative and depends, to a large extent, upon your ability as an independent businessperson, your active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of services provided as well as other factors. We do not make any representation or warranty express or implied as to the potential success of the business venture contemplated hereby.

General Release. If this Agreement is not the first contract between you (and your affiliates) and us (and our affiliates), then you agree to the following:

*You (on behalf of yourself and your parent, subsidiaries and affiliates and their respective past and present members, owners, officers, directors, members, managers, shareholders, agents and employees, in their corporate and individual capacities) and all guarantors of your obligations under this Agreement (collectively, "**Releasors**") freely and without any influence forever release and covenant not to sue us, our parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities (collectively "**Releasees**"), with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "**claims**"), which any Releasor now owns or holds or may at any time have owned or held, including, without limitation, claims arising under federal, state and local laws, rules and ordinances and claims arising out of, or relating to this Agreement and all other agreements between any Releasor and any Releasee, the sale of any franchise to any Releasor, the development and operation of the SelectQuote Local Businesses and the development and operation of all other businesses operated by any Releasor that are franchised by any Releasee. You expressly agree that fair consideration has been given by us for this General Release and you fully understand that this is a negotiated, complete, and final release of all claims. This General Release does not release any claims arising from representations made in the FDD and its exhibits or otherwise impair or affect any claims arising after the date of this Agreement.*

Each of the parties expressly waives the protection of Section 1542 of the California Civil Code, and expressly waives and releases any rights or benefits arising thereunder. Section 1542 of the California Civil Code states:

A GENERAL RELEASE DOES NOT EXTEND CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED IS OR HER SETTLEMENT THE DEBTOR.

Each of the parties is aware that they may hereafter discover facts different from, or in addition to, those which they or their attorneys now know or believe to be true with respect to the matters released in this Section, and agree that the releases so given in this Section will be and remain in effect as full and complete releases of their claims, notwithstanding any such different or additional facts.

*****

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Agreement in duplicate as of the Effective Date set forth in Franchisee's signatures section below.

SelectQuote Local Insurance Services, LLC	_____
Franchisor	Franchisee
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: Agency Owner
	Effective Date: _____
Address for Notices:	Address for Notices:
TBD	
Attn: Legal Department	

ATTACHMENT A - to Franchise Agreement

TERRITORY MAP AND ZIP CODES

SelectQuote Local Insurance Services, LLC
ATTACHMENT B – to Franchise Agreement
GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

In order to induce SelectQuote Local Insurance Services, LLC ("**Franchisor**") to sign the SelectQuote Local Insurance Franchise Agreement between Franchisor and _____ ("**Franchisee**"), dated _____ (the "**Agreement**"), each of the undersigned parties (herein after referred to as "**Guarantor**"), jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee's obligations (monetary and otherwise) under the Agreement as well as any other contract between Franchisee and Franchisor (and/or Franchisor's affiliates) will be punctually paid and performed (the "**Guarantee**").

Each individual signing this Guarantee acknowledges and agrees, jointly and severally, that:

1. Upon Franchisor's demand, Guarantor will immediately make each payment required of Franchisee under the Agreement and/or any other contract with Franchisor and/or its affiliates.

2. Guarantor waives any right to require Franchisor to: (a) proceed against Franchisee for any payment required under the Agreement (and/or any other contract with Franchisor and/or its affiliates); (b) proceed against or exhaust any security from Franchisee; (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; and/or (d) give notice of demand for payment by Franchisee.

3. Without affecting the obligations of the undersigned persons under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. Each of the undersigned persons waive notice of amendment of the Agreement (and any other contract with Franchisor and/or Franchisor's affiliates) and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement (and any other contract with Franchisor and/or Franchisor's affiliates).

4. Guarantor will defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement (and any other contract with Franchisor and/or Franchisor's affiliates) and/or any amendment to the Agreement.

5. Guarantor will be personally bound by all of Franchisee's covenants, obligations, and promises in the Agreement (and any other contract with Franchisor and/or Franchisor's affiliates).

6. Guarantor agrees to be individually bound by all of Franchisee's covenants, obligations, and promises in the Agreement, which include, but are not limited to, the covenants in the following Sections of the Agreement: **Section 9.3** (generally regarding trademarks), **Section 11** (generally regarding confidentiality), **Section 16** (generally regarding

Transfers), **Section 18** (generally regarding obligations upon termination, non-renewal or expiration of this Agreement), and **Section 19** (generally regarding covenants against competition) of the Agreement.

7. Guarantor understands that: **(a)** this Guarantee does not grant him, her or it any rights under the Agreement (including but not limited to the right to use any of Franchisor's marks such as the "SelectQuote Local Insurance" marks) and/or the system licensed to Franchisee under the Agreement; **(b)** that he, she or it has read, in full, and understand, all of the provisions of the Agreement that are referred to above in this paragraph, and that he, she or it intends to fully comply with those provisions of the Agreement as if he, she or it was the sole party identified here; and **(c)** that he, she or it has had the opportunity to consult with a lawyer of his, her or its own choosing in deciding whether to sign this Guarantee.

This Guarantee will be interpreted and construed in accordance with Section 27 of the Agreement (including but not limited to the waiver of punitive damages, waiver of jury trial, agreement to bring claims within one (1) year, agreement to arbitrate and agreement not to engage in class or common actions). Among other things, that means that this Guarantee will be interpreted and construed exclusively under the laws of the State of Kansas, and that in the event of any conflict of law, Kansas law will prevail (without applying Kansas conflict of law rules).

IN WITNESS WHEREOF, each of the undersigned persons has signed this Guarantee as of the date of the Agreement.

_____	_____	_____
(in Guarantor's personal capacity)	(in Guarantor's personal capacity)	(in Guarantor's personal capacity)
Printed Name:_____	Printed Name:_____	Printed Name:_____
Date:_____	Date:_____	Date:_____

SelectQuote Local Insurance Services, LLC
ATTACHMENT C to Franchise Agreement

FRANCHISEE OWNERSHIP ACKNOWLEDGMENT

Franchisee Entity: _____("**Franchisee**")

Name of Owner	Ownership Interest %

Franchisee acknowledges that Franchisor is relying upon the accuracy of the above information, and that the information set forth above is true and correct.

FRANCHISEE:

_____

_____

Print Name: _____

Title: _____

_____

Print Name: _____

Title: _____

_____

Print Name: _____

Title: _____

SelectQuote Local Insurance Services, LLC
ATTACHMENT D to Franchise Agreement

ACH Authorization Form

Agreement for Electronic Debit of Royalties, Marketing Contributions, and Related Fees

_____ (Name of Person or Legal Entity)

_____ (ID Number)

The undersigned depositor ("**Depositor**" or "**Franchisee**") hereby authorizes SelectQuote Local Insurance Services, LLC ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("**Depository**" or "**Bank**") to debit or credit such account(s) pursuant to our instructions.

_____	_____
Depository	Branch
_____	_____
City / State	Zip Code
_____	_____
Bank Transit/ABA Number	Account Number

This authorization is to remain in full force and effect until sixty days after we have received written notification from the Franchisee of its termination.

Printed Name of Depositor:_____

Signed By:_____

Printed Name:_____

Title:_____

Date:_____

SelectQuote Local Insurance Services, LLC

ATTACHMENT E to Franchise Agreement

CONFIDENTIALITY, NON-DISCLOSURE AND NON-COMPETITION AGREEMENTS

SelectQuote Local Insurance Services, LLC
FRANCHISE AGREEMENT

ATTACHMENT E-1

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
(to be signed by franchisee with its executive/management and/or personnel)

THIS CONFIDENTIALITY AND NON-DISCLOSURE AND AGREEMENT ("**Agreement**") is made on __, by and between __ (the "**Franchisee**"), and __, who is an Owner, Agency Principal, Manager, supervisor, member, partner, Producer, or employee with Franchisee (the "**Member**").

Background:

A. SelectQuote Local Insurance Services, LLC ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "SelectQuote Local Insurance" businesses providing insurance services, including personal lines insurance, auto insurance, home insurance, motorcycle insurance, RV insurance, boat insurance, condo insurance, renters insurance, commercial insurance, life insurance, etc., operating in structures that bear Franchisor's interior and exterior trade dress, and under its Proprietary Marks (each, a "**SelectQuote Local Business**").

B. Franchisor identifies SelectQuote Local Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "SelectQuote Local Insurance") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**").

C. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a SelectQuote Local Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his, her or its position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same confidentiality provisions to which Franchisee is bound.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Confidential Information. Member agrees that Member will not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any Confidential Information of the Franchised Business which may be communicated to Member or of which Member may be apprised by virtue of Franchisee's operation under the terms of the Franchise Agreement. Any and all information, knowledge, know-how, and techniques

which Franchisor designates as confidential will be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention before disclosure thereof by Franchisor; or which, at or after the time of disclosure by Franchisor to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others. As used in this Agreement, the term "Confidential Information" includes, without limitation, Franchisor's business concepts and plans, operating techniques, marketing methods, processes, vendor information and agreements, referral partner information, results of operations and quality control information, financial information, demographic and trade area information, market penetration techniques, plans, or schedules, the Manuals, client lists, client data, insurance carrier information, insurance policy information, underwriting guidelines, research, profiles, preferences, or statistics, itemized costs, franchisee composition, territories, and development plans, and all related trade secrets or other confidential or proprietary information treated as such by Franchisor, whether by course of conduct, by letter or report, or by the use of any appropriate proprietary stamp or legend designating such information or item to be confidential or proprietary, by any communication to such effect made prior to or at the time any Confidential Information is disclosed to the Member.

2. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining equitable relief including specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Publicly Traded. Member recognizes that Franchisor's parent, SelectQuote Local Insurance, Inc., is a publicly traded company on the NYSE stock exchange. Member acknowledges and agrees that Member will comply with all United States and other applicable securities laws that prohibit any person who has received material nonpublic information relating to SelectQuote Local Insurance, Inc., from purchasing or selling securities of SelectQuote Local Insurance, Inc. or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

4. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

5. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

6. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

7. Choice of Law. This Agreement will be interpreted and construed exclusively under the laws of the State of Kansas, which laws will prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Kansas choice-of-law rules).

8. Class Action Waiver. Any action commenced by Member or Member's assigns will be conducted on an individual basis, and not as part of a consolidated, common, or class action.

9. Arbitration. Except as provided in Section 2, any dispute, claim, controversy, or cause of action incident to or arising from the terms of this Agreement, or the relationship created by this Agreement, shall be resolved by binding arbitration. The arbitration shall be administered by JAMS, Inc. (formerly, Judicial Arbitration and Mediation Services, Inc.) ("**JAMS**") and shall be conducted pursuant to the then-current rules of JAMS. The arbitration will be administered by the JAMS office at its location nearest to Franchisor's then-current principal place of business (currently, Overland Park, Kansas). If there is no JAMS office within fifty (50) miles of Franchisor's then-current principal place of business, then the arbitration will be administered by the American Arbitration Association ("**AAA**") pursuant to the then-current AAA rules at an AAA Authorized Location nearest to Franchisor's then-current principal place of business.

10. Waiver of Jury Trials. Each party to this Agreement irrevocably waives trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of them against the other, whether or not there are other parties in such action or proceeding.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE	MEMBER
_____	_____
By: _____	By: _____
Name: _____	Name: _____
Title: Agency Owner	

SelectQuote Local Insurance Services, LLC
FRANCHISE AGREEMENT

ATTACHMENT E-2

IN-TERM NON-COMPETITION AGREEMENT
(to be signed by franchisee with its executive/management and/or personnel)

THIS IN-TERM NON-COMPETITION AGREEMENT ("**Agreement**") is made on _____, by and between _____ (the "**Franchisee**"), and _____, who is an Owner, Agency Principal, Manager, supervisor, member, partner, Producer or employee with Franchisee (the "**Member**").

Background:

A. SelectQuote Local Insurance Services, LLC ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "SelectQuote Local Insurance" businesses providing insurance services, including personal lines insurance, auto insurance, home insurance, motorcycle insurance, RV insurance, boat insurance, condo insurance, renters insurance, commercial insurance, life insurance, etc., operating in structures that bear Franchisor's interior and exterior trade dress, and under its Proprietary Marks (each, a "**SelectQuote Local Business**").

B. Franchisor identifies SelectQuote Local Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "**SelectQuote Local Insurance**") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**").

C. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a SelectQuote Local Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same non-competition provisions to which Franchisee is bound.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Covenants.

1.1 *Confidentiality.* Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of his or her position with Franchisee, Member will receive valuable trade secrets, specialized training and confidential information, including, without limitation, information regarding the development, operation,

management, purchasing, sales, promotional, and marketing methods and techniques of Franchisor and the System.

1.2 *Non-compete*. Member hereby covenants and agrees that, during the term of the Franchise Agreement, Member will not directly, indirectly, for the Member, or through, on behalf of, or in conjunction with any party, in any manner whatsoever, own, maintain, develop, operate, join, engage in, act as a consultant to, franchise or license, make loans to, lease real or personal property to, be associated with, accept any compensation or remuneration from, and/or have any interest whatsoever in, or render services or give advice to, any Competitive Business or otherwise Compete against Franchisor or its affiliates. During the term of the Franchise Agreement, there is no geographical limitation on the restrictions set forth herein. The term "**Compete**" shall mean any of the following: (1) writing or selling insurance policies (2) receiving any compensation or remuneration associated with any personal or commercial insurance lines policies; and (3) soliciting or accepting business from Referral Sources.

1.3 *Restriction on Soliciting Clients and Prospective Clients*. Member hereby covenants and agrees that during the term of the Franchise Agreement, Member will not attempt to call on, solicit, accept business from, or take away any clients or Prospective Clients of Franchisor or its affiliates for the benefit of any person or entity outside the System.

1.4 *Restriction on Soliciting Referral Sources*. Member agrees that during the term of the Franchise Agreement, Member will not attempt to call on, solicit, accept leads or business from, utilize, or take away any Referral Sources for the benefit of any person or entity outside the System.

1.5 As used in this Agreement:

1.5.1 The term "**Competitive Business**" means any business that is engaged in the development, marketing, franchising, or distribution of products and/or services (whether patented or otherwise) which involve or relate to the Franchised Business (e.g. personal lines insurance, auto insurance, home insurance, motorcycle insurance, RV insurance, boat insurance, condo insurance, renters insurance, commercial insurance, life insurance, etc.), or other products and/or technology developed by Franchisor during the term of the Franchise Agreement;

1.5.2 The term "**Prospective Client**" includes any person or entity that received a quote insurance for insurance from the Franchised Business at any time in the prior six (6)-month period or any person or entity whose information was provided to the Franchised Business at any time during the prior six (6) months; and

1.5.3 The term "**Referral Sources**" includes any mortgage specialist or professional, mortgage banker, loan officer, real estate agent, or any other person employed by or working in any capacity with any entity that has

provided two (2) or more referrals to the Franchised Business or to Franchisor or its affiliates of clients who successfully purchased insurance products during the prior twenty-four (24) month period with whom the Member had contact as a result of or through his or her employment in the Franchised Business.

2. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

4. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

5. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

6. Choice of Law. This Agreement will be interpreted and construed exclusively under the laws of the State of Kansas, which laws will prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Kansas choice-of-law rules).

7. Class Action Waiver. Any action commenced by Member or Member's assigns will be conducted on an individual basis, and not as part of a consolidated, common, or class action.

8. Arbitration. Except as provided in Section 2, any dispute, claim, controversy, or cause of action incident to or arising from the terms of this Agreement, or the relationship created by this Agreement, shall be resolved by binding arbitration. The arbitration shall be administered by JAMS, Inc. (formerly, Judicial Arbitration and Mediation Services, Inc.) ("**JAMS**") and shall be conducted pursuant to the then-current rules of JAMS. The arbitration will be administered by the JAMS office at its location nearest to Franchisor's then-current principal place of business (currently, Overland Park, Kansas). If there is no JAMS office within fifty (50) miles of Franchisor's then-current principal place of business, then the arbitration will be administered by the American Arbitration Association

("**AAA**") pursuant to the then-current AAA rules at an AAA Authorized Location nearest to Franchisor's then-current principal place of business.

9. Waiver of Jury Trials. Each party to this agreement irrevocably waives trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of them against the other, whether or not there are other parties in such action or proceeding.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE	MEMBER
_____	_____
By:_____	By:_____
Name:_____	Name:_____
Title: Agency Owner	

SelectQuote Local Insurance Services, LLC
FRANCHISE AGREEMENT

ATTACHMENT E-3

POST-TERM NON-COMPETITION AGREEMENT

(to be signed by franchisee with its executive/management and/or personnel, subject to any then current applicable laws invalidating post-term noncompetition covenants or otherwise prohibiting employers from requiring employees to agree to post-term noncompetition covenants as a condition to their employment. NOT CURRENTLY FOR USE IN CALIFORNIA.)

THIS POST-TERM NON-COMPETITION AGREEMENT ("**Agreement**") is made on _____, by and between _____ (the "**Franchisee**"), and _____, who is an Owner, Agency Principal, Manager, supervisor, member, partner, Producer or employee with Franchisee (the "**Member**").

Background:

A. SelectQuote Local Insurance Services, LLC ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "SelectQuote Local Insurance" businesses providing insurance services, including personal lines insurance, auto insurance, home insurance, motorcycle insurance, RV insurance, boat insurance, condo insurance, renters insurance, commercial insurance, life insurance, etc., operating in structures that bear Franchisor's interior and exterior trade dress, and under its Proprietary Marks (each, a "**SelectQuote Local Business**").

B. Franchisor identifies SelectQuote Local Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "SelectQuote Local Insurance") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**").

C. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a SelectQuote Local Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same non-competition provisions to which Franchisee is bound.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Covenants.

1.1 *Confidentiality* Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of his or her position with Franchisee, Member will receive valuable trade secrets, specialized training and confidential information, including, without limitation, information regarding the development, operation, management, purchasing, sales, promotional, and marketing methods and techniques of Franchisor and the System.

1.2 *Non-compete*. Member covenants and agrees that for Post-Term Period, Member will not directly, indirectly, for the Member, or through, on behalf of, or in conjunction with any party, in any manner whatsoever, own, maintain, develop, operate, join, engage in, act as a consultant to, franchise or license, make loans to, lease real or personal property to, be associated with, accept any compensation or remuneration from, and/or have any interest whatsoever in, or render services or give advice to, any Competitive Business or otherwise Compete against Franchisor or its affiliates. These restrictions will apply within a one hundred (100) mile radius from the Authorized Location where the Member was working at the earlier of the time of the Member's termination or the termination, expiration, non-renewal or transfer of the Franchise Agreement (the "**Restricted Area**"). These restrictions will not apply to Member if member works for another SelectQuote Local Business or if Member owns and/or operates a franchised SelectQuote Local Business. The term "**Compete**" shall mean any of the following: (1) writing or selling insurance policies (i) to any person that resides within the Restricted Area or (ii) that apply to or cover any real, personal, or commercial property located within the Restricted Area; (2) receiving any compensation or remuneration associated with any personal or commercial insurance lines policies (i) for any person that resides within the Restricted Area or that covers any real, personal or commercial property located within the Restricted Area or (ii) sold or serviced by any Competitive Business operating in the Restricted Area; and (3) soliciting or accepting business from Referral Sources located within the Restricted Area.

1.3 *Restriction on Soliciting Clients and Prospective Clients*. Member covenants and agrees that Member will not call on, solicit, accept business from, or take away for the benefit of the Member or any other person or entity, any client or Prospective Client of the Franchised Business or of Franchisor or its affiliates, that Member worked with or serviced in any capacity or that Member received any confidential information or proprietary information about, regarding the sale or other offer of products or services similar to those provided by the Franchised Business, for the Post-Term Period .

1.4 *Restriction on Soliciting other Franchises*. Member covenants and agrees that Member will not call on, solicit, or take away for the benefit of the Member or any other person or entity any franchises in the Franchisor's franchise system for the Post-Term Period.

1.5 *Restriction on Soliciting Referral Sources*. Member covenants and agrees that Member will not attempt to call on, solicit, accept leads or business from, utilize, or take away for the benefit of the Member or any other person or entity any Referral Sources in the Franchisor's franchise system for the Post-Term Period.

1.6 As used in this Agreement:

1.6.1 The term "**Competitive Business**" means any business that is engaged in the development, marketing, franchising, or distribution of products and/or services (whether patented or otherwise) which involve or relate to the our business (e.g. personal lines insurance, auto insurance, home insurance, motorcycle insurance, RV insurance, boat insurance, condo insurance, renters insurance, commercial insurance, life insurance, etc.), or other products and/or technology developed by Franchisor during the term of the Franchise Agreement;

1.6.2 The term "**Post-Term Period**" means a continuous uninterrupted period of two (2) years from the date of: *(i)* a transfer as contemplated under Section 16 of the Franchise Agreement; *(ii)* expiration, non-renewal, or termination of the Franchise Agreement (regardless of the cause for termination); *(iii)* termination of Member's employment or business relationship with Franchisee; and/or *(iv)* a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Agreement. Any period of non-compliance with the requirements of this Section, whether such non-compliance takes place after termination, expiration, non-renewal, and/or a transfer, will not be credited toward satisfying the two-year obligation specified herein;

1.6.3 "**Prospective Client**" includes any person or entity that received a quote for insurance from the Franchised Business at any time in the six (6)-month period preceding the earlier of the Member's termination from the Franchised Business and/or the termination, expiration, non-renewal, or transfer of the Franchise Agreement or any person or entity whose information was provided to the Franchised Business at any time in the six (6) -month period preceding the earlier of the termination of the Member from the Franchised Business or the termination, expiration, non-renewal, or transfer of the Franchise Agreement; and

1.6.4 "**Referral Sources**" include any financial planner, mortgage specialist or professional, mortgage banker, benefits broker, health coach, life coach, loan officer, real estate agent, or any other person employed by or working in any capacity with any entity that has provided two or more referrals to the Franchised Business or to Franchisor or its affiliates of clients who successfully purchased insurance products during the prior twenty-four (24) month period prior to the termination, expiration, non-renewal, or transfer of the Franchise Agreement, and with whom the Member had contact as a result of or through his or her employment in the Franchised Business.

2. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

4. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

5. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

6. Choice of Law. This Agreement will be interpreted and construed exclusively under the laws of the State of Kansas, which laws will prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Kansas choice-of-law rules).

7. Class Action Waiver. Any action commenced by Member or Member's assigns will be conducted on an individual basis, and not as part of a consolidated, common, or class action.

8. Arbitration. Except as provided in Section 2, any dispute, claim, controversy, or cause of action incident to or arising from the terms of this Agreement, or the relationship created by this Agreement, shall be resolved by binding arbitration. The arbitration shall be administered by JAMS, Inc. (formerly, Judicial Arbitration and Mediation Services, Inc.) ("**JAMS**") and shall be conducted pursuant to the then-current rules of JAMS. The arbitration will be administered by the JAMS office at its location nearest to Franchisor's then-current principal place of business (currently, Overland Park, Kansas). If there is no JAMS office within fifty (50) miles of Franchisor's then-current principal place of business, then the arbitration will be administered by the American Arbitration Association ("**AAA**") pursuant to the then-current AAA rules at an AAA Authorized Location nearest to Franchisor's then-current principal place of business.

9. Waiver of Jury Trials. Each party to this agreement irrevocably waives trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of them against the other, whether or not there are other parties in such action or proceeding.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE	MEMBER
_____	_____
By: _____	By: _____
Name: _____	Name: _____
Title: Agency Owner	

SelectQuote Local Insurance Services, LLC
FRANCHISE AGREEMENT

ATTACHMENT F

RELEASE

This **RELEASE** (**"Release"**) is made effective as of _____, 20__ (the "**Effective Date**"), by and between SelectQuote Local Insurance Services, LLC, a limited liability company with its principal place of business located at 6800 W. 115th Street, Suite 2511, Overland Park, KS 66211 ("**SelectQuote Local Insurance Services, LLC**") and the undersigned person or entity ("**Franchisee**"). SelectQuote Local and Franchisee shall collectively be referred to as the "**Parties.**"

Background

A. SelectQuote Local and Franchisee have previously entered into a Franchise Agreement dated as of _____ the "**Franchise Agreement**") for the development and operation of a SelectQuote Local Insurance franchised business.

B. The Franchise Agreement requires that Franchisee execute a general release in favor of Franchisor (defined below) as a condition for SelectQuote's approval of a proposed [renewal]/[transfer] of the Franchise Agreement and/or Franchisee's rights under the Franchise Agreement.

NOW THEREFORE, incorporating the foregoing Background herein by reference and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Release.

a. Franchisee, on behalf of itself and its attorneys, insurers, officers, directors, stockholders, agents, servants, representatives, employees, successors, predecessors, assigns, parents, affiliates and subsidiaries, whether named herein or not (collectively, "**Franchisee Parties**"), hereby fully and forever releases and discharges Franchisor its attorneys, insurers, officers, directors, stockholders, agents, servants, representatives, employees, successors, predecessors, assigns, parents, affiliates and subsidiaries, whether named herein or not (collectively, "**Franchisor**") from any and all Claims, whether known or unknown, which Franchisee has, may have, had, or may have had against Franchisor from the beginning of time until the Effective Date. It is acknowledged that the facts in respect of which this Release is given may hereinafter turn out to be different from the facts now known by Franchisee to be true. However, Franchisee agrees that this Release shall be in all respects effective and not subject to termination or rescission for any reason whatsoever. This Release is freely and voluntarily executed by Franchisee, who represents that it has not relied upon any inducements, promises, or representations made by Franchisor.

b. Each of the parties expressly waives the protection of Section 1542 of the California Civil Code, and expressly waives and releases any rights or benefits arising thereunder. Section 1542 of the California Civil Code states:

A GENERAL RELEASE DOES NOT EXTEND CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED IS OR HER SETTLEMENT THE DEBTOR.

Each of the parties is aware that they may hereafter discover facts different from, or in addition to, those which they or their attorneys now know or believe to be true with respect to the matters released in this Section, and agree that the releases so given in this Section will be and remain in effect as full and complete releases of their claims, notwithstanding any such different or additional facts.

c. As used in this Release, "**Claims**" means any and all manner of actions, causes of action, suits, debts, dues, sums of money, account reckonings, bonds, bills, specialties, covenants, contracts, controversies, sanctions, costs, attorneys' fees, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, of whatever kind or nature, whether absolute or contingent, known or unknown, matured or unmatured, at law, in equity, or in any other proceeding.

2. Covenant Not to Sue. Franchisee jointly and severally on behalf of itself and on behalf of the Franchisee Parties, hereby covenants and agrees that the Franchisee Parties will not commence, maintain, participate in, or prosecute any suit against Franchisor for any Claims that any of the Franchisee Parties now own or hold or may at any time have owned or held from the beginning of time through the Effective Date.

3. Advice of Counsel. By affixing its signature to this Release, Franchisee, on behalf of itself and the Franchisee Parties, acknowledges that it has: (a) carefully read and fully understands the provisions of this Release, including, specifically, the release of Claims set forth in Section 1 and the covenant not to sue set forth in Section 2, and that its release of such Claims and covenant not to sue is knowing and voluntary; (b) had a reasonable opportunity to consult with an attorney prior to executing this Release; and (c) has executed this Release voluntarily.

4. Representations and Warranties. Franchisee represents and warrants to Franchisor as follows:

a. The execution and delivery of this Release does not violate (i) any law applicable to Franchisee; (ii) Franchisee's organizational documents; or (iii) any other agreement binding upon Franchisee.

b. Franchisee has the power and authority to execute and deliver this Release and has taken all necessary action (corporate or otherwise) to authorize the execution and delivery of this Release.

5. Confidentiality.

a. With the exception of government mandated filings and disclosures, which are hereby acknowledged by the Parties as excluded from this provision of the Release, the Parties agree that they, including their attorneys and representatives have not and shall not reveal to anyone, other than as may be mutually agreed to in writing, any of the terms of this Release or any of the numbers or terms and conditions of any sums payable hereunder except (i) as required by reinsurers, auditors, accountants or regulators in the ordinary course of business or governmental oversight, (ii) as required by subpoena or applicable law, or (iii) as necessary to enforce the Release. The Parties agree that should any party hereto receive a subpoena or other legal request for a copy of this Release or for details associated with the contents hereof, they will immediately notify the other Party in writing to afford the other Party an opportunity to respond to the request or to seek appropriate legal action to prevent disclosure of the Release or its contents.

b. Franchisee acknowledges that the covenants in this Section 5 are reasonable and necessary for the protection of the interests of SelectQuote Local and that irreparable injury will result to SelectQuote Local and its business if any provision of this Section 5 is breached for which damages are not an adequate remedy. Franchisee agrees that if there should be any breach or threatened breach of any provision herein, SelectQuote Local shall be entitled to an ex parte injunction prohibiting such conduct (in addition to other remedies available at law), and in the event final judgment is entered in favor of SelectQuote Local, Franchisee will reimburse SelectQuote Local for all court costs and legal fees, including attorney's fees, incurred in enforcing this Release or obtaining relief hereunder.

6. Non-Disparagement. Franchisee agrees that in exchange for the consideration provided under this Release, Franchisee will not directly or indirectly, disparage, make, or publish any derogatory, slanderous, or libelous comments about Franchisor in any matter likely to be harmful to its business, business reputation, or the personal reputations of Franchisor's officers, managers, consultants, employees, past or present partners, directors, shareholders, affiliates, and/or their successors. Furthermore, Franchisee agrees that it will not solicit from any third party, any comments, statements, or like that may be considered negative or derogatory or detrimental to the good name and business reputation of Franchisor, including but not limited to Franchisor's business, officers, managers, consultants, employees, past or present partners, directors, shareholders, affiliates, and/or their successors.

7. Choice of Law. This Release shall be governed by and interpreted in accordance with the laws of Kansas, without regard to its conflict of law principles.

8. Arbitration. Any dispute, claim, controversy, or cause of action incident to or arising from the terms of this Release, or the relationship created by this Release, shall be resolved by binding arbitration. The arbitration shall be administered by JAMS, Inc. (formerly, Judicial Arbitration and Mediation Services, Inc.) ("**JAMS**") and shall be conducted pursuant to the JAMS commercial rules. The arbitration will be administered by the JAMS office at its location nearest to SelectQuote Local's then-current principal place of business (currently, Overland Park, Kansas).

a. In any arbitration proceeding, there shall be a single arbitrator selected in accordance with the JAMS rules.

b. The Party initiating arbitration shall pay the filing fee, if any.

c. Neither Party may assert claims against the other on behalf of a class. No arbitration commenced by either Party may be joined with any other arbitration involving either Party, and no other Parties may be joined or may intervene in any arbitration between the Parties. The arbitrator shall have no power to consolidate claims or disputes from other Parties.

d. The arbitrator shall render their decision based solely on the terms of this Release and the law of the State of Kansas (including, where applicable, federal law). The arbitrator shall apply the Federal Rules of Civil Procedure and the Federal Rules of Evidence unless otherwise modified by JAMS rules. The arbitrator shall set forth his or her decision and the basis for that decision in writing. The arbitrator may award such relief as is recoverable in law or in equity, except that the arbitrator shall not award punitive or exemplary damages of any kind, including without limitations double, treble, and/or any enhanced damages provided for by statute.

e. The arbitration proceeding shall remain confidential, and all evidence taken, and the opinion, shall be considered confidential information and precluded from disclosure. No decision by the arbitrator of an issue that arises in any arbitration proceeding between the Parties will be applied in any subsequent arbitration proceeding between the Parties. No decision by the arbitrator of an issue that arises in any arbitration proceeding between SelectQuote Local and another franchisee of SelectQuote Local can be applied in any arbitration proceeding between the Parties.

f. Judgment upon any award rendered by the arbitrator may be entered in any court having jurisdiction.

g. Any disputes concerning the enforceability or scope of this arbitration clause shall be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. ("**FAA**"), and the Parties agree that the FAA preempts any state law restriction on the enforcement of the arbitration clause. If either Party commences any action in any court of a claim that is arbitrable under this Release, the Party commencing the action shall pay the costs, including without limitation reasonable attorney's fees, incurred by the other Party in enforcing the arbitration clause.

h. If any portion of this provision is held to be invalid or unenforceable, or if any portion of this provision would, if effective, violate applicable law, that portion of this provision shall be void and of no effect, but the remainder of this provision shall remain in full force and effect.

i. The Parties agree this Section 8 shall survive the expiration or termination of this Release.

9. <u>Miscellaneous.</u>

a. The Parties acknowledge that, except as expressly set forth herein, no representations of any kind or character have been made to them by any party or by any agent, representative, or attorney to induce the execution of this Release.

b. In the event that any party to this Release incurs attorneys' fees or other expenses as a result of any dispute arising out of a default of a contractual obligation of this Release, the Prevailing Party shall be entitled to reimbursement of its reasonable costs and expenses (including, but not limited to, attorneys' fees) incurred by the Prevailing Party. The term "**Prevailing Party**" shall be the party who, as determined by the arbitrator, substantially obtains or defeats the relief sought in arbitration.

c. This Release constitutes the sole agreement of the Parties with respect to the subject matter hereof and thereof and supersedes all oral negotiations and prior writings with respect to the subject matter hereof and thereof. No amendment of this Release, and no waiver of any one or more of the provisions hereof shall be effective unless set forth in writing and signed by the Parties hereto.

d. Should any provision of this Release be declared or determined to be invalid or illegal, the validity of the remaining terms or provisions shall not be affected thereby, and the illegal or invalid part, term, or provision shall be deemed not to be a part of this Release.

e. The Parties agree that this Release may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the Parties hereto may execute the Release by signing any one of such counterparts. In any action to enforce this Release or any term hereof, it shall be necessary only to introduce a counterpart of this Release executed by the Parties against whom enforcement is sought without necessity for the introduction of other counterparts or proof as to the execution of other counterparts by the other Parties.

f. This Release (i) shall be binding upon the Parties hereto and, where applicable, their respective heirs, executors, administrators, successors and permitted assigns, and (ii) shall inure to the benefit of the Parties hereto and, where applicable, their respective heirs, executors, administrators, successors and permitted assigns.

g. This Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

IN WITNESS WHEREOF, the Parties have caused this Release to be signed by their duly authorized representatives as of the Effective Date.

SelectQuote Local Insurance Services, LLC	_____
Franchisor	Franchisee
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT B - to SELECTQUOTE FDD

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Financial Protection & Innovation One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	California Department of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Commissioner of Securities of the State of Hawaii Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, NE 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl. New York, NY 10005 212-416-8285	Secretary of State of New York 99 Washington Avenue Albany, New York 12231
NORTH DAKOTA	North Dakota Insurance & Securities Department 600 East Boulevard Avenue Bismarck, ND 58505-0510 701-328-2910	Insurance Commissioner Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation Same address
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Securities 124 S. Euclid Avenue, Suite 104 Pierre, SD 57501 605-773-4823	Director of the South Dakota Division of Securities Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX: 801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT C - to SELECTQUOTE FDD

FINANCIAL STATEMENTS

SELECTQUOTE LOCAL INSURANCE SERVICES, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 22, 2025

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

SELECTQUOTE LOCAL INSURANCE SERVICES, LLC

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Member
SelectQuote Local Insurance Services, LLC
Delaware, USA

Opinion

We have audited the accompanying financial statement of SelectQuote Local Insurance Services, LLC, which is comprised of the balance sheet as of December 22, 2025 and the related notes to the financial statements.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of SelectQuote Local Insurance Services, LLC as of December 22, 2025 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

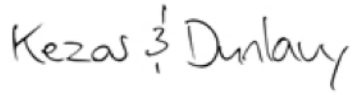
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal-control related matters that we identified during the audit.



St. George, Utah
January 29, 2026

SELECTQUOTE LOCAL INSURANCE SERVICES, LLC

BALANCE SHEET

As of December 22, 2025

Assets	**2025**
Current assets	
Cash	$ 500,000
Total current assets	500,000
Total assets	$ 500,000
Liabilities and Member's Equity	
Current liabilities	
Accrued expenses	$ 51,290
Total current liabilities	51,290
Member's equity	448,710
Total liabilities and member's equity	$ 500,000

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

SelectQuote Local Insurance Services, LLC (the "Company") was organized in the State of Delaware on November 5, 2025 as a limited liability company. The Company was formed for the purpose of marketing and supporting the SelectQuote Insurance franchise business. The Company will begin franchising in 2026. The Company is a wholly owned subsidiary of SelectQuote Insurance Services.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending June 30 of each year. The member's liability is limited to their equity. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission, superseding existing FASB, American Institute of Certified Public Accountants, Emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Cash

Cash includes all highly liquid investments with maturities of three months or less at the date of purchase. As of December 22, 2025, the Company had cash deposits of $500,000.

(e) Income Taxes

The Company is structured as a limited liability company under the laws of the State of Delaware. Accordingly, the income or loss of the Company will be included in the income tax returns of the member. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC Topic 740, *Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 22, 2025, no tax years are subject to examination.

(f) Financial Instruments

For certain of the Company's financial instruments, including cash and accrued liabilities, the carrying amounts approximate fair value due to their short maturities.

(g) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(2) Accrued Expenses

As of December 22, 2025, the Company had accrued expenses of $51,290 related to organizational and startup costs incurred but not paid.

(3) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450, *Contingencies*, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involving such amounts of unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(4) Subsequent Events

Management has reviewed and evaluated subsequent events through January 29, 2026, the date on which the financial statements were issued, noting none.

EXHIBIT D to SELECTQUOTE FDD

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SELECTQUOTE®
Local

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EXHIBIT E to SELECTQUOTE FDD

MUTUAL NON-DISCLOSURE AGREEMENT

MUTUAL NON-DISCLOSURE AGREEMENT

This mutual non-disclosure agreement (this "**Agreement**"), dated as of the _____, by and between SelectQuote Local Insurance Services, LLC, a Delaware limited liability company with its principal office located at 6800 W. 115th Street, Suite 2511, Overland Park, Kansas 66211 ("**SQ Local**"), and _____ [Name], located at _____ [Address] (both parties hereto collectively referred to as the "**Parties**" and individually as a "**Party**").

RECITALS

A. SQ Local and _____ [Name] intend to discuss a possible transaction involving the Parties ("**Purpose**"), and for which Purpose certain confidential and proprietary information may be disclosed between the Parties; and

B. Either Party may receive ("**Recipient**") and/or disclose to the other Party ("**Disclosing Party**") certain technical, non-technical, financial, business and other proprietary and confidential information in relation to their respective businesses and affairs.

In consideration of the above premises the sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

1. Definitions. "**Confidential Information**" shall mean any and all information disclosed to, or otherwise acquired or identified or observed by, a Party including its subsidiaries and affiliates, and each of their respective directors, officers and employees (collectively, "**Recipient's Representatives**"), from the Disclosing Party and its affiliated companies, relating to the business of the Disclosing Party, whether communicated in writing, orally, electronically, photographically, or recorded in any other form of media, including, but not limited to, all sales and operating information, client lists and other client information, employee and other human resource information, existing and potential business and marketing plans and strategies, financial information, cost and pricing information, data media, know-how, designs, drawings, specifications, source codes, technical information, concepts, reports, methods, processes, techniques, operations, devices, and the like, whether or not the foregoing information is patented, tested, reduced to practice, or subject to copyright or any other intellectual property right. Confidential Information does not include information which (i) is or becomes generally available to the public other than as a result of disclosure by Recipient in breach of this Agreement; (ii) was available to Recipient on a non-confidential basis as shown in written records prior to its disclosure to Recipient by Disclosing Party; (iii) becomes available to Recipient on a non-confidential basis from a source other than Disclosing Party; provided that such source is not bound by a confidentiality agreement with Disclosing Party or is otherwise prohibited from transferring the information to Recipient by a contractual, legal or fiduciary obligation; or (iv) is independently developed by Recipient without any use of or benefit from the Confidential Information and such independent development can be documented by Recipient with written records.

2. Scope. This Agreement is intended to cover Confidential Information disclosed by each Party prior to, on and subsequent to the date hereof.

3. Obligations of Recipient. In consideration for the receipt of Confidential Information, Recipient shall hold all Confidential Information in strict confidence and with at least the same degree of care it uses to keep its own proprietary information confidential, but in no event shall it use less than a reasonable degree of care. Recipient shall not, without the prior written consent of Disclosing Party, disclose such information to any person for any reason at any time; provided, however, it is understood that Recipient may disclose any of the Confidential Information to those of the Recipient's Representatives who actually need such material for evaluating the proposed relationship for the Purpose on the condition that, prior to such disclosure, such Recipient's Representatives have agreed to be bound by the confidentiality obligations set forth herein or are otherwise bound by a statutory, fiduciary or another enforceable obligation of confidentiality; Recipient may also disclose any of the Confidential Information to the Recipient's agents or representatives who actually need such material for evaluating the proposed relationship for the Purpose on condition that, prior to such disclosure, such Recipient's agents and/or representatives have agreed in writing to be bound by the confidentiality obligations set forth herein; and provided further, however, that in any event, Recipient shall be fully liable for any breach of this Agreement caused by the disclosure of Confidential Information by such Recipient's Representatives. Notwithstanding anything herein to the contrary, neither Party may disclose the other Party's Confidential Information to any competitor of the other Party, without such other Party's prior written consent. The term "person" as used in this Agreement shall be broadly interpreted to include, without limitation, any corporation, company, partnership, organization, association, entity or individual.

4. Compelled Disclosure. In the event that Recipient or any of Recipient's Representatives is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar incidents) to disclose any of the Confidential Information, it is agreed that Recipient or such Recipient's Representative, as the case may be, will provide Disclosing Party with prompt notice of such request(s) so that Disclosing Party may seek an appropriate protective order or other appropriate remedy and/or waive compliance with the confidentiality provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or Disclosing Party grants a waiver hereunder, Recipient or such Recipient's Representative may furnish that portion (and only that portion) of the Confidential Information which Recipient is legally compelled to disclose and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded any Confidential Information so furnished.

5. Use. Recipient shall not use any Confidential Information for any reason other than as may be necessary for the Purpose. Recipient agrees to make no other use of the Confidential Information or to incorporate any Confidential Information into any work or product. Further, Recipient acknowledges that Recipient is aware (and that Recipient's Representatives have been or will be advised by Recipient) that the United States and other applicable securities laws prohibit any person who has received from an issuer material nonpublic information relating to an issuer of securities from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

6. Ownership. Recipient recognizes that all tangible information relating to Confidential Information, including notes, reports and other documents prepared by Recipient in connection with the Purpose, including all copies thereof, are and shall be the sole property of Disclosing Party, and Recipient shall keep the same at all times in its custody and subject to Recipient's control. The Recipient does not hereby and shall not acquire by implication or otherwise any right in or title to or license in respect of the Confidential Information disclosed to it by the Disclosing Party.

7. Return of Confidential Information. Within thirty (30) business days following the termination of this Agreement or the written request of Disclosing Party, Recipient will deliver to Disclosing Party all documents or other materials furnished by Disclosing Party to Recipient constituting Confidential Information, together with all copies thereof stored in any media in the possession of Recipient. In the event of such request, all other documents or other materials constituting Confidential Information, including any analyses, compilations, or other documents prepared by or on behalf of the Recipient, together with all copies thereof stored in any media in the possession of Recipient, will be destroyed with any such destruction confirmed by Recipient in writing to the Disclosing Party.

8. No Warranties. THE CONFIDENTIAL INFORMATION DISCLOSED HEREUNDER IS PROVIDED "AS IS" AND THE DISCLOSING PARTY MAKES NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS THEREOF.

9. No Obligation. Neither Party shall make any commitment or incur any expense or charge for or in the name of the other Party. Neither Party has any obligation by virtue of this Agreement to procure any products or services from the other Party or to enter into any further business relationship or to refrain either of the Parties from entering into an agreement with any other person. Neither execution nor performance of this Agreement shall be construed or deemed to have established any joint venture or partnership or have created the relationship of principal and agent between the Parties.

10. Remedies. Recipient acknowledges that money damages may be incalculable and an insufficient remedy for any breach of this agreement by Recipient and that any such breach may cause Disclosing Party irreparable harm. Accordingly, Recipient also agrees that, in the event of any breach or threatened breach of this Agreement, Disclosing Party, in addition to any other remedies at law or in equity it may have, shall be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance.

11. Termination. This Agreement may be terminated by either Party by giving the other Party no less than thirty (30) days prior written notice; provided, however, that, notwithstanding anything herein to the contrary, each Party's obligations with respect to each item of the other Party's Confidential Information will survive for a period of three (3) years following the disclosure of the applicable Confidential Information.

12. Governing Law; Arbitration. This Agreement shall be governed by and interpreted in accordance with the laws of Kansas, without regard to its conflict of law principles. Any dispute, claim, controversy, or cause of action incident to or arising from the terms of this Agreement, or the relationship created by this Agreement, shall be resolved by binding arbitration. The arbitration

shall be administered by JAMS, Inc. (formerly, "**Judicial Arbitration and Mediation Services, Inc.**") ("**JAMS**") and shall be conducted pursuant to the JAMS commercial rules. The arbitration will be administered by the JAMS office at its location nearest to SQ Local's then-current principal place of business (currently, Overland Park, Kansas), by a single arbitrator selected in accordance with the JAMS rules.

13. Amendments. This Agreement may not be and shall not be deemed or construed to have been modified, amended, rescinded or canceled in whole or in part, except by written instrument signed by the Parties hereto which makes specific reference to this Agreement, and which specifies that this Agreement is being modified, amended, rescinded or canceled.

14. Severability. If any provision of this Agreement shall be declared invalid or illegal for any reason whatsoever, then, notwithstanding such invalidity or illegality, the remaining terms and provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein.

15. Waivers. No failure on the part of either Party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or a future exercise thereof or the exercise of any other right or remedy granted hereby, or by any related document, or by law. Any failure of a Party to comply with any obligation contained in this Agreement may be waived by the Party entitled to the benefit thereof only by a written instrument duly executed and delivered by the Party granting such waiver, which instrument makes specific reference to this Agreement and the provision to which it relates and describes the right or obligation consented to, waived or purported to be violated.

16. Entire Agreement; No Assignment; Counterparts. This Agreement contains the entire agreement and understanding between the Parties hereto relating to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. This Agreement may not be assigned by Recipient by operation of law or otherwise without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed. This Agreement may be executed in several counterparts, each of which will be deemed an original, and all of which taken together will constitute one single Agreement between the Parties with the same effect as if all the signatures were upon the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives effective as of the date and year first above written.

[Signatures on Next Page]

SelectQuote Local Insurance Services, LLC

By: _____

Name: _____

Title: _____

[***Entity Name***]

By: _____

Name: _____

Title: _____

EXHIBIT F to SELECTQUOTE FDD

STATE ADDENDA AND AMENDMENTS

STATE SPECIFIC ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The following modifications are to the SELECTQUOTE LOCAL INSURANCE SERVICES, LLC Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, 20_____, and Statement of Franchisee.

CALIFORNIA

California Corporations Code, Section 31125 requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

Neither the franchisor, nor any person or franchise broker in ITEM 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or nation securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

ITEM 1 is amended by the addition of the following language to the original language:

"Because you collect information from customers, it may contain personal information of individuals which is protected by law. You are also responsible for complying with all applicable current and future federal, state and local laws, regulations and requirements, including the California Consumer Privacy Act (as applicable), pertaining to the collection, protection, use, sale, disposal and maintenance of such personal information. Personal information includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or amended by applicable federal, state and local laws, regulations and requirements. You may also be required to comply with opt-in requirements on your website."

ITEM 17 is amended by the addition of the following language to the original language:

The following language is added as a second section before the chart/columns.

THE FRANCHISE AGREEMENT REQUIRES FRANCHISEE TO EXECUTE A GENERAL RELEASE OF CLAIMS UPON RENEWAL OR TRANSFER OF THE FRANCHISE AGREEMENT. CALIFORNIA CORPORATIONS CODE SECTION 31512 PROVIDES THAT ANY CONDITION, STIPULATION OR PROVISION PURPORTING TO BIND ANY PERSON ACQUIRING ANY FRANCHISE TO WAIVE COMPLIANCE WITH ANY PROVISION OF THAT LAW OR ANY RULE OR ORDER THEREUNDER IS VOID.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement and the Development Agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement and the Development Agreement contain a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement and the Development Agreement require binding arbitration. The arbitration will occur only in the State of Kansas with the costs being borne by Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement and development agreement restricting venue to a forum outside the State of California.

The Franchise Agreement and the Development Agreement require application of the laws of the State of Kansas. This provision may not be enforceable under California law.

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code §§ 20000 through 20043).

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

The following list reflects the status of the franchise registrations of the Franchisor in the states which require registration:

1. This proposed registration is effective in the following states:

   None

This proposed registration is or will shortly be on file in the following states:

California, Hawaii, Illinois, Indiana, Maryland, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

States which have refused, by order or otherwise, to register these franchises are:

None

States which have revoked or suspended the right to offer the franchises are:

None

States in which the proposed registration of these franchises has been withdrawn are:

None

ILLINOIS

Illinois Addendum to the Disclosure Document and Franchise Agreement

Illinois law governs the Agreements.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a form outside of the state of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor, franchise seller, or other person acting on behalf of a Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[remainder of page blank]

INDIANA

The first sentence of the first Risk Factor is amended to read as follows:

"INDIANA LAW IS CONTROLLING FOR INDIANA FRANCHISEES."

ITEM 3 is amended by the addition of the following language to the original language that appears:

"Company is not involved in any pending arbitration and has not, during the ten (10) year period before the date of this Franchise Disclosure Document, been a party to any arbitration proceeding."

ITEM 5 is amended by the addition of the following language to the original language that appears:

"Indiana law prohibits franchisors from requiring their franchisees to prospectively agree to a release, assignment, novation, waiver or estoppel that attempts to relieve any person from liability."

ITEM 6 ("indemnification" reference) is amended by the addition of the following language to the original language as follows:

"(Indiana Code 23-2-2.7-1[5] prohibits this provision)"

ITEM 8 is amended by the addition of the following language to the original language that appears:

"Company retaining any rebates, commissions or other consideration paid by suppliers will not apply to any Indiana franchisee as stated in Indiana Code, Title 23, Article 2, Chapter 2.7-1(4)."

ITEM 14 is amended by the addition of the following language to the original language that appears:

"If there is an alleged breach of Section 15, Company may be entitled to seek immediate equitable remedies, including, restraining orders and injunctive relief to safeguard the proprietary and confidential information."

ITEM 17(c) is amended by the addition of the following language to the original language that appears:

"(Indiana Code Title 23-2-2.7-(5) prohibits this provision)"

ITEM 17(m) is amended by the addition of the following language to the original language that appears:

"(Indiana Code Title 23-2-2.7-(5) prohibits this provision)"

ITEM 17(t) is amended by the addition of the following language to the original language that appears:

"(subject to Indiana law)"

ITEM 17(v) is amended by the addition of the following language to the original language that appears:

"(Indiana Code Title 23-2-2.7-1(10) prohibits this provision)"

ITEM 17(w) is amended by the addition of the following language to the original language that appears:

"(subject to Indiana law)"

ITEM 17 is further amended by the addition of the following language to the original language that appears:

"Indiana law prohibits franchisors from requiring their franchisees to prospectively agree to a release, assignment, novation, waiver or estoppel that attempts to relieve any person from liability."

"Company will not permit a franchise to sell or renew without good cause or in bad faith. However, Indiana law does not prohibit a Franchise Agreement from providing that the agreement is not renewable on expiration or that the agreement is renewable if you meet certain conditions specified in the agreement."

"Unilateral termination of the franchise is not permitted under Indiana law if the termination is without good cause or in bad faith. Good cause within the meaning of Indiana law includes any material violation of the Franchise Agreement."

"Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor."

"You are not responsible for tortious claims from Company's gross negligence or willful misconduct in the making of or causing of the changes necessary in Company's protection of its Marks."

"Indiana prohibits covenants not to compete in an area greater than the Area of Primary Responsibility; therefore, you agree to abide by the covenants not to compete terms within the Designated Territory as defined in this Franchise Agreement."

"If there is an alleged breach of Sections 6 or 7 of the Franchise Agreement, Company may be entitled to seek immediate equitable remedies, including, restraining orders and injunctive relief to safeguard the proprietary and confidential information."

"Indiana prohibits the limitation of litigation brought for breach of the Franchise Agreement in any matter. Any terms, which designate jurisdiction or venue or require you to agree to jurisdiction or venue in a forum outside of Indiana is void concerning any cause of action, which is otherwise enforceable in Indiana. The Franchise Agreement and all related agreements will be interpreted and construed under the Indiana Franchise Laws, except to the extent governed by the United States Trademark Act of 1946."

"If there is an alleged breach of Section 15, Company may be entitled to seek immediate equitable remedies, including, restraining orders and injunctive relief to safeguard the proprietary and confidential information."

"Despite anything to the contrary in this provision, the franchisee does not waive any right under the Indiana statutes with regard to prior representations made in the Indiana Uniform Franchise Offering Circular."

MARYLAND

The Franchise Disclosure Document and Franchise Agreement are amended to include the following modifications:

All representations requiring prospective franchisees to assent to a release, estoppel or waive of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The "Summary" sections of ITEM 17(v) and 17(w) entitled Choice of Forum and Choice of Law, respectively, are amended by the addition of the following language:

> ", except for claims arising under the Maryland Franchise Registration and Disclosure Law (Section 14-216[25]), including the right to submit matters to the jurisdiction of the courts of Maryland."

The following sentence is added to the end of Section 2.2.5 of the Franchise Agreement:

> "Provided, however, that the general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Laws."

The following sentence is added to the end of Section 4.1.2 of the Franchise Agreement:

> "Provided, however, that the general release required as a condition of the refund shall not apply to any liability under the Maryland Franchise Registration and Disclosure Laws."

The following sentence is added to the end of Section 13.4.6 of the Franchise Agreement:

> "Provided, however, that the general release required as a condition of transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Laws."

ITEM 17 of the Franchise Disclosure Document and sections of the Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration & Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

ITEM 17 of the Franchise Disclosure Document is hereby amended to the extent required under the Maryland Franchise Registration and Disclosure Laws.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 *et seq*.).

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA

Minnesota Stat. Sec. 80C.21 and Minnesota Rules 2860.4400(J)) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee can be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent of the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding use of the name. Minnesota considers it unfair not to protect the franchisee's right to use the trademarks. Refer to Minnesota Stat. Sec. 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Stat. Sec. 80C.17, Subd. 5.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

The following information is added to the cover page of the Franchise Disclosure Document:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

1. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject ta currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

1. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent

of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

2. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

3. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum"**, and Item 17(w), titled "**Choice of law"**:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NORTH DAKOTA

ITEM 17 of the Franchise Disclosure Document and corresponding Sections of the Franchise Agreement are amended by the addition of the following language to the original language or deleted as indicated:

"Requirements for you to renew or extend" (ITEM 17(c) of the Franchise Disclosure Document, and Section 2.2 of the Franchise Agreement) are amended to include the following language: "The execution of a general release upon renewal, assignment or termination will be inapplicable to franchises operating under the North Dakota Franchise Investment Law."

"Your obligations on termination/non-renewal" (ITEM 17(i) and Section 15 of the Franchise Agreement) are amended to read:

"the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney fees."

"Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law."

"Choice of Forum" (ITEM 17(v) of the Franchise Disclosure Document and Section 29 of the Franchise Agreement) is amended with the following language:

"Any action will be brought in the appropriate state of federal court in North Dakota."

The "Choice of Law" (ITEM 17(w) of the Franchise Disclosure Document and Section 29 of the Franchise Agreement) is amended to read as follows:

"This Agreement takes effect upon its acceptance and execution by Company in North Dakota."

"Applicable Law" (Section 29 of the Franchise Agreement) is amended to read as follows:

29(a) shall be deleted and amended to read as follows:

"This Agreement takes effect upon its acceptance and execution by Franchisor in North Dakota."

"Acknowledgements" (Section 30 of the Franchise Agreement) is amended by the addition of the following language to the original language that appears therein to read as follows:

"Franchisee acknowledges that Franchisee received a copy of this Agreement, the attachments hereto, if any, and agreements relating thereto, if any, at least seven (7) days prior to the date on which this Agreement was executed."

"Covenants" (Section 12 of the Franchise Agreement) is amended by the addition of the following language to the original language that appears therein:

> "Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law."

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND

The "Renewal, Termination, and Dispute Resolution" (ITEM 17) is amended by the addition of the following language to the original language:

> "§19-28.1-14 of the Rhode Island Franchise Investment Act provides that [A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.]"

ITEM 17(v) is amended as follows:

> "This Section is invalid under Rhode Island General Law Section (19.28.1-4)"

ITEM 17(w) is amended as follows:

> "This Section is invalid under Rhode Island General Law Section (19-28.1-14)"

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

SOUTH DAKOTA

The "Summary" section of ITEM 17(r) of the Franchise Disclosure Document and Section 12 of the Franchise Agreement are amended as follows:

> "Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota."

The "Summary" sections of ITEMS 17(v) and 17(w) entitled Choice of Forum and Choice of Law, respectively, are amended by the addition of the following language:

> "Any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of any other state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act."
>
> "Pursuant to SDCL 37-5B, any condition, stipulation or provision purporting to waive compliance with any provision of this chapter or any rule or order thereunder is void. Any acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a Franchise Agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter."
>
> No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA

The Franchise Disclosure Document is amended as follows:

Pursuant to the Virginia Retail Franchising Act ("VRFA"), the FTC cover page is modified by adding the words "or grant" at the end of the third sentence in the third Section so it reads as follows:

> "You must receive this disclosure document at least fourteen (14) calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale or grant."

ITEM 17 is amended by striking the first Section and replacing it with the following language:

> **"This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document."**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia shall be amended as follows:

> ITEM 17(h) is amended by the addition of the following language:
>
> "Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause", as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning you relationship with the franchisor, including the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon a the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee my bring actions or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind he franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect an d where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likely void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provision contained int eh franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgement may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence,, willful misconduct, strict liability or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for courts costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.20, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earning from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitation is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

16. **Questionnaires and Acknowledgements.** No statement, questionnaire, or acknowledgement or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties to hereby acknowledge receipt of this Addendum.

Dated _____.

_____	_____
Signature of Franchisor Representative	Signature of Franchisee Representative
_____	_____
Title of Franchisor Representative	Title of Franchisee Representative

WISCONSIN

"The State of Wisconsin has not reviewed and does not endorse, approve, recommend, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement."

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ day of _____, 20___, and of the Franchise Disclosure Document.

DATED this _____ day of _____, 20___.

SELECTQUOTE LOCAL INSURANCE SERVICES, LLC, FRANCHISOR

By: _____

Authorized Officer/Director

FRANCHISEE: _____

By: _____

Name: _____

Title: _____

SELECTQUOTE LOCAL INSURANCE SERVICES, LLC

FRANCHISE DISCLOSURE DOCUMENT - 2026

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:

California, Hawaii, Illinois, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
CALIFORNIA	
HAWAII	
ILLINOIS	
INDIANA	
MARYLAND	
MICHIGAN	
MINNESOTA	
NEW YORK	
NORTH DAKOTA	
RHODE ISLAND	
SOUTH DAKOTA	
VIRGINIA	
WASHINGTON	Pending
WISCONSIN	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If SelectQuote Local Insurance Services, LLC ("**SQ Local**") offers you a franchise, it must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, SQ Local or an affiliate in connection with the proposed franchise sale or grant. Under Illinois, Iowa, Maine, Nebraska, Oklahoma, Rhode Island, or South Dakota law, if applicable, SQ Local must provide this Franchise Disclosure Document to you at your first personal meeting to discuss the franchise. Under New York law, SQ Local must provide this Franchise Disclosure Document to you at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If SQ Local does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit B.

The franchisor is SelectQuote Local Insurance Services, LLC, located at 6800 W. 115th Street, Suite 2511, Overland Park, Kansas 66211; telephone (214) 838-5202.

The name, principal business address and telephone number of the Franchise Seller is: Phil Williamson (Senior Vice President), located at 6800 W. 115th Street, Suite 2511, Overland Park, Kansas 66211; telephone (214) 838-5202. Any additional individual franchise sellers involved in offering franchises are: Josh Kopmeyer (Chief Revenue Officer) and: _____.

Issuance date: January 30, 2026

See Exhibit B for our registered agents authorized to receive service of process.

I (the undersigned) received a Franchise Disclosure Document dated January 30, 2026, that included the following exhibits:

A	Franchise Agreement and all Attachments to Franchise Agreement	C	Financial Statements
		D	Table Of Contents: Operating Manual
B	List Of State Administrators and Agents For Service Of Process	E	Mutual Non-Disclosure Agreement
		F	State Addenda And Amendments

Date Received: _____ Prospective Franchisee: _____

Name (print): _____

Address: _____

_____

Prospective Franchisee's Copy*: Please sign this copy of the receipt, date your signature and keep it for your records.*

RECEIPT

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C	Financial Statements	F	State Addenda And Amendments

Date Received: _____

Prospective Franchisee: _____

Name (print): _____

Address: _____

_____

SelectQuote Local Copy*: Please sign and date this copy of the receipt on the day you receive this Disclosure Document and return that signed and dated copy to us.*