

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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2026
or

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

BROWN & BROWN, INC.
(Exact name of Registrant as specified in its charter)

Florida
(State or other jurisdiction of
incorporation or organization)
300 North Beach Street,
Daytona Beach, FL
(Address of principal executive offices)



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

32114
(Zip Code)

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.10 Par Value	BRO	New York Stock Exchange

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

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

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of shares of the Registrant's common stock, \$0.10 par value, outstanding as of October 23, 2026 was 331,691,829.

BROWN & BROWN, INC.

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Disclosure Regarding Forward-Looking Statements

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

- Risks with respect to the acquisition of RSC Topco, Inc. (“Accession”) (the “Transaction”);
- The possibility that the anticipated benefits, including any anticipated cost savings and strategies, of the Transaction are not realized when expected or at all;
- Risks related to the financing of the Transaction, including that financing the Transaction resulted in an increase in the Company’s indebtedness;
- Risks relating to the financial information related to Accession;
- The risk that certain assumptions the Company has made relating to the Transaction prove to be materially inaccurate;
- Risks related to Accession’s business, including underwriting risk in connection with certain captive insurance companies;
- The inability to hire, retain and develop qualified employees, as well as the loss of any of our executive officers or other key employees;
- A cybersecurity attack or any other interruption in information technology and/or data security that may impact our operations or the operations of third parties that support us;
- Acquisition-related risks that could negatively affect the success of our growth strategy, including the possibility that we may not be able to successfully identify suitable acquisition candidates, complete acquisitions, successfully integrate acquired businesses into our operations and expand into new markets;
- Risks related to our international operations, which may result in additional risks or require more management time and expense than our domestic operations to achieve or maintain profitability;
- The requirement for additional resources and time to adequately respond to dynamics resulting from rapid technological change, including the increasing use of artificial intelligence and robotic processing automation;
- The loss of or significant change to any of our insurance company or intermediary relationships, which could result in loss of capacity to write business, additional expense, loss of market share or material decrease in our commissions;
- The effect of natural disasters on our profit-sharing contingent commissions (“Contingents”), insurer capacity or claims expenses within our capitalized captive insurance facilities;
- Adverse economic conditions, political conditions, outbreaks of war, disasters, or regulatory changes in states or countries where we have a concentration of our business;
- The inability to maintain our culture or a significant change in management, management philosophy or our business strategy;
- Fluctuations in our commission revenue as a result of factors outside of our control;
- The effects of significant or sustained inflation or higher interest rates;
- Claims expense resulting from the limited underwriting risk associated with our participation in captive insurance facilities;
- Risks associated with our automobile and recreational vehicle finance and incentives dealer services (“F&I”) businesses;
- Changes in, or the termination of, certain programs administered by the U.S. federal government from which we derive revenues;
- The limitations of our system of disclosure and internal controls and procedures in preventing errors or fraud, or in informing management of all material information in a timely manner;

- Our reliance on vendors and other third parties to perform key functions of our business operations and provide services to our customers;
- The significant control certain shareholders have;
- Changes in data privacy and protection laws and regulations or any failure to comply with such laws and regulations;
- Improper disclosure of confidential information;
- Our ability to comply with non-U.S. laws, regulations and policies;
- The potential adverse effect of certain actual or potential claims, regulatory actions or proceedings on our businesses, results of operations, financial condition or liquidity;
- Uncertainty in our business practices and compensation arrangements with insurance carriers due to potential changes in regulations;
- Regulatory changes that could reduce our profitability or growth by increasing compliance costs, technology compliance, restricting the products or services we may sell, the markets we may enter, the methods by which we may sell our products and services, or the prices we may charge for our services and the form of compensation we may accept from our customers, carriers and third parties;
- Increasing scrutiny and changing laws or competing expectations from regulators, investors and customers with respect to our environmental, social and governance practices and disclosure;
- A decrease in demand for liability insurance as a result of tort reform legislation;
- Our failure to comply with any covenants contained in our debt agreements;
- The possibility that covenants in our debt agreements could prevent us from engaging in certain potentially beneficial activities;
- Fluctuations in foreign currency exchange rates;
- A downgrade to our corporate credit rating, the credit ratings of our outstanding debt or other market speculation;
- Future sales or other dilution of our equity could adversely affect the market price of our common stock;
- Changes in the U.S.-based credit markets that might adversely affect our business, results of operations and financial condition;
- Changes in current U.S. or global economic conditions, including an extended slowdown in the markets in which we operate;
- Disintermediation within the insurance industry, including increased competition from insurance companies, technology companies and the financial services industry, as well as the shift away from traditional insurance markets;
- Conditions that result in reduced insurer capacity;
- Quarterly and annual variations in our commissions that result from the timing of policy renewals and the net effect of new and lost business production;
- Intangible asset risk, including the possibility that our goodwill may become impaired in the future;
- Changes in our accounting estimates and assumptions;
- Other risks and uncertainties as may be detailed from time to time in our public announcements and Securities and Exchange Commission (“SEC”) filings; and
- Other factors that the Company may not have currently identified or quantified.

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

PART I — FINANCIAL INFORMATION

ITEM 1 — Financial Statements (Unaudited)

BROWN & BROWN, INC.

**CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)**

<i>(in millions, except per share data)</i>	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
REVENUES				
Commissions and fees	\$ 1,700	\$ 1,550	\$ 5,234	\$ 4,183
Investment and other income	25	56	68	112
Total revenues	1,725	1,606	5,302	4,295
EXPENSES				
Employee compensation and benefits	857	793	2,602	2,116
Other operating expenses	307	276	866	672
Loss on disposal	—	—	—	1
Amortization	110	93	337	196
Depreciation	18	14	53	37
Interest	100	100	299	197
Change in estimated acquisition earn-out payables	27	11	(7)	18
Mark-to-market of escrow liability	(14)	8	(83)	8
Total expenses	1,405	1,295	4,067	3,245
Income before income taxes	320	311	1,235	1,050
Income taxes	79	82	278	251
Net income before non-controlling interests	241	229	957	799
Less: Net income attributable to non-controlling interests	1	2	3	9
Net income attributable to the Company	\$ 240	\$ 227	\$ 954	\$ 790
Net income per share:				
Basic	\$ 0.73	\$ 0.68	\$ 2.87	\$ 2.59
Diluted	\$ 0.67	\$ 0.68	\$ 2.57	\$ 2.57

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

<i>(in millions)</i>	Three months ended September		Nine months ended September	
	30,		30,	
	2026	2025	2026	2025
Net income attributable to the Company	\$ 240	\$ 227	\$ 954	\$ 790
Foreign currency translation gain/(loss)	8	(62)	(86)	309
Comprehensive income attributable to the Company	<u>\$ 248</u>	<u>\$ 165</u>	<u>\$ 868</u>	<u>\$ 1,099</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in millions, except per share data)

	<u>September 30, 2026</u>	<u>December 31, 2025</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,099	\$ 1,079
Fiduciary cash	2,442	2,471
Commission, fees and other receivables	1,515	1,438
Fiduciary receivables	1,234	1,515
Reinsurance recoverable	665	647
Prepaid reinsurance premiums	808	980
Other current assets	498	484
Total current assets	8,261	8,614
Fixed assets, net	389	367
Operating lease assets	304	269
Goodwill	15,188	15,087
Amortizable intangible assets, net	4,468	4,906
Other assets	838	748
Total assets	\$ 29,448	\$ 29,991
LIABILITIES AND EQUITY		
Current Liabilities:		
Fiduciary liabilities	\$ 3,676	\$ 3,986
Losses and loss adjustment reserve	687	671
Unearned premiums	903	1,053
Accounts payable	709	990
Accrued expenses and other liabilities	844	875
Current portion of long-term debt	413	719
Total current liabilities	7,232	8,294
Long-term debt less unamortized discount and debt issuance costs	7,346	6,894
Operating lease liabilities	279	243
Deferred income taxes, net	937	815
Other liabilities	1,053	1,172
Equity:		
Common stock, par value \$0.10 per share; authorized 560 shares; issued 359 shares and outstanding 327 shares at 2026, issued 357 shares and outstanding 336 shares at 2025	36	36
Additional paid-in capital	6,253	6,160
Treasury stock, at cost 32 shares at 2026 and 21 shares at 2025	(1,604)	(848)
Accumulated other comprehensive income	124	210
Non-controlling interests	18	26
Retained earnings	7,774	6,989
Total equity	12,601	12,573
Total liabilities and equity	\$ 29,448	\$ 29,991

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(UNAUDITED)

	<u>Common Stock</u>				Accumulat ed Other Comprehe nsive Income (Loss)	Retained Earnings	Non- Controllin g Interest	Total
<i>(in millions, except per share data)</i>	Shares Outstanding	Par Value	Additional Paid-In Capital	Treasury Stock				
Balance at December 31, 2025	336	\$ 36	\$ 6,160	\$ (848)	\$ 210	\$ 6,989	\$ 26	\$ 12,573
Net income						426	1	427
Foreign currency translation					(82)			(82)
Shares issued - employee stock compensation plans:								
Employee stock purchase plan			6					6
Stock incentive plans	3		20					20
Acquisitions			5					5
Net non-controlling interest acquired (disposed)							(3)	(3)
Repurchase shares to fund tax withholdings for non-cash stock-based compensation			(26)					(26)
Purchase of treasury stock	(4)			(250)				(250)
Cash dividends paid (\$0.165 per share)						(57)		(57)
Balance at March 31, 2026	335	\$ 36	\$ 6,165	\$ (1,098)	\$ 128	\$ 7,358	\$ 24	\$ 12,613
Net income						288	1	289
Foreign currency translation					(12)			(12)
Shares issued - employee stock compensation plans:								
Employee stock purchase plan			4					4
Stock incentive plans			19					19
Directors			2					2
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(1)		(1)					(1)
Purchase of treasury stock	(4)			(250)				(250)
Cash dividends paid (\$0.165 per share)						(56)		(56)
Balance at June 30, 2026	330	\$ 36	\$ 6,189	\$ (1,348)	\$ 116	\$ 7,590	\$ 25	\$ 12,608
Net income						240	1	241
Foreign currency translation					8			8
Shares issued - employee stock compensation plans:								
Employee stock purchase plan	1		48					48
Stock incentive plans			19					19
Non-controlling interest distribution							(8)	(8)
Repurchase shares to fund tax withholdings for non-cash stock-based compensation			(3)					(3)
Purchase of treasury stock	(4)			(256)				(256)
Cash dividends paid (\$0.165 per share)						(56)		(56)
Balance at September 30, 2026	327	\$ 36	\$ 6,253	\$ (1,604)	\$ 124	\$ 7,774	\$ 18	\$ 12,601

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (continued)
(UNAUDITED)

	<u>Common Stock</u>							
	Shares Outstandin g	Par Value	Additional Paid-In Capital	Treasury Stock	Accumulat ed Other Comprehe nsive Income (Loss)	Retained Earnings	Non- Controlling Interest	Total
Balance at December 31, 2024	<u>286</u>	<u>\$ 31</u>	<u>\$ 1,118</u>	<u>\$ (748)</u>	<u>\$ (109)</u>	<u>\$ 6,128</u>	<u>\$ 17</u>	<u>\$ 6,437</u>
Net income						331	3	334
Foreign currency translation					124			124
Shares issued - employee stock compensation plans:								
Employee stock purchase plan			4					4
Stock incentive plans	1		25					25
Repurchase shares to fund tax withholdings for non-cash stock-based compensation			(40)					(40)
Cash dividends paid (\$0.15 per share)						(43)		(43)
Balance at March 31, 2025	<u>287</u>	<u>\$ 31</u>	<u>\$ 1,107</u>	<u>\$ (748)</u>	<u>\$ 15</u>	<u>\$ 6,416</u>	<u>\$ 20</u>	<u>\$ 6,841</u>
Net income						231	3	234
Foreign currency translation					247			247
Shares issued - employee stock compensation plans:								
Employee stock purchase plan			3					3
Stock incentive plans			20					20
Shares issued - public offering	43	4	4,311					4,315
Directors			1					1
Repurchase shares to fund tax withholdings for non-cash stock-based compensation			(1)					(1)
Cash dividends paid (\$0.15 per share)						(43)		(43)
Balance at June 30, 2025	<u>330</u>	<u>\$ 35</u>	<u>\$ 5,441</u>	<u>\$ (748)</u>	<u>\$ 262</u>	<u>\$ 6,604</u>	<u>\$ 23</u>	<u>\$ 11,617</u>
Net income						227	2	229
Foreign currency translation					(62)			(62)
Shares issued - employee stock compensation plans:								
Employee stock purchase plan			46					46
Stock incentive plans			19					19
Acquisitions	7	1	611					612
Non-controlling interest distribution							(4)	(4)
Cash dividends paid (\$0.15 per share)						(50)		(50)
Balance at September 30, 2025	<u>337</u>	<u>\$ 36</u>	<u>\$ 6,117</u>	<u>\$ (748)</u>	<u>\$ 200</u>	<u>\$ 6,781</u>	<u>\$ 21</u>	<u>\$ 12,407</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

BROWN & BROWN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<i>(in millions)</i>	Nine months ended September 30,	
	2026	2025
Cash flows from operating activities:		
Net income before non-controlling interests	\$ 957	\$ 799
Adjustments to reconcile net income before non-controlling interests to net cash provided by operating activities:		
Amortization	337	196
Depreciation	53	37
Non-cash stock-based compensation	72	76
Change in estimated acquisition earn-out payables	(7)	18
Mark-to-market of escrow liability	(83)	8
Deferred income taxes	158	18
Net loss on sales/disposals of investments, businesses, fixed assets and customer accounts	—	2
Payments on acquisition earn-outs in excess of original estimated payables	(42)	(1)
Other	10	5
Changes in operating assets and liabilities, net of effect from acquisitions and divestitures:		
Commissions, fees and other receivables (increase) decrease	(100)	(59)
Reinsurance recoverable (increase) decrease	(18)	1,190
Prepaid reinsurance premiums (increase) decrease	172	8
Other assets (increase) decrease	(87)	(23)
Losses and loss adjustment reserve increase (decrease)	16	(1,188)
Unearned premiums increase (decrease)	(153)	15
Accounts payable increase (decrease)	(107)	(95)
Accrued expenses and other liabilities increase (decrease)	(63)	(41)
Other liabilities increase (decrease)	25	41
Net cash provided by operating activities	1,140	1,006
Cash flows from investing activities:		
Additions to fixed assets	(77)	(48)
Payments for businesses acquired, net of cash acquired	(41)	(7,659)
Proceeds from sales of businesses, fixed assets and customer accounts	3	10
Other investing activities	(10)	(4)
Net cash used in investing activities	(125)	(7,701)
Cash flows from financing activities:		
Fiduciary receivables and liabilities, net	(14)	(145)
Payments on acquisition earn-outs	(199)	(77)
Proceeds from long-term debt	—	4,192
Payments on long-term debt	(34)	(206)
Deferred debt issuance costs	(3)	(37)
Borrowings on revolving credit facility	225	450
Payments on revolving credit facility	(50)	(500)
Proceeds from issuance of common stock, net of expenses	—	4,315
Issuances of common stock for employee stock benefit plans	47	43
Repurchase shares to fund tax withholdings for non-cash stock-based compensation	(30)	(42)
Purchase of treasury stock	(750)	—
Cash dividends paid	(169)	(137)
Other financing activities	(12)	(5)
Net cash (used in) provided by financing activities	(989)	7,851
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash inclusive of fiduciary cash	(29)	66
Net (decrease) increase in cash, cash equivalents and restricted cash inclusive of fiduciary cash	(3)	1,222
Cash, cash equivalents and restricted cash inclusive of fiduciary cash at beginning of period	3,815	2,502
Cash, cash equivalents and restricted cash inclusive of fiduciary cash at end of period	\$ 3,812	\$ 3,724

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1 Nature of Operations

Brown & Brown, Inc., a Florida corporation, and its subsidiaries (collectively, “Brown & Brown” or the “Company”) is a diversified insurance agency, wholesale brokerage, insurance programs and service organization that markets and sells insurance products and services, primarily in the property, casualty and employee benefits areas. Brown & Brown’s business is divided into two reportable segments. The Retail segment provides a broad range of risk management products and services to commercial, public and quasi-public entities, and to professional and individual customers. These products and services include property and casualty insurance and reinsurance, employee benefits, private client services, captive solutions, consulting services and financial and wealth solutions, as well as non-insurance warranty services and products through the Retail segment’s automobile and recreational vehicle dealer services F&I businesses. The Specialty Distribution segment consists of our programs, wholesale brokerage and specialty businesses. The programs businesses, which act as managing general underwriters (“MGUs”), provide targeted products and services designated for specific industries, trade groups, governmental entities and market niches, which are delivered to the insured directly, to affinity groups, through wholesale brokers or through a global network of independent agents, including Brown & Brown retail agents. These products and services include specialty property and casualty insurance, financial lines, life and health benefits, reinsurance, travel/accident and health insurance, captive administrative services, warranty services and specialty packages of coverages. The wholesale brokerage business underwrites and places excess and surplus commercial and personal lines insurance, typically for specialized or hard-to-place types of risks, primarily through a global network of independent agents and brokers, including Brown & Brown retail agents. The specialty business offers solutions across affinity and administrative services, captives, reinsurance, travel/accident, warranty, and life & health.

The Company primarily operates as an agent or broker not assuming underwriting risks. However, we also operate and/or participate in various ancillary insurance operations, including: (1) reinsurance companies and stand-alone captives that assume underwriting risk; (2) series captive insurance companies (“SCICs”); (3) protected cell companies; (4) segregated account companies; (5) a quota share captive; and (6) an excess of loss layer captive (collectively, the “Captives”). These ancillary insurance operations facilitate additional underwriting capacity, generate incremental revenues and/or enable the Company to participate in certain underwriting results. The Company also operates a write-your-own flood insurance carrier, Wright National Flood Insurance Company (“WNFIC”). WNFIC’s underwriting business consists of policies written pursuant to the National Flood Insurance Program (“NFIP”), the program administered by the Federal Emergency Management Agency (“FEMA”) to which premiums and underwriting exposure are ceded, and excess flood policies which are fully reinsured in the private market.

NOTE 2 Basis of Financial Reporting

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”) for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of recurring accruals) necessary for a fair presentation have been included. These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and the Notes thereto set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

The preparation of these financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as disclosures of contingent assets and liabilities, at the date of the Condensed Consolidated Financial Statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Fair Value of Financial Instruments

The Company has categorized its assets and liabilities that are recognized at fair value on a recurring basis into a three-level fair value hierarchy. Fair value accounting establishes a framework for measuring fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The framework includes a fair value hierarchy that prioritizes the inputs to the valuation technique used to measure fair value.

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety. The three levels of the hierarchy in order of priority of inputs to the valuation technique are defined as follows:

- Level 1 - observable inputs such as quoted prices for identical assets in active markets;
- Level 2 - inputs other than quoted prices for identical assets in active markets, that are observable either directly or indirectly; and
- Level 3 - unobservable inputs in which there is little or no market data which requires the use of valuation techniques and the development of assumptions.

The carrying amounts of the Company's financial assets and liabilities, including cash and cash equivalents; fiduciary cash; fiduciary receivables, commissions, fees and other receivables; fiduciary liabilities; accounts payable and accrued expenses and other liabilities, at September 30, 2026, and December 31, 2025, approximate fair value, because of the short-term maturity of these instruments. Acquisition earnout payables and newly acquired intangible assets are measured at fair value using level 3 inputs.

Excise Tax on Share Repurchases

Share repurchases are subject to a 1% U.S. federal excise tax, net of the fair market value of certain shares issued during the same taxable year. The Company records the excise tax as part of the cost of the repurchased shares in treasury stock. The Company recognizes a liability for the excise tax in accrued expenses once cumulative stock repurchases for the taxable year exceed cumulative stock issuances for the same period, at which point the tax is accrued on the net excess at the statutory 1% rate. The liability is adjusted each period thereafter to reflect updated cumulative activity, with a final true-up upon determination of the actual net base for the taxable year.

Recently Issued Accounting Pronouncements

In December 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-11, "Interim Reporting (Topic 270): Narrow-Scope Improvements." This ASU clarifies the guidance in Accounting Standards Codification ("ASC") Topic 270 - *Interim Reporting*, adding a comprehensive list of required interim disclosures and a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. This ASU is effective for interim periods within annual periods beginning after December 15, 2027, with early adoption permitted. The Company has evaluated the standard and does not expect a material impact to our current interim reporting disclosures.

In September 2025, the FASB issued ASU 2025-06, "Intangibles—Goodwill and Other— Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software." This ASU was issued to modernize the accounting for software costs that are accounted for under Subtopic 350-40, including removing references to "project stages" and adding the "probable-to-complete recognition threshold." This ASU is effective for annual periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. The Company is currently evaluating these new accounting requirements.

In November 2024, the FASB issued ASU 2024-03, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)" which requires disclosure of specific information about certain costs and expenses in the notes to the financial statements. This ASU is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is permitted. The Company has evaluated the standard and does not expect a material impact to our current reporting disclosures.

NOTE 3 Revenues

The following tables present the revenues disaggregated by revenue source:

(in millions)	Three months ended September 30, 2026			
	Retail	Specialty Distribution	Other ⁽⁸⁾	Total
Base commissions ⁽¹⁾	\$ 686	\$ 475	\$ —	\$ 1,161
Fees ⁽²⁾	217	179	—	396
Other supplemental commissions ⁽³⁾	42	3	—	45
Profit-sharing contingent commissions ⁽⁴⁾	24	56	—	80
Earned premium ⁽⁵⁾	—	18	—	18
Investment income ⁽⁶⁾	8	6	8	22
Other income, net ⁽⁷⁾	1	2	—	3
Total revenues	\$ 978	\$ 739	\$ 8	\$ 1,725

(in millions)	Three months ended September 30, 2025			
	Retail	Specialty Distribution	Other ⁽⁸⁾	Total
Base commissions ⁽¹⁾	\$ 623	\$ 450	\$ —	\$ 1,073
Fees ⁽²⁾	204	142	—	346
Other supplemental commissions ⁽³⁾	32	4	—	36
Profit-sharing contingent commissions ⁽⁴⁾	18	55	—	73
Earned premium ⁽⁵⁾	—	22	—	22
Investment income ⁽⁶⁾	5	8	42	55
Other income, net ⁽⁷⁾	1	—	—	1
Total revenues	\$ 883	\$ 681	\$ 42	\$ 1,606

(in millions)	Nine months ended September 30, 2026			
	Retail	Specialty Distribution	Other ⁽⁸⁾	Total
Base commissions ⁽¹⁾	\$ 2,188	\$ 1,366	\$ —	\$ 3,554
Fees ⁽²⁾	662	504	—	1,166
Other supplemental commissions ⁽³⁾	182	13	—	195
Profit-sharing contingent commissions ⁽⁴⁾	80	182	—	262
Earned premium ⁽⁵⁾	—	57	—	57
Investment income ⁽⁶⁾	19	18	24	61
Other income, net ⁽⁷⁾	3	2	2	7
Total revenues	\$ 3,134	\$ 2,142	\$ 26	\$ 5,302

(in millions)	Nine months ended September 30, 2025			
	Retail	Specialty Distribution	Other ⁽⁸⁾	Total
Base commissions ⁽¹⁾	\$ 1,722	\$ 1,188	\$ —	\$ 2,910
Fees ⁽²⁾	554	326	(2)	878
Other supplemental commissions ⁽³⁾	160	17	—	177
Profit-sharing contingent commissions ⁽⁴⁾	40	121	—	161
Earned premium ⁽⁵⁾	—	57	—	57
Investment income ⁽⁶⁾	9	20	79	108
Other income, net ⁽⁷⁾	2	2	—	4
Total revenues	\$ 2,487	\$ 1,731	\$ 77	\$ 4,295

- (1) Base commissions generally represent a percentage of the premium paid by an insured and are affected by fluctuations in both premium rate levels charged by insurance companies and the insureds' underlying "insurable exposure units," which are units that insurance companies use to measure or express insurance exposed to risk (such as property values, or sales and payroll levels) to determine what premium to charge the insured. Insurance companies establish these premium rates based upon many factors, including loss experience, risk profile and reinsurance rates paid by such insurance companies, none of which we control.
- (2) Fee revenues relate to fees for services other than securing coverage for our customers, including fees negotiated in lieu of commissions, and F&I products and services.
- (3) Other supplemental commissions include additional commissions over base commissions received from insurance carriers based on predetermined growth or production measures. This includes incentive commissions and guaranteed supplemental commissions.
- (4) Profit-sharing contingent commissions are based primarily on underwriting results, but may also reflect considerations for volume, growth and/or retention.
- (5) Earned premium relates to the premiums earned in the Captives.
- (6) Investment income consists primarily of interest on cash and investments.
- (7) Other income consists primarily of other miscellaneous income.
- (8) Fees within Other reflect the elimination of intercompany revenues.

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

(in millions)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
U.S.	\$ 1,518	\$ 1,410	\$ 4,604	\$ 3,657
U.K.	153	148	477	452
Other	54	48	221	186
Total revenues	\$ 1,725	\$ 1,606	\$ 5,302	\$ 4,295

Contract Assets and Liabilities

The balances of contract assets and contract liabilities arising from contracts with customers as of September 30, 2026 and December 31, 2025 were as follows:

<i>(in millions)</i>	September 30, 2026	December 31, 2025
Contract assets	\$ 1,035	\$ 908
Contract liabilities	\$ 191	\$ 168

Unbilled receivables (contract assets) arise when the Company recognizes revenue for amounts which have not yet been billed in the Company's systems and are reflected in commissions, fees and other receivables in the Company's Condensed Consolidated Balance Sheets. The increase in contract assets over the balance as of December 31, 2025, is due to the timing of policy renewals and contingent and other supplemental commission accruals in the nine months ended September 30, 2026.

Deferred revenue (contract liabilities) relates to payments received in advance of performance under the contract before the transfer of a good or service to the customer. Deferred revenue is reflected within accrued expenses and other liabilities for those to be recognized in less than twelve months and in other liabilities for those to be recognized more than twelve months from the date presented in the Company's Condensed Consolidated Balance Sheets.

As of September 30, 2026, deferred revenue totaled \$191 million and consisted of \$148 million and \$43 million classified as short term and long term, respectively. As of December 31, 2025, deferred revenue totaled \$168 million and consisted of \$127 million and \$41 million classified as short term and long term, respectively.

During the nine months ended September 30, 2026 and 2025, the net amount of revenue recognized related to performance obligations satisfied in a previous period was \$46 million and \$24 million, consisting of additional variable consideration received on our incentives and Contingents.

Other Assets and Deferred Cost

Incremental cost to obtain - The Company defers certain costs to obtain customer contracts primarily as they relate to commission-based compensation plans in the Retail segment, in which the Company pays an incremental amount of compensation on new business. These incremental costs are deferred and amortized over a 15-year period. The cost to obtain balance within the other assets caption in the Company's Condensed Consolidated Balance Sheets was \$162 million and \$143 million as of September 30, 2026 and December 31, 2025, respectively. For the nine months ended September 30, 2026, the Company deferred \$30 million of incremental cost to obtain customer contracts. The Company recorded expense of \$11 million associated with the incremental cost to obtain customer contracts for the nine months ended September 30, 2026.

Cost to fulfill - The Company defers certain costs to fulfill contracts and recognizes these costs as the associated performance obligations are fulfilled. The cost to fulfill balance within the other current assets caption in the Company's Condensed Consolidated Balance Sheets was \$189 million and \$208 million as of September 30, 2026 and December 31, 2025, respectively. For the nine months ended September 30, 2026, the Company had net expense of \$18 million related to the release of previously deferred contract fulfillment costs associated with performance obligations that were satisfied in the period, net of current year deferrals for costs incurred that related to performance obligations yet to be fulfilled.

NOTE 4 Net Income Per Share

Basic net income per share is computed based on the weighted average number of common shares (including participating securities) issued and outstanding during the period. Diluted net income per share is computed based on the weighted average number of common shares issued and outstanding plus equivalent shares, assuming the issuance of all potentially issuable common shares. The dilutive effect of potentially issuable common shares is computed by application of the treasury stock method. The following is a reconciliation between basic and diluted weighted average shares outstanding:

(in millions, except per share data)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net income attributable to the Company	\$ 240	\$ 227	\$ 954	\$ 790
Less: Net income attributable to unvested awarded performance stock	(4)	(2)	(13)	(8)
Net income attributable to common shares – basic	\$ 236	\$ 225	\$ 941	\$ 782
Less: Gain on mark-to-market of escrow liability ⁽¹⁾	(14)	—	(83)	—
Net income attributable to common shares – diluted	\$ 222	\$ 225	\$ 858	\$ 782
Denominator:				
Weighted average number of common shares outstanding	329	334	333	305
Less: Unvested awarded performance stock	(4)	(3)	(5)	(3)
Weighted average number of common shares outstanding – basic	325	331	328	302
Dilutive effect of stock compensation plans	1	1	2	2
Dilutive effect of contingently issuable shares ⁽¹⁾	4	—	4	—
Weighted average number of shares outstanding – diluted	330	332	334	304
Net income per share:				
Basic	\$ 0.73	\$ 0.68	\$ 2.87	\$ 2.59
Diluted	\$ 0.67	\$ 0.68	\$ 2.57	\$ 2.57

(1) The calculation of diluted net income per share for the three and nine months ended September 30, 2026, excludes the gain on the mark-to-market of escrow liability in the numerator and includes the shares held in escrow in the denominator, in accordance with ASC 260 - Earnings Per Share, which requires this treatment in periods where the combined effect of these adjustments is accretive to earnings.

NOTE 5 Business Combinations

During the nine months ended September 30, 2026, the Company acquired all of the stock of five insurance intermediaries, purchased the assets and assumed certain liabilities of eight insurance intermediaries, and purchased five books of business (customer accounts) for a total of 18 acquisitions. Additionally, adjustments were recorded to the purchase price allocation of certain prior acquisitions completed within the last twelve months as permitted by ASC 805 — Business Combinations.

Based on the acquisition date and the complexity of the underlying valuation work, certain amounts included in the Company's Condensed Consolidated Financial Statements may be provisional and thus subject to further adjustments within the permitted measurement period, as defined in ASC 805. The recorded purchase price for all acquisitions includes an estimation of the fair value of liabilities associated with any potential earn-out provisions. Subsequent changes in the fair value of earn-out obligations are recorded in the Condensed Consolidated Statements of Income when incurred. The fair value of earn-out obligations is based on the present value of the expected future payments to be made to the sellers of the acquired businesses in accordance with the provisions outlined in the respective purchase agreements.

On August 1, 2025, the Company completed the acquisition of Accession pursuant to the Agreement and Plan of Merger (the "Merger Agreement"). The Merger Agreement provided for escrowed consideration in the form of cash and shares of the Company's common stock. Both the cash and shares are held in an escrow account. Escrowed shares, which were issued at the closing of the acquisition, total approximately 4.4 million shares. Once all claims related to certain indemnification matters described in the Merger Agreement are resolved, any amounts remaining in the escrow account will be released to the equityholders. The amount of the cash balance will change over time based upon payment of any indemnification obligations of the equityholders associated with the discontinued businesses, as well as dividends paid on the shares and interest income earned on the cash. The Company believes this escrow, plus other available funds, are sufficient to cover any potential costs associated with those specified matters subject to indemnification under the Merger Agreement.

The value of the shares and cash held in the escrow account is presented within long-term liabilities (other liabilities), and the restricted cash is presented within other assets in the Company's Condensed Consolidated Balance Sheets. The value of the shares placed in escrow changes as the share price of the Company increases or decreases as compared to the value at the start of the applicable reporting period. In accordance with ASC 480 - Distinguishing Liabilities from Equity and ASC 815 - Derivatives and Hedging, periodic share value changes will be recorded as a mark-to-market of the escrow liability in the Company's Condensed Consolidated Statements of Income. This mark-to-market adjustment is non-cash.

As of September 30, 2026, the total balance of the escrow liability was \$541 million, with \$270 million in escrowed shares and \$271 million in cash. The shares held in escrow are measured at fair value on a recurring basis as defined in ASC 820 - Fair Value Measurement. The change in the fair value of the shares during the three and nine months ended September 30, 2026, resulted in decreases to expense of \$14 million and \$83 million, respectively.

The following table summarizes the estimated fair values of the aggregate assets and liabilities acquired through the nine months ended September 30, 2026 as of the date of each acquisition and adjustments made during the measurement period of the prior year acquisitions.

<i>(in millions)</i>	Other ⁽¹⁾	Measurement Period Adjustments	Total
Business Segment	Retail & Specialty Distribution Various	Retail & Specialty Distribution Various	
Effective date of acquisition			
Cash paid	\$ 56	\$ (12)	\$ 44
Other payable	1	(20)	(19)
Recorded earn-out payable	14	—	14
Total consideration	71	(32)	39
Maximum potential earn-out payable	30	—	30
Allocation of purchase price:			
Cash and cash equivalents, inclusive of fiduciary cash	3	—	3
Commission, fees, and other receivables	—	(21)	(21)
Fiduciary receivables	2	25	27
Other current assets	—	(41)	(41)
Goodwill	44	125	169
Purchased customer accounts and other intangibles ⁽²⁾	26	(89)	(63)
Other assets	—	23	23
Total assets acquired	75	22	97
Fiduciary liabilities	(1)	(24)	(25)
Other current liabilities	(1)	(44)	(45)
Deferred income tax, net	(2)	29	27
Other liabilities	—	(15)	(15)
Total liabilities assumed	(4)	(54)	(58)
Net assets acquired	\$ 71	\$ (32)	\$ 39

(1) The other column represents a summarization of current year acquisitions with total consideration of less than \$50 million per acquisition.

(2) The weighted average useful life of purchased customer accounts is 15 years.

For the nine months ended September 30, 2026, adjustments were made within the permitted measurement period that resulted in a net increase to goodwill of \$125 million. These measurement-period adjustments have been reflected as current-period adjustments in the nine months ended September 30, 2026 in accordance with the guidance in ASC 805. The measurement-period adjustments included a decrease to cash consideration paid of \$12 million primarily from a working capital true up payment and a \$27 million favorable impact on year to date earnings, recorded to change in estimated acquisition earn-out payables in the Condensed Consolidated Statements of Income.

Acquisition Earn-Out Payables

As of September 30, 2026 and 2025, the fair values of the estimated acquisition earn-out payables were re-evaluated and measured at fair value on a recurring basis using unobservable inputs (Level 3) as defined in ASC 820 - Fair Value Measurement. The resulting additions, payments, and net changes, as well as the interest expense accretion on the estimated acquisition earn-out payables were as follows:

(in millions)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Balance as of the beginning of the period	\$ 310	\$ 151	\$ 541	\$ 167
Additions from new acquisitions	6	8	14	24
Assumed estimated acquisition earn-out payables	—	439	27	439
Disposals	—	—	(6)	—
Payments	(17)	(32)	(241)	(78)
Subtotal	299	566	335	552
Net change in earnings from estimated acquisition earn-out payables:				
Change in fair value	23	10	(22)	14
Interest expense accretion	4	1	15	4
Net change in earnings from estimated acquisition earn-out payables	27	11	(7)	18
Foreign currency translation adjustments	—	(2)	(2)	5
Balance as of September 30,	\$ 326	\$ 575	\$ 326	\$ 575

Of the \$326 million of estimated acquisition earn-out payables as of September 30, 2026, \$140 million was recorded as accounts payable and \$186 million was recorded as other non-current liabilities. Included within the additions to estimated acquisition earn-out payables are any adjustments to opening balance sheet items within the allowable measurement period, which may therefore differ from previously reported amounts.

Certain acquisition agreements include provisions with no maximum potential earn-out amount. The amount recorded for these acquisitions as of September 30, 2026 was \$214 million. The maximum future acquisition contingency payments totaled \$369 million, excluding the uncapped earn-out payables, as of September 30, 2026.

NOTE 6 Goodwill

The balances and changes in the carrying value of goodwill by reportable segment for the nine months ended September 30, 2026 are as follows:

(in millions)	Retail	Specialty Distribution	Total
Balance as of December 31, 2025	\$ 9,173	\$ 5,914	\$ 15,087
Acquisitions	38	6	44
Adjustments during measurement period ⁽¹⁾	81	44	125
Disposals	(14)	—	(14)
Foreign currency translation adjustments	(45)	(9)	(54)
Balance as of September 30, 2026	\$ 9,233	\$ 5,955	\$ 15,188

- (1) Provisional estimates of fair value of acquired assets and liabilities are established at the time of each acquisition and are subsequently reviewed and finalized within the first year of operations subsequent to the acquisition date to determine the necessity for adjustments to goodwill.

NOTE 7 Amortizable Intangible Assets

Amortizable intangible assets consisted of the following:

	September 30, 2026			December 31, 2025		
	Gross carrying value	Accumulated amortization	Net carrying value	Gross carrying value	Accumulated amortization	Net carrying value
<i>(in millions)</i>						
Purchased customer accounts and other	\$ 6,871	\$ (2,383)	\$ 4,488	\$ 6,852	\$ (2,037)	\$ 4,815
Foreign currency translation adjustments	(26)	6	(20)	103	(12)	91
Total	<u>\$ 6,845</u>	<u>\$ (2,377)</u>	<u>\$ 4,468</u>	<u>\$ 6,955</u>	<u>\$ (2,049)</u>	<u>\$ 4,906</u>

Estimated amortization expense for intangible assets for each of the next five years is as follows:

<i>(in millions)</i>	
2026 (Remainder)	\$ 110
2027	425
2028	418
2029	401
2030	390
Thereafter	2,724
Total	<u>\$ 4,468</u>

NOTE 8 Long-Term Debt

Long-term debt consisted of the following:

<i>(in millions)</i>	September 30, 2026	December 31, 2025
Current portion of long-term debt:		
Current portion of 5-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.50%, expires June 5, 2031	\$ 13	\$ —
Current portion of 5-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.750%, expires October 27, 2026	—	169
4.600% senior notes, semi-annual interest payments, balloon due 2026	400	400
Current portion of 5-year revolving loan facility, periodic interest payments, SOFR plus up to 1.525%, plus commitment fees up to 0.225%, expires October 27, 2026	—	100
Current portion of 5-year term loan facility expires 2027	—	50
Total current portion of long-term debt	413	719
Long-term debt:		
4.700% senior notes, semi-annual interest payments, balloon due 2028	500	500
4.500% senior notes, semi-annual interest payments, balloon due 2029	350	350
4.900% senior notes, semi-annual interest payments, balloon due 2030	800	800
2.375% senior notes, semi-annual interest payments, balloon due 2031	700	700
4.200% senior notes, semi-annual interest payments, balloon due 2032	600	600
5.250% senior notes, semi-annual interest payments, balloon due 2032	500	500
5.650% senior notes, semi-annual interest payments, balloon due 2034	600	600
5.550% senior notes, semi-annual interest payments, balloon due 2035	1,000	1,000
4.950% senior notes, semi-annual interest payments, balloon due 2052	600	600
6.250% senior notes, semi-annual interest payments, balloon due 2055	1,000	1,000
Total notes	6,650	6,650
Credit agreements:		
3-year term loan facility, periodic interest payments, SOFR plus up to 1.375%, expires June 5, 2029	250	—
5-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.50%, expires June 5, 2031	234	—
5-year term loan facility, periodic interest and principal payments, SOFR plus up to 1.750%, expires March 31, 2027	—	313
5-year revolving loan facility, periodic interest payments, SOFR plus up to 1.30%, plus commitment fees up to 0.20%, expires June 5, 2031	275	—
Total credit agreements	759	313
Unamortized portion of debt discounts related to note agreements (contra)	(16)	(18)
Debt issuance costs (contra)	(47)	(51)
Total long-term debt, less unamortized discount and debt issuance costs	7,346	6,894
Current portion of long-term debt	413	719
Total debt	\$ 7,759	\$ 7,613

Note agreements: On June 11, 2025, the Company entered into an Underwriting Agreement (the “Notes Underwriting Agreement”) with BofA Securities, Inc. and J.P. Morgan Securities LLC, as representatives of the several underwriters named therein (collectively, the “Notes Underwriters”), with respect to the offer and sale by the Company of \$400 million principal amount of its 4.600% Senior Notes due 2026 (the “2026 Notes”), \$500 million principal amount of its 4.700% Senior Notes due 2028 (the “2028 Notes”), \$800 million principal amount of its 4.900% Senior Notes due 2030 (the “2030 Notes”), \$500 million principal amount of its 5.250% Senior Notes due 2032 (the “2032 Notes”), \$1,000 million principal amount of its 5.550% Senior Notes due 2035 (the “2035 Notes”) and \$1,000 million principal amount of its 6.250% Senior Notes due 2055 (the “2055 Notes” and, together with the 2026 Notes, the 2028 Notes, the 2030 Notes, the 2032 Notes, and the 2035 Notes, the “Notes”). The Company used the net proceeds of the offering of the Notes, together with the proceeds from the offering of shares of common stock and cash on hand, to fund the cash consideration payable under the Merger Agreement, and to pay fees and expenses associated with the foregoing. As of September 30, 2026 and December 31, 2025, the aggregate outstanding balance of these notes was \$4,200 million exclusive of the associated discount balance.

The Company maintains notes from other issuances aggregating to a total outstanding debt balance of \$2,850 million exclusive of the associated discount balance as of September 30, 2026 and December 31, 2025.

Credit agreements: On June 5, 2026, the Company entered into a Third Amended and Restated Credit Agreement (the “Third Amended and Restated Credit Agreement”) with the lenders named therein, JPMorgan Chase Bank, N.A. as administrative agent, Bank of America, N.A., Truist Bank and BMO Bank N.A. as co-syndication agents, and U.S. Bank National Association, Fifth Third Bank, National Association, Wells Fargo Bank, National Association, PNC Bank, National Association, HSBC Bank USA, National Association, Citizens Bank, N.A., The Huntington National Bank, and Barclays Bank PLC as co-documentation agents. The Third Amended and Restated Credit Agreement amended and restated the credit agreement dated October 27, 2021, which amended and restated the prior credit agreement, terminated the Company's existing term loan facility, and refinanced the outstanding borrowings thereunder into new term loan facilities. The agreement increased revolving credit commitments from \$800 million to \$1.25 billion and extended the maturity date to June 5, 2031. The agreement also provides for a \$250 million term loan due June 5, 2029 and a \$250 million term loan due June 5, 2031. Total borrowings outstanding under the facilities were approximately \$772 million as of September 30, 2026.

The Company is required to maintain certain financial ratios and comply with certain other covenants. The Company was in compliance with all such covenants as of September 30, 2026 and December 31, 2025.

At September 30, 2026, the one month term SOFR Rate for the term loan due June 2029 and the term loan due June 2031 was 3.901%. The one month term SOFR Rate on the Revolving Credit Facility due June 2031 was 3.901% as of September 30, 2026.

Fair value information about financial instruments not measured at fair value

The following table presents liabilities that are not measured at fair value on a recurring basis:

(in millions)	September 30, 2026		December 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Liabilities:				
Current portion of long-term debt	\$ 400	\$ 399	\$ 400	\$ 402
Long-term debt	\$ 6,633	\$ 6,121	\$ 6,632	\$ 6,600

The carrying value of the Company's borrowings under various credit agreements approximates its fair value due to the variable interest rate based upon adjusted SOFR. The fair values above, which exclude accrued interest, are not necessarily indicative of the amounts that the Company would realize upon disposition, nor do they indicate the Company's intent or ability to dispose of the financial instruments. The fair values of our respective senior notes are considered Level 2 financial instruments, as their values are measured by using observable inputs, other than quoted prices in active markets.

NOTE 9 Leases

Substantially all of the Company's operating lease right-of-use assets and operating lease liabilities represent real estate leases for office space used to conduct the Company's business that expire on various dates through 2041. Leases generally contain renewal options and escalation clauses based upon increases in the lessors' operating expenses and other charges. The Company anticipates that most of these leases will be renewed or replaced upon expiration, although not necessarily for the same amount of space.

The balances and financial statement line item classification of operating lease right-of-use assets and operating lease liabilities within the Condensed Consolidated Balance Sheets is as follows:

(in millions)	September 30, 2026		December 31, 2025	
<u>Assets:</u>				
Operating lease right-of-use assets	Operating lease assets	\$ 304	\$ 269	
Total assets		304	269	
<u>Liabilities:</u>				
Current operating lease liabilities	Accrued expenses and other liabilities	57	62	
Non-current operating lease liabilities	Operating lease liabilities	279	243	
Total liabilities		\$ 336	\$ 305	

The components of lease cost for operating leases were as follows:

(in millions)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Operating leases:				
Lease cost	\$ 21	\$ 18	\$ 62	\$ 48
Variable lease cost	2	1	7	4
Short-term lease cost	1	—	2	1
Operating lease cost	24	19	71	53
Sublease income	(1)	—	(2)	(1)
Total lease cost net	<u>\$ 23</u>	<u>\$ 19</u>	<u>\$ 69</u>	<u>\$ 52</u>

The weighted average remaining lease term and the weighted average discount rate for operating leases as of September 30, 2026 were:

Weighted average remaining lease term in years	6.5
Weighted average discount rate	4.3%

Maturities of the operating lease liabilities by fiscal year at September 30, 2026 for the Company's operating leases are as follows:

(in millions)	Operating leases
2026 (Remainder)	\$ 21
2027	74
2028	66
2029	57
2030	49
Thereafter	130
Total undiscounted lease payments	397
Less: imputed interest	61
Present value of lease payments	<u>\$ 336</u>

Supplemental cash flow information for operating leases is as follows:

(in millions)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Cash paid for amounts included in measurement of liabilities				
Operating cash flows from operating leases	\$ 19	\$ 19	\$ 60	\$ 53
Right-of-use assets obtained in exchange for new operating liabilities	\$ 46	\$ 15	\$ 77	\$ 30

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

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

(in millions)	Nine months ended September 30,	
	2026	2025
Cash paid during the period for:		
Interest	\$ 248	\$ 144
Income taxes, net of refunds	\$ 167	\$ 319

The increase in interest payments during the nine months ended September 30, 2026, was primarily attributable to higher outstanding debt balances incurred to finance the Accession acquisition completed during the third quarter of 2025.

The decrease in net income tax payments was due to \$90 million paid during the nine months ended September 30, 2025, related to certain federal income tax payments previously deferred from 2024 due to Hurricanes Debby and Milton tax relief as well as a full year utilization of Accession limited tax attributes.

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

(in millions)	Nine months ended September 30,	
	2026	2025
Other payables issued for acquisitions and purchased customer accounts	\$ (19)	\$ 699
Estimated acquisition earn-out payables issued for acquisitions	\$ 14	\$ 24
Assumed acquisition earn-out payables	\$ 27	\$ 439
Common stock issued for acquisition	\$ —	\$ 612
Note receivable recorded in connection with the sale of a business	\$ 25	\$ —

The reconciliation of cash, cash equivalents and restricted cash inclusive of fiduciary cash is as follows:

(in millions)	Balance as of September 30,	
	2026	2025
Cash and cash equivalents	\$ 1,099	\$ 1,190
Fiduciary cash	2,442	2,271
Restricted cash	271	263
Total cash, cash equivalents and restricted cash inclusive of fiduciary cash at the end of the period	\$ 3,812	\$ 3,724

The Company's restricted cash balances relate to amounts held in escrow in accordance with the Merger Agreement. Once all claims related to certain indemnification matters described in the Merger Agreement are resolved, the remaining cash in the escrow account will be released to the Accession equityholders. Restricted cash is presented within other assets in the Company's Condensed Consolidated Balance Sheets.

NOTE 11 Legal and Regulatory Proceedings

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

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

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

NOTE 12 Segment Information

The Company reports its financial results in the following two reportable segments: (i) the Retail segment, which provides a broad range of insurance products and services to commercial, public and quasi-public entities, and to professional and individual customers, and non-insurance risk-mitigating products through our F&I businesses; and (ii) the Specialty Distribution segment, which consists of our programs, wholesale brokerage and specialty businesses. Our programs businesses, which act as MGUs, provide targeted products and services designated for specific industries, trade groups, governmental entities and market niches, which are delivered to the insured directly, to affinity groups, through wholesale brokers or through a global network of independent agents, including Brown & Brown retail agents. Our wholesale brokerage businesses underwrite and place excess and surplus commercial and personal lines insurance, typically for specialized or hard-to-place types of risks, primarily through a global network of independent agents and brokers, including Brown & Brown retail agents. Our specialty business offers solutions across affinity and administrative services, captives, reinsurance, travel/accident, warranty, and life & health.

Brown & Brown conducts most of its operations within the U.S. International retail operations include businesses based in Bermuda, Canada, Cayman Islands, India, the Netherlands, Republic of Ireland and the United Kingdom; specialty distribution operations are in Belgium, Canada, France, Germany, Hong Kong, Italy, Malaysia, the Netherlands, Singapore, United Arab Emirates and the United Kingdom. These international operations earned \$207 million and \$196 million of total revenues for the three months ended September 30, 2026 and 2025, respectively and \$698 million and \$638 million of total revenues for the nine months ended September 30, 2026 and 2025, respectively.

The Company's chief operating decision maker ("CODM"), the president and chief executive officer, regularly receives segment information on total revenue, organic revenue growth, the growth in Contingents, income before income taxes and earnings before interest, income taxes, depreciation, amortization and change in estimated acquisition earn-out payables ("EBITDAC"). The metrics are used to review operating trends, to perform analytical comparisons between periods and to monitor budget to actual variances. The Company's CODM does not use segment assets to make resource allocation decisions; therefore, they have not been presented.

Summarized financial information concerning the Company's reportable segments is shown in the following tables.

(in millions)	Three months ended September 30, 2026		
	Retail	Specialty Distribution	Total
Total segment revenues	\$ 978	\$ 739	\$ 1,717
<i>Reconciliation of revenues</i>			
Other ⁽¹⁾			8
Total consolidated revenues			\$ 1,725
<i>Less: ⁽²⁾</i>			
Employee compensation and benefits	550	282	
Other operating expenses	180	144	
(Gain)/loss on disposal	—	—	
Depreciation and amortization	76	51	
Interest expense	7	10	
Change in estimated acquisition earn-out payables	18	9	
Segment Income before income taxes	\$ 147	\$ 243	\$ 390
<i>Reconciliation of income before income taxes</i>			
Other ⁽¹⁾			(70)
Consolidated Income before income taxes			\$ 320

<i>(in millions)</i>	Three months ended September 30, 2025		
	Retail	Specialty Distribution	Total
Total segment revenues	\$ 883	\$ 681	\$ 1,564
<i>Reconciliation of revenues</i>			
Other ⁽¹⁾			42
Total consolidated revenues			\$ 1,606
Less: ⁽²⁾			
Employee compensation and benefits	493	252	
Other operating expenses	153	132	
(Gain)/loss on disposal	—	—	
Depreciation and amortization	74	32	
Interest expense	(11)	9	
Change in estimated acquisition earn-out payables	10	1	
Segment Income before income taxes	\$ 164	\$ 255	\$ 419
<i>Reconciliation of income before income taxes</i>			
Other ⁽¹⁾			(108)
Consolidated Income before income taxes			\$ 311

(1) "Other" includes any income and expenses not allocated to reportable segments and corporate-related items.

(2) Significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

<i>(in millions)</i>	Nine months ended September 30, 2026		
	Retail	Specialty Distribution	Total
Total segment revenues	\$ 3,134	\$ 2,142	\$ 5,276
<i>Reconciliation of revenues</i>			
Other ⁽¹⁾			26
Total consolidated revenues			\$ 5,302
Less: ⁽²⁾			
Employee compensation and benefits	1,678	828	
Other operating expenses	533	425	
(Gain)/loss on disposal	—	—	
Depreciation and amortization	235	151	
Interest expense	19	27	
Change in estimated acquisition earn-out payables	(1)	(6)	
Segment Income before income taxes	\$ 670	\$ 717	\$ 1,387
<i>Reconciliation of income before income taxes</i>			
Other ⁽¹⁾			(152)
Consolidated Income before income taxes			\$ 1,235

<i>(in millions)</i>	Nine months ended September 30, 2025		
	Retail	Specialty Distribution	Total
Total segment revenues	\$ 2,487	\$ 1,731	\$ 4,218
<i>Reconciliation of revenues</i>			
Other ⁽¹⁾			77
Total consolidated revenues			\$ 4,295
<i>Less: ⁽²⁾</i>			
Employee compensation and benefits	1,326	653	
Other operating expenses	395	321	
(Gain)/loss on disposal	1	—	
Depreciation and amortization	158	71	
Interest expense	19	27	
Change in estimated acquisition earn-out payables	13	5	
Segment Income before income taxes	\$ 575	\$ 654	\$ 1,229
<i>Reconciliation of income before income taxes</i>			
Other ⁽¹⁾			(179)
Consolidated Income before income taxes			\$ 1,050

(1) "Other" includes any income and expenses not allocated to reportable segments and corporate-related items.

(2) Significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

NOTE 13 Insurance Company Subsidiary Operations

The Company operates a write-your-own flood insurance carrier, Wright National Flood Insurance Company. WNFIC's underwriting business consists of policies written pursuant to the NFIP, the program administered by FEMA to which premiums and underwriting exposure are ceded, and excess flood policies, which are fully reinsured in the private market. Congressional authorization for the NFIP is periodically evaluated and may be subject to potential government shutdowns. The Company sells excess flood policies, which are 100% ceded to a highly rated reinsurance carrier.

The Company operates and/or participates in various ancillary insurance operations, including (1) reinsurance companies and stand-alone captives that assume underwriting risk; (2) series captive insurance companies (SCICs); (3) protected cell companies; (4) segregated account companies; (5) a quota share captive and (6) an excess of loss layer captive. These ancillary insurance operations facilitate additional underwriting capacity, generate incremental revenues and/or enable the Company to participate in certain underwriting results. The Company acquired certain of the insurance operations through the acquisition of Accession. Several of the newly acquired entities were consolidated after determining that they qualify as Variable Interest Entities ("VIEs"), and the Company is the primary beneficiary. These entities are required to follow the regulatory requirements of their respective domiciliary governments. Total assets and liabilities of the Company's consolidated VIE insurance operations included on the consolidated balance sheets were \$908 million each, as of September 30, 2026. The assets of the consolidated VIE insurance operations can only be used to settle the obligations of the consolidated VIE insurance operations and the creditors and beneficiaries of the liabilities of the consolidated VIE insurance operations do not have recourse to the Company.

The Company purchases reinsurance from other insurance companies to limit total exposure. In addition, the Company cedes insurance risk to other insurance companies and the U.S. government as permitted by the NFIP. The Company's SCICs are created for clients to insure their risks and manage the costs of their insurance programs. In these arrangements, the Company acts as a fronting insurer and enters into reinsurance treaties, under which the Company has ceded all of the liabilities to client-owned captive cells through cross collateralization between the cells. The premiums and underwriting exposure related to the Company's SCIC insurance operations are fully ceded to the client-owned captive cells such that the Company's SCIC operations have no underwriting risk on a net written basis.

The quota share captive participates in risk sharing on policies placed by certain of our MGU businesses that currently underwrite property insurance for earthquake and wind exposed properties. A large portion of written premiums are ceded to reinsurance companies, limiting, but not fully eliminating the Company's exposure to underwriting losses.

The excess of loss layer captive participates in risk sharing on policies placed by one of our MGU businesses that underwrites risks associated with personal property, excluding flood, primarily in the southeastern United States with one layer of per risk excess reinsurance and three layers of catastrophe per occurrence reinsurance. All four layers have limited reinstatements; and therefore, the layers have capped, maximum aggregate limits.

The effects of reinsurance on premiums written and earned are as follows:

(in millions)	Nine months ended September 30, 2026	
	Written	Earned
WNFIC:		
Direct	\$ 871	\$ 818
Ceded	(871)	(818)
Net premiums - WNFIC	—	—
Captives:		
Direct	183	355
Assumed	141	173
Ceded	(246)	(471)
Net premiums - Captives	78	57
Net premiums - Total	<u>\$ 78</u>	<u>\$ 57</u>

WNFIC

All premiums written by the Company under NFIP are 100% ceded to FEMA, for which WNFIC received a 28.4% gross expense allowance from January 1, 2026 through September 30, 2026. For the same period, the Company ceded \$869 million of written premiums to FEMA for NFIP policies and \$2 million to highly rated carriers for excess flood policies.

As of September 30, 2026, the Condensed Consolidated Balance Sheets contained reinsurance recoverable of \$126 million and prepaid reinsurance premiums of \$607 million, which are related to the WNFIC business. For flood policies, there was no change in the balance in the reserve for losses and loss adjustment expense net of reinsurance recoverable during the period January 1, 2026 through September 30, 2026, as the Company's direct premiums written were 100% ceded to two reinsurers. The gross balance of the reserve for losses and loss adjustment expense for the WNFIC, excluding related reinsurance recoverable, as of September 30, 2026 was \$126 million.

Captives

As of September 30, 2026, the Condensed Consolidated Balance Sheet contained the following balances related to the Captives: deferred acquisition costs of \$16 million, prepaid reinsurance premiums of \$201 million, reinsurance payable of \$189 million, the reserve for losses and loss adjustment expense, excluding related reinsurance recoverable, of \$561 million and unearned premiums of \$296 million.

NOTE 14 Equity

Under the authorization from the Company's board of directors, shares may be purchased from time to time, at the Company's discretion and subject to the availability of stock, market conditions, the trading price of the stock, alternative uses for capital, the Company's financial performance and other potential factors. These purchases may be carried out through open market purchases, block trades, accelerated share repurchase plans of up to \$250 million each (unless otherwise approved by the board of directors), negotiated private transactions or pursuant to any trading plan that may be adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934.

On October 22, 2025, the board of directors approved an additional \$1,251 million increase to our existing share repurchase authorization, bringing our total remaining repurchase capacity at that time to approximately \$1,500 million of the Company's outstanding common stock.

On February 12, 2026, the Company entered into accelerated share repurchase agreement ("ASR") with an investment bank to purchase an aggregate \$250 million of the Company's common stock. The program ended on March 9, 2026 and during the period, the Company received a total of 3,574,890 shares of the Company's common stock.

During the three months ended June 30, 2026, the Company repurchased an additional 4,279,712 shares for \$250 million.

During the three months ended September 30, 2026, the Company repurchased an additional 3,630,098 shares for \$250 million.

At September 30, 2026, the remaining amount authorized by our board of directors for share repurchases was approximately \$650 million.

During the third quarter, the Company recorded approximately \$6 million of excise tax associated with share repurchases as an increase to treasury stock, with no impact on the Company's results of operations.

During the first quarter, the Company paid a dividend of \$0.165 per share, which was approved by the board of directors on January 21, 2026 and paid on February 11, 2026 for a total of \$57 million.

During the second quarter, the Company paid a dividend of \$0.165 per share, which was approved by the board of directors on April 27, 2026 and paid on May 20, 2026 for a total of \$56 million.

During the third quarter, the Company paid a dividend of \$0.165 per share, which was approved by the board of directors on July 22, 2026 and paid on August 19, 2026 for a total of \$56 million. On October 21, 2026, the board of directors approved a quarterly cash dividend of \$0.18 per share to be paid on November 11, 2026.

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

The following discussion updates the Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025, and the two discussions should be read together.

GENERAL

Company Overview — Third Quarter of 2026

The following discussion should be read in conjunction with our Condensed Consolidated Financial Statements and the related Notes to those Financial Statements included elsewhere in this Quarterly Report on Form 10-Q, which are prepared in accordance with accounting principles generally accepted in the United States (“GAAP”). In addition, please see “Information Regarding Non-GAAP Financial Measures” below regarding important information on non-GAAP financial measures contained in our discussion and analysis.

We are a diversified insurance agency, wholesale brokerage, insurance programs, specialty insurance business and service organization headquartered in Daytona Beach, Florida. As an insurance intermediary, our principal sources of revenue are commissions paid by insurance companies and, to a lesser extent, fees paid directly by customers. Commission revenues generally represent a percentage of the premium paid by an insured and are affected by fluctuations in both premium rate levels charged by insurance companies and the insureds’ underlying “insurable exposure units,” which are units that insurance companies use to measure or express insurance exposed to risk (such as property values, sales or payroll levels) to determine what premium to charge the insured. Insurance companies establish these premium rates based upon many factors, including loss experience, risk profile and reinsurance rates paid by such insurance companies, none of which we control. We also participate in captive insurance facilities for the purpose of having additional capacity to place coverage, driving additional revenues and to participate in underwriting results, and to limit the Company’s exposure to claims expenses through reinsurance or by only participating in certain tranches of the underwriting. We also operate registered insurance companies to support our national flood insurance program and to support our cross-collateralized segregated captive cell businesses. We do not participate in earnings of the collateralized segregated captive cells.

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

The term “core commissions and fees” excludes Contingents; and therefore, it represents the revenues earned directly from specific insurance policies sold, and specific fee-based services rendered. The net change in core commissions and fees reflects the aggregate changes attributable to: (i) net new and lost accounts; (ii) net changes in our customers’ exposure units, deductibles or insured limits; (iii) net changes in insurance premium rates or the commission rate paid to us by our carrier partners; (iv) the net change in fees paid to us by our customers and (v) any businesses acquired or disposed of.

We also earn Contingents, which are commissions based primarily on underwriting results, but in select situations may reflect additional considerations for volume, growth and/or retention. These commissions, which are included in our commissions and fees in the Condensed Consolidated Statements of Income, are estimated and accrued throughout the year based on actual premiums written and knowledge, to the extent it is available, of losses incurred. Payments are primarily received in the first and second quarters of each subsequent underwriting year, based upon prior year(s) underwriting results, but may differ from the amount estimated and accrued due to the lack of complete visibility regarding loss information until they are received. Over the last three years, Contingents have averaged approximately 4.4% of total commissions and fee revenues.

Fee revenues primarily relate to services other than securing coverage for our customers, and for fees negotiated in lieu of commissions. Fee revenues are generated by: (i) our Specialty Distribution segment, which earns fees primarily for the issuance of insurance policies on behalf of insurance carriers and (ii) our Retail segment in our large-account customer base, where we primarily earn fees for securing insurance for our customers, in our F&I businesses where we earn fees for assisting our customers with creating and selling warranty and service risk management programs and fees for Medicare Set-aside services, Social Security disability services and Medicare benefits advocacy services. Annual fee revenues as a percentage of our total commissions and fees, represented 22.2% in 2025 and 21.1% in 2024.

For the three months ended September 30, 2026, our total commissions and fees growth rate was 9.7%. Our consolidated Organic Revenue increased by 1.2% and our Organic Revenue with Contingents growth rate was 1.5%.

Historically, investment and other income has consisted primarily of interest earnings on operating cash and where permitted, on premiums collected and held in a fiduciary capacity before being remitted to insurance companies. Our policy as it relates to the Company’s capital is to invest available funds in high-quality, short-term money-market funds and fixed income investment securities. Investment income also includes gains and losses realized from the sale of investments. Other income primarily reflects other miscellaneous revenues.

Income before income taxes for the three months ended September 30, 2026 increased from the third quarter of 2025 by \$9 million or 2.9%, driven by increased Contingents, leveraging our expense base, synergies realized from the acquisition of Accession, acquisitions completed in the past twelve months and the change in mark-to-market of escrow liability. This growth was partially offset by the change in estimated acquisition earn-out payables.

Information Regarding Non-GAAP Financial Measures

In the discussion and analysis of our results of operations, in addition to reporting financial results in accordance with generally accepted accounting principles (“GAAP”), we provide references to the following non-GAAP financial measures as defined in Regulation G of the SEC rules: Organic Revenue, Organic Revenue with Contingents, EBITDAC, EBITDAC Margin, EBITDAC - Adjusted and EBITDAC Margin - Adjusted. We present these measures because we believe such information is of interest to the investment community. We believe they provide additional meaningful methods to evaluate the Company’s operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis due to the impact of certain items that have a high degree of variability, that we believe are not indicative of ongoing performance and that are not easily comparable from period to period. This non-GAAP financial information should be considered in addition to, not in lieu of, the Company’s consolidated income statements and balance sheets as of the relevant date. Consistent with Regulation G, a description of such information is provided below and tabular reconciliations of this supplemental non-GAAP financial information to our most comparable GAAP information are contained in this Quarterly Report on Form 10-Q under “Results of Operations - Segment Information.”

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

Non-GAAP Revenue Measures

- **Organic Revenue** is our core commissions and fees less: (i) the core commissions and fees earned for the first twelve months by newly acquired operations; (ii) divested business (core commissions and fees generated from offices, books of business or niches sold or terminated during the comparable period); (iii) Foreign Currency Translation (as defined below) and (iv) the Litigation-Related Impact. The term “core commissions and fees” excludes Contingents; and therefore, represents the revenues earned directly from specific insurance policies sold and specific fee-based services rendered. Growth of Organic Revenue can be expressed as a dollar amount or a percentage rate.
- **Organic Revenue with Contingents** is Organic Revenue plus Organic Contingents (as defined below). Growth of Organic Revenue with Contingents can be expressed as a dollar amount or a percentage rate.

Non-GAAP Earnings Measures

- **EBITDAC** is defined as income before interest, income taxes, depreciation, amortization and the change in estimated acquisition earn-out payables.
- **EBITDAC Margin** is defined as EBITDAC divided by total revenues.
- **EBITDAC - Adjusted** is defined as EBITDAC, excluding (i) (gain)/loss on disposal (as defined below), (ii) Acquisition/Integration Costs (as defined below) and (iii) mark-to-market of escrow liability (as defined below).
- **EBITDAC Margin - Adjusted** is defined as EBITDAC - Adjusted divided by total revenues.

Definitions Related to Certain Components of Non-GAAP Measures

- **“Acquisition/Integration Costs”** means the acquisition and integration costs (e.g., costs associated with regulatory filings; costs for third-party professional services, including legal, accounting, consulting, financial advisory and due diligence; costs and fees associated with entry into the bridge financing commitment; costs of integrating or streamlining processes and information technology systems, including data migration and system integration; costs associated with optimizing vendor agreements and leased office space, including exit costs related to location combinations; and employment-related costs, including severance payments, costs associated with the transition of certain legacy compensation programs, retention-related compensation expenses, and incentive payments) arising out of our acquisition of Accession and acquisitions previously completed by Accession, which are not considered to be normal, recurring or part of ongoing operations.

- **“Foreign Currency Translation”** means the period-over-period impact of foreign currency translation, which is calculated by applying current-year foreign exchange rates to the various functional currencies in our business to our reporting currency of U.S. dollars for the same period in the prior year.
- **“(Gain)/loss on disposal”** is a caption on our consolidated statements of income which reflects net proceeds received as compared to the net book value related to sales of books of business and other divestiture transactions.
- **“Mark-to-market of escrow liability”** is a caption on our consolidated statements of income which reflects the non-cash change in the fair value associated with certain shares of the Company’s common stock held in escrow. The change is driven by fluctuations in our stock price between the beginning of the period and the end of the period. These escrowed shares represent a portion of the merger consideration payable in connection with our acquisition of Accession. The escrowed shares secure certain indemnification obligations of the Accession equity holders related to businesses that are in run-off or discontinued.
- **“Litigation-Related Impact”** means the core commissions and fees attributable to (i) the loss of specifically identified customer accounts and (ii) new business generated in the prior year by certain former employees, in each case in connection with the conduct of a competitor that is the subject of pending litigation in multiple jurisdictions.
- **“Organic Contingents”** are Contingents, less (i) Contingents earned for the first twelve months by newly acquired stand-alone operations and (ii) Contingents earned from divested stand-alone operations (Contingents generated from stand-alone operations sold or terminated during the comparable period).

Our industry peers may provide similar supplemental non-GAAP information with respect to one or more of these measures, although they may not use the same or comparable terminology and may not make identical adjustments and, therefore, comparability may be limited. This supplemental non-GAAP financial information should be considered in addition to, and not in lieu of, the Company's Condensed Consolidated Financial Statements.

Acquisitions

Part of our business strategy is to attract high-quality insurance intermediaries and service organizations to join our operations. From 1993 through the third quarter of 2026, we acquired 736 insurance intermediary operations.

Critical Accounting Policies

We have had no changes to our Critical Accounting Policies as described in our most recent Form 10-K for the year ended December 31, 2025. We believe that of our significant accounting and reporting policies, the more critical policies include our accounting for revenue recognition, business combinations and purchase price allocations, intangible asset impairments, non-cash stock-based compensation and reserves for litigation. In particular, the accounting for these areas is subject to uncertainty, because it requires significant use of judgment to be made by management. Different assumptions in the application of these policies could result in material changes in our consolidated financial position or consolidated results of operations. Refer to Note 1 in the “Notes to Consolidated Financial Statements” in our Annual Report on Form 10-K for the year ended December 31, 2025 for details regarding our critical and significant accounting policies.

RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025

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

Financial information relating to our condensed consolidated financial results is as follows:

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% Change	2026	2025	% Change
REVENUES						
Core commissions and fees	\$ 1,620	\$ 1,477	9.7%	\$ 4,972	\$ 4,022	23.6%
Profit-sharing contingent commissions	80	73	9.6%	262	161	62.7%
Investment and other income	25	56	(55.4%)	68	112	(39.3%)
Total revenues	1,725	1,606	7.4%	5,302	4,295	23.4%
EXPENSES						
Employee compensation and benefits	857	793	8.1%	2,602	2,116	23.0%
Other operating expenses	307	276	11.2%	866	672	28.9%
(Gain)/loss on disposal	—	—	—%	—	1	(100.0%)
Amortization	110	93	18.3%	337	196	71.9%
Depreciation	18	14	28.6%	53	37	43.2%
Interest	100	100	—%	299	197	51.8%
Change in estimated acquisition earn-out payables	27	11	145.5%	(7)	18	(138.9%)
Mark-to-market of escrow liability	(14)	8	NMF	(83)	8	NMF
Total expenses	1,405	1,295	8.5%	4,067	3,245	25.3%
Income before income taxes	320	311	2.9%	1,235	1,050	17.6%
Income taxes	79	82	(3.7%)	278	251	10.8%
Net income before non-controlling interests	241	229	5.2%	957	799	19.8%
Less: Net income attributable to non-controlling interests	1	2		3	9	
Net income attributable to the Company	\$ 240	\$ 227	5.7%	\$ 954	\$ 790	20.8%
Income Before Income Taxes						
Margin ⁽¹⁾	18.6%	19.4%		23.3%	24.4%	
EBITDAC - Adjusted ⁽²⁾	\$ 597	\$ 587	1.7%	\$ 1,927	\$ 1,594	20.9%
EBITDAC Margin - Adjusted ⁽²⁾	34.6%	36.6%		36.3%	37.1%	
Organic Revenue growth rate ⁽²⁾	1.2%	3.5%		0.3%	4.6%	
Organic Revenue with Contingents growth rate ⁽²⁾	1.5%	4.2%		1.5%	5.9%	
Employee compensation and benefits relative to total revenues	49.7%	49.4%		49.1%	49.3%	
Other operating expenses relative to total revenues	17.8%	17.2%		16.3%	15.6%	

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

(2) A non-GAAP financial measure.

NMF = Not a meaningful figure

Commissions and Fees

Commissions and fees, including Contingents and earned premiums, for the three months ended September 30, 2026 increased \$150 million to \$1,700 million, or 9.7%, over the same period in 2025. Core commissions and fees revenue for the third quarter of 2026 increased \$143 million or 9.7%, composed of: (i) \$17 million of net new and renewal business, which reflected an overall Organic Revenue growth rate of 1.2%; (ii) \$156 million from acquisitions that had no comparable revenues in the same period of 2025 and an offsetting decrease from (iii) \$13 million related to commissions and fees revenue from businesses or books of business divested in the preceding twelve months; (iv) \$16 million related to the Litigation-Related Impact and (v) a decrease from the impact of Foreign Currency Translation of \$2 million. Contingents for the third quarter of 2026 increased by \$7 million, or 9.6%, compared to the same period in 2025. This increase was driven primarily by (i) improved underwriting results for our carrier partners, (ii) growth in premium volume and qualifying for certain Contingents that we did not qualify for in the prior year, (iii) recent acquisitions and (iv) our enhanced carrier engagement model. The Organic Revenue with Contingents growth rate was 1.5%.

Commissions and fees, including Contingents and earned premiums, for the nine months ended September 30, 2026, increased \$1,051 million to \$5,234 million, or 25.1%, over the same period in 2025. Core commissions and fees revenue for the nine months ended September 30, 2026 increased \$950 million or 23.6%, composed of: (i) \$10 million of net new and renewal business, which reflected an overall Organic Revenue growth rate of 0.3%; (ii) \$985 million from acquisitions that had no comparable revenues in the same period of 2025; (iii) an increase from the impact of Foreign Currency Translation of \$19 million and an offsetting decrease from (iv) \$20 million related to commissions and fees revenue from businesses or books of business divested in the preceding twelve months and (v) \$44 million related to the Litigation-Related Impact. Contingents for the nine months ended September 30, 2026 increased by \$101 million, or 62.7%, compared to the same period in 2025. This increase was driven primarily by (i) improved underwriting results for our carrier partners, (ii) growth in premium volume and qualifying for certain Contingents that we did not qualify for in the prior year, (iii) recent acquisitions and (iv) our enhanced carrier engagement model. The Organic Revenue with Contingents growth rate was 1.5%.

Investment and Other Income

Investment and other income for the three months ended September 30, 2026 decreased \$31 million from the same period in 2025. Investment and other income for the nine months ended September 30, 2026 decreased \$44 million, from the same period in 2025. These decreases were driven substantially by \$42 million of interest income generated by the proceeds of the Company's follow-on common stock offering and senior notes issuance in June 2025, held in preparation for the closing of the Company's acquisition of Accession, and to a lesser extent lower average interest rates, each partially offset by acquisitions that had no comparable investment and other income in the same period of 2025.

Employee Compensation and Benefits

Employee compensation and benefits expense as a percentage of total revenues was 49.7% for the three months ended September 30, 2026 as compared to 49.4% for the three months ended September 30, 2025, an increase of 8.1%, or \$64 million. This increase included \$78 million of compensation costs related to acquisitions that had no comparable costs in the same period of 2025. Therefore, employee compensation and benefits expense attributable to those offices that existed in the same time periods of 2026 and 2025 decreased by \$14 million. This underlying employee compensation and benefits expense decrease was primarily related to: (i) lower non-cash stock-based compensation expense driven by the Company's performance; (ii) a decrease in claims costs within our self-insured health plan; (iii) a decrease in commissions, base compensation and bonuses resulting from the Litigation-Related Impact; (iv) the year-over-year decrease of approximately \$18 million in the value of deferred compensation liabilities driven by changes in the market prices of our deferred compensation plan, with such amount substantially offset within other operating expenses as we hold assets to fund these liabilities; partially offset by (v) an increase in staff costs attributable to new hires and annual compensation increases.

Employee compensation and benefits expense as a percentage of total revenues was 49.1% for the nine months ended September 30, 2026 as compared to 49.3% for the nine months ended September 30, 2025, an increase of 23.0%, or \$486 million. This increase included \$522 million of compensation costs related to acquisitions that had no comparable costs in the same period of 2025. Therefore, employee compensation and benefits expense attributable to those offices that existed in the same time periods of 2026 and 2025 decreased by \$36 million. This underlying employee compensation and benefits expense decrease was primarily related to: (i) lower non-cash stock-based compensation expense driven by the Company's performance; (ii) a decrease in claims costs within our self-insured health plan; (iii) a decrease in commissions, base compensation and bonuses resulting from the Litigation-Related Impact (iv) the year-over-year decrease of approximately \$8 million in the value of deferred compensation liabilities driven by changes in the market prices of our deferred compensation plan, with such amount substantially offset within other operating expenses as we hold assets to fund these liabilities; partially offset by (v) an increase in staff costs attributable to new hires and annual compensation increases.

Other Operating Expenses

Other operating expenses represented 17.8% of total revenues for the third quarter of 2026, as compared to 17.2% for the third quarter of 2025. Other operating expenses for the third quarter of 2026 increased \$31 million, or 11.2%, from the same period of 2025. This change includes: (i) \$28 million of other operating expenses related to acquisitions that had no comparable costs in the same period of 2025; (ii) the year-over-year increase of approximately \$18 million in the value of assets held to fund the associated liabilities within our deferred

compensation plan, which was substantially offset within employee compensation and benefits, as noted above and (iii) increased information technology-related costs; partially offset by (iv) a decrease in Acquisition/Integration Costs.

Other operating expenses represented 16.3% of total revenues for the nine months ended September 30, 2026, as compared to 15.6% for the nine months ended September 30, 2025. Other operating expenses for the first nine months of 2026 increased \$194 million, or 28.9%, from the same period of 2025. This change includes: (i) \$173 million of other operating expenses related to acquisitions that had no comparable costs in the same period of 2025; (ii) the year-over-year increase of approximately \$8 million in the value of assets held to fund the associated liabilities within our deferred compensation plan, which was substantially offset within employee compensation and benefits, as noted above and (iii) increased information technology-related costs.

(Gain)/Loss on Disposal

Gain on disposal was zero for the third quarter of 2026 which was consistent with the third quarter of 2025. (Gain)/loss on disposal for the nine months ended September 30, 2026, increased \$1 million from the nine months ended September 30, 2025. Although we do not routinely sell businesses or customer accounts, we periodically sell an office or a book of business (one or more customer accounts) that we believe does not produce reasonable margins or demonstrate a potential for adequate growth, or because doing so is in the Company's best interest.

Amortization

Amortization expense for the third quarter of 2026 increased \$17 million, or 18.3%, compared to the third quarter of 2025. Amortization expense for the nine months ended September 30, 2026, increased \$141 million, or 71.9%, compared to the nine months ended September 30, 2025. This change reflects the amortization of new intangibles from businesses acquired within the past twelve months, net of certain intangible assets becoming fully amortized or written off in the (Gain)/Loss on disposal.

Depreciation

Depreciation expense for the third quarter of 2026 increased \$4 million, or 28.6%, compared to the third quarter of 2025. Depreciation expense for the nine months ended September 30, 2026 increased \$16 million, or 43.2%, compared to the nine months ended September 30, 2025. Changes in depreciation expense reflect net additions of fixed assets resulting from businesses acquired in the past twelve months and the addition of fixed assets resulting from business initiatives, partially offset by the impact of fixed assets that became fully depreciated or written off in the gain or loss on disposal.

Interest Expense

Interest expense for the third quarter of 2026 was consistent with the third quarter of 2025. Interest expense for the nine months ended September 30, 2026 increased \$102 million, or 51.8%, compared to the first nine months of 2025. The increase is due to higher debt resulting from a debt issuance in the second quarter of 2025 to fund the Transaction, which was partially offset by decreases in the floating rate benchmark used on our adjustable-rate debt.

Change in Estimated Acquisition Earn-Out Payables

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

The net charge or credit to the Condensed Consolidated Statements of Income for the period is the combination of the net change in the estimated acquisition earn-out payables liability, and the accretion of the present value discount on those liabilities.

As of September 30, 2026 and 2025, the fair values of the estimated acquisition earn-out payables were re-evaluated based upon projected operating results and measured at fair value on a recurring basis using unobservable inputs (Level 3) as defined in ASC 820 - Fair Value Measurement. The resulting net changes, as well as the interest expense accretion on the estimated acquisition earn-out payables were as follows:

<i>(in millions)</i>	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Change in fair value	\$ 23	\$ 10	\$ (22)	\$ 14
Interest expense accretion	4	1	15	4
Net change in earnings from estimated acquisition earn-out payables	<u>\$ 27</u>	<u>\$ 11</u>	<u>\$ (7)</u>	<u>\$ 18</u>

For the three months and nine months ended September 30, 2026, the fair value of estimated earn-out payables was re-evaluated and resulted in an increase of \$23 million and a decrease of \$22 million, respectively, which generated charges and credits, respectively, to the Condensed Consolidated Statements of Income. These adjustments were primarily related to revised estimates for companies acquired in the Transaction.

As of September 30, 2026, estimated acquisition earn-out payables totaled \$326 million, of which \$140 million was recorded as accounts payable and \$186 million was recorded as other non-current liabilities.

Income Taxes

The effective tax rate on income from operations for the three months ended September 30, 2026 and 2025 was 24.7% and 26.4%, respectively. The effective tax rate on income from operations for the nine months ended September 30, 2026 and 2025 was 22.5% and 23.9%, respectively. The decrease for the three and nine months ended September 30, 2026 was driven by the non-taxable treatment of the mark-to-market of escrow liability.

RESULTS OF OPERATIONS — SEGMENT INFORMATION

As discussed in Note 12 to the Condensed Consolidated Financial Statements, we operate two reportable segments: Retail and Specialty Distribution. On a segmented basis, changes in amortization, depreciation and interest expenses generally result from activity associated with acquisitions. Likewise, other income consists primarily of miscellaneous income; and therefore, it can fluctuate between comparable periods. As such, management primarily focuses on Organic Revenue growth, the growth in Contingents and EBITDAC Margin when evaluating the operational efficiency of a segment.

The reconciliation of commissions and fees included in the Condensed Consolidated Statements of Income to Organic Revenue and Organic Revenue with Contingents, both non-GAAP financial measures, for the three months ended September 30, 2026 and 2025, and the growth rates for Organic Revenue and Organic Revenue with Contingents for the three months ended September 30, 2026 and 2025, including by segment, are as follows:

2026 (in millions)	Retail ⁽¹⁾		Specialty Distribution		Total	
	2026	2025	2026	2025	2026	2025
Commissions and fees	\$ 969	\$ 877	\$ 731	\$ 673	\$ 1,700	\$ 1,550
Total change	\$ 92		\$ 58		\$ 150	
Total growth %	10.5%		8.6%		9.7%	
Contingents	\$ (24)	\$ (18)	\$ (56)	\$ (55)	\$ (80)	\$ (73)
Core commissions and fees	\$ 945	\$ 859	\$ 675	\$ 618	\$ 1,620	\$ 1,477
Acquisitions	(91)		(65)		(156)	
Dispositions		(10)		(3)		(13)
Foreign Currency Translation		(1)		—		(1)
Litigation-Related Impact		(16)		—		(16)
Organic Revenue ⁽²⁾	\$ 854	\$ 832	\$ 610	\$ 615	\$ 1,464	\$ 1,447
Organic Revenue growth ⁽²⁾	\$ 22		\$ (5)		\$ 17	
Organic Revenue growth rate ⁽²⁾	2.6%		(0.8)%		1.2%	
Organic Contingents	\$ 17	\$ 18	\$ 62	\$ 55	\$ 79	\$ 73
Organic Revenue with Contingents ⁽²⁾	\$ 871	\$ 850	\$ 672	\$ 670	\$ 1,543	\$ 1,520
Organic Revenue with Contingents growth ⁽²⁾	\$ 21		\$ 2		\$ 23	
Organic Revenue with Contingents growth rate ⁽²⁾	2.5%		0.3%		1.5%	

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

(2) A non-GAAP financial measure.

The reconciliation of commissions and fees included in the Condensed Consolidated Statements of Income to Organic Revenue and Organic Revenue with Contingents, both non-GAAP financial measures, for the three months ended September 30, 2025 and 2024, including by segment, and the growth rates for Organic Revenue and Organic Revenue with Contingents for the three months ended September 30, 2025 and 2024, including by segment, are as follows:

2025

(in millions)	Retail ⁽¹⁾		Specialty Distribution		Total	
	2025	2024	2025	2024	2025	2024
Commissions and fees	\$ 877	\$ 639	\$ 673	\$ 516	\$ 1,550	\$ 1,155
Total change	\$ 238		\$ 157		\$ 395	
Total growth %	37.2%		30.4%		34.2%	
Contingents	\$ (18)	\$ (8)	\$ (55)	\$ (19)	\$ (73)	\$ (27)
Core commissions and fees	\$ 859	\$ 631	\$ 618	\$ 497	\$ 1,477	\$ 1,128
Acquisitions	(210)		(97)		(307)	
Dispositions		(3)				(3)
Foreign Currency Translation		4		1		5
Litigation-Related Impact		—		—		—
Organic Revenue ⁽²⁾	\$ 649	\$ 632	\$ 521	\$ 498	\$ 1,170	\$ 1,130
Organic Revenue growth ⁽²⁾	\$ 17		\$ 23		\$ 40	
Organic Revenue growth rate ⁽²⁾	2.7%		4.6%		3.5%	
Organic Contingents	\$ 7	\$ 7	\$ 38	\$ 29	\$ 45	\$ 36
Organic Revenue with Contingents ⁽²⁾	\$ 656	\$ 639	\$ 559	\$ 527	\$ 1,215	\$ 1,166
Organic Revenue with Contingents growth ⁽²⁾	\$ 17		\$ 32		\$ 49	
Organic Revenue with Contingents growth rate ⁽²⁾	2.7%		6.1%		4.2%	

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

(2) A non-GAAP financial measure.

The reconciliation of commissions and fees included in the Condensed Consolidated Statements of Income to Organic Revenue and Organic Revenue with Contingents, both non-GAAP financial measures, for the nine months ended September 30, 2026 and 2025, and the growth rates for Organic Revenue and Organic Revenue with Contingents for the nine months ended September 30, 2026 and 2025, including by segment, are as follows:

2026

(in millions)	Retail ⁽¹⁾		Specialty Distribution		Total	
	2026	2025	2026	2025	2026	2025
Commissions and fees	\$ 3,112	\$ 2,474	\$ 2,122	\$ 1,709	\$ 5,234	\$ 4,183
Total change	\$ 638		\$ 413		\$ 1,051	
Total growth %	25.8%		24.2%		25.1%	
Contingents	(80)	(40)	(182)	(121)	(262)	(161)
Core commissions and fees	\$ 3,032	\$ 2,434	\$ 1,940	\$ 1,588	\$ 4,972	\$ 4,022
Acquisitions	(597)		(388)		(985)	
Dispositions		(12)		(8)		(20)
Foreign Currency Translation		16		3		19
Litigation-Related Impact		(44)		—		(44)
Organic Revenue ⁽²⁾	\$ 2,435	\$ 2,394	\$ 1,552	\$ 1,583	\$ 3,987	\$ 3,977
Organic Revenue growth ⁽²⁾	\$ 41		\$ (31)		\$ 10	
Organic Revenue growth rate ⁽²⁾	1.7%		(2.0)%		0.3%	
Organic Contingents	\$ 49	\$ 39	\$ 164	\$ 122	\$ 213	\$ 161
Organic Revenue with Contingents ⁽²⁾	\$ 2,484	\$ 2,433	\$ 1,716	\$ 1,705	\$ 4,200	\$ 4,138
Organic Revenue with Contingents growth ⁽²⁾	\$ 51		\$ 11		\$ 62	
Organic Revenue with Contingents growth rate ⁽²⁾	2.1%		0.6%		1.5%	

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

(2) A non-GAAP financial measure.

The reconciliation of commissions and fees included in the Condensed Consolidated Statements of Income to Organic Revenue and Organic Revenue with Contingents, both non-GAAP financial measures, for the nine months ended September 30, 2025 and 2024, and the growth rates for Organic Revenue and Organic Revenue with Contingents for the nine months ended September 30, 2025 and 2024, including by segment, are as follows:

2025 <i>(in millions)</i>	Retail ⁽¹⁾		Specialty Distribution		Total	
	2025	2024	2025	2024	2025	2024
Commissions and fees	\$ 2,474	\$ 2,086	\$ 1,709	\$ 1,459	\$ 4,183	\$ 3,545
Total change	\$ 388		\$ 250		\$ 638	
Total growth %	18.6%		17.1%		18.0%	
Contingents	(40)	(30)	(121)	(80)	(161)	(110)
Core commissions and fees	\$ 2,434	\$ 2,056	\$ 1,588	\$ 1,379	\$ 4,022	\$ 3,435
Acquisitions	(312)		(117)		(429)	
Dispositions		(10)		—		(10)
Foreign Currency Translation		9		2		11
Litigation-Related Impact		—		—		—
Organic Revenue ⁽²⁾	\$ 2,122	\$ 2,055	\$ 1,471	\$ 1,381	\$ 3,593	\$ 3,436
Organic Revenue growth ⁽²⁾	\$ 67		\$ 90		\$ 157	
Organic Revenue growth rate ⁽²⁾	3.3%		6.5%		4.6%	
Organic Contingents	\$ 38	\$ 30	\$ 116	\$ 73	\$ 154	\$ 103
Organic Revenue with Contingents ⁽²⁾	\$ 2,160	\$ 2,085	\$ 1,587	\$ 1,454	\$ 3,747	\$ 3,539
Organic Revenue with Contingents growth ⁽²⁾	\$ 75		\$ 133		\$ 208	
Organic Revenue with Contingents growth rate ⁽²⁾	3.6%		9.1%		5.9%	

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

(2) A non-GAAP financial measure.

The reconciliation of income before income taxes, included in the Condensed Consolidated Statements of Income, to EBITDAC, a non-GAAP measure, and EBITDAC - Adjusted, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, and EBITDAC Margin - Adjusted, a non-GAAP measure, for the three months ended September 30, 2026, including by segment, is as follows:

<i>(in millions)</i>	Retail	Specialty Distribution	Other	Total
Total Revenues	\$ 978	\$ 739	\$ 8	\$ 1,725
Income before income taxes	147	243	(70)	320
Income Before Income Taxes Margin ⁽¹⁾	15.0%	32.9%	NMF	18.6%
Amortization	65	45	—	110
Depreciation	11	6	1	18
Interest	7	10	83	100
Change in estimated acquisition earn-out payables	18	9	—	27
EBITDAC ⁽²⁾	248	313	14	575
EBITDAC Margin ⁽²⁾	25.4%	42.4%	NMF	33.3%
(Gain)/loss on disposal	—	—	—	—
Acquisition/Integration Costs	27	7	2	36
Mark-to-market of escrow liability	—	—	(14)	(14)
EBITDAC - Adjusted ⁽²⁾	\$ 275	\$ 320	\$ 2	\$ 597
EBITDAC Margin - Adjusted ⁽²⁾	28.1%	43.3%	NMF	34.6%

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

(2) A non-GAAP financial measure.

NMF = Not a meaningful figure

The reconciliation of income before income taxes, included in the Condensed Consolidated Statements of Income, to EBITDAC, a non-GAAP measure, and EBITDAC - Adjusted, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, and EBITDAC Margin - Adjusted, a non-GAAP measure, for the three months ended September 30, 2025, including by segment, is as follows:

<i>(in millions)</i>	Retail	Specialty Distribution	Other	Total⁽¹⁾
Total Revenues	\$ 883	\$ 681	\$ 42	\$ 1,606
Income before income taxes	164	255	(108)	311
Income Before Income Taxes Margin ⁽¹⁾	18.6%	37.4%	NMF	19.4%
Amortization	66	27	—	93
Depreciation	8	5	1	14
Interest	(11)	9	102	100
Change in estimated acquisition earn-out payables	10	1	—	11
EBITDAC ⁽²⁾	237	297	(5)	529
EBITDAC Margin ⁽²⁾	26.8%	43.6%	NMF	32.9%
(Gain)/loss on disposal	—	—	—	—
Acquisition/Integration Costs	10	2	38	50
Mark-to-market of escrow liability	—	—	8	8
EBITDAC - Adjusted ⁽²⁾	\$ 247	\$ 299	\$ 41	\$ 587
EBITDAC Margin - Adjusted ⁽²⁾	28.0%	43.9%	NMF	36.6% ⁽³⁾

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

(2) A non-GAAP financial measure.

(3) Amount reflects the positive impact of approximately \$29 million of interest income earned from the proceeds of the Company’s follow-on common stock offering and senior notes issuance in June 2025, held in preparation for the closing of the Company’s acquisition of Accession.

NMF = Not a meaningful figure

The reconciliation of income before income taxes, included in the Condensed Consolidated Statements of Income, to EBITDAC, a non-GAAP measure, and EBITDAC - Adjusted, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, and EBITDAC Margin - Adjusted, a non-GAAP measure, for the nine months ended September 30, 2026, including by segment, is as follows:

<i>(in millions)</i>	Retail	Specialty Distribution	Other	Total
Total Revenues	\$ 3,134	\$ 2,142	\$ 26	\$ 5,302
Income before income taxes	670	717	(152)	1,235
Income Before Income Taxes Margin ⁽¹⁾	21.4%	33.5%	NMF	23.3%
Amortization	204	133		337
Depreciation	31	18	4	53
Interest	19	27	253	299
Change in estimated acquisition earn-out payables	(1)	(6)	—	(7)
EBITDAC ⁽²⁾	923	889	105	1,917
EBITDAC Margin ⁽²⁾	29.5%	41.5%	NMF	36.2%
(Gain)/loss on disposal	—	—	—	—
Acquisition/Integration Costs	68	19	6	93
Mark-to-market of escrow liability	—	—	(83)	(83)
EBITDAC - Adjusted ⁽²⁾	\$ 991	\$ 908	\$ 28	\$ 1,927
EBITDAC Margin - Adjusted ⁽²⁾	31.6%	42.4%	NMF	36.3%

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

(2) A non-GAAP financial measure.

NMF = Not a meaningful figure

The reconciliation of income before income taxes, included in the Condensed Consolidated Statements of Income, to EBITDAC, a non-GAAP measure, and EBITDAC - Adjusted, a non-GAAP measure, and Income Before Income Taxes Margin to EBITDAC Margin, a non-GAAP measure, and EBITDAC Margin - Adjusted, a non-GAAP measure, for the nine months ended September 30, 2025, including by segment, is as follows:

<i>(in millions)</i>	Retail	Specialty Distribution	Other	Total⁽¹⁾
Total Revenues	\$ 2,487	\$ 1,731	\$ 77	\$ 4,295
Income before income taxes	575	654	(179)	1,050
Income Before Income Taxes Margin ⁽¹⁾	23.1%	37.8%	NMF	24.4%
Amortization	139	57	—	196
Depreciation	19	14	4	37
Interest	19	27	151	197
Change in estimated acquisition earn-out payables	13	5	—	18
EBITDAC ⁽²⁾	765	757	(24)	1,498
EBITDAC Margin ⁽²⁾	30.8%	43.7%	NMF	34.9%
(Gain)/loss on disposal	1	—	—	1
Acquisition/Integration Costs	10	2	75	87
Mark-to-market of escrow liability	—	—	8	8
EBITDAC - Adjusted ⁽²⁾	\$ 776	\$ 759	\$ 59	\$ 1,594
EBITDAC Margin - Adjusted ⁽²⁾	31.2%	43.8%	NMF	37.1% ⁽³⁾

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

(2) A non-GAAP financial measure.

(3) Amount reflects the positive impact of approximately \$42 million of interest income earned from the proceeds of the Company’s follow-on common stock offering and senior notes issuance in June 2025, held in preparation for the closing of the Company’s acquisition of Accession.

NMF = Not a meaningful figure

Retail Segment

The Retail segment provides a broad range of insurance products and services to commercial, public and quasi-public, professional and individual insured customers, and non-insurance risk-mitigating products through our F&I businesses. Approximately 77% of the Retail segment's commissions and fees revenue is commission based.

Financial information relating to our Retail segment is as follows:

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% Change	2026	2025	% Change
REVENUES						
Core commissions and fees	\$ 945	\$ 859	10.0%	\$ 3,032	\$ 2,436	24.5%
Profit-sharing contingent commissions	24	18	33.3%	80	40	100.0%
Investment and other income	9	6	50.0%	22	11	100.0%
Total revenues	978	883	10.8%	3,134	2,487	26.0%
EXPENSES						
Employee compensation and benefits	550	493	11.6%	1,678	1,326	26.5%
Other operating expenses	180	153	17.6%	533	395	34.9%
(Gain)/loss on disposal	—	—	—%	—	1	100.0%
Amortization	65	66	(1.5%)	204	139	46.8%
Depreciation	11	8	37.5%	31	19	63.2%
Interest	7	(11)	(163.6%)	19	19	—%
Change in estimated acquisition earn-out payables	18	10	80.0%	(1)	13	(107.7%)
Total expenses	831	719	15.6%	2,464	1,912	28.9%
Income before income taxes	\$ 147	\$ 164	(10.4%)	\$ 670	\$ 575	16.5%
Income Before Income Taxes Margin ⁽¹⁾	15.0%	18.6%		21.4%	23.1%	
EBITDAC - Adjusted ⁽²⁾	\$ 275	\$ 247	11.3%	\$ 991	\$ 776	27.7%
EBITDAC Margin - Adjusted ⁽²⁾	28.1%	28.0%		31.6%	31.2%	
Organic Revenue growth rate ⁽²⁾	2.6%	2.7%		1.7%	3.3%	
Organic Revenue with Contingents growth rate ⁽²⁾	2.5%	2.7%		2.1%	3.6%	
Employee compensation and benefits relative to total revenues	56.2%	55.8%		53.5%	53.3%	
Other operating expenses relative to total revenues	18.4%	17.3%		17.0%	15.9%	

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

(2) A non-GAAP financial measure.

NMF = Not a meaningful figure

The Retail segment's total revenues for the three months ended September 30, 2026 increased 10.8%, or \$95 million, as compared to the same period in 2025, to \$978 million. The \$86 million increase in core commissions and fees revenue was driven by: (i) approximately \$91 million related to the core commissions and fees revenue from acquisitions that had no comparable revenues in the same period of 2025; (ii) an increase of \$21 million related to net new and renewal business; (iii) an offsetting decrease from the impact of Foreign Currency Translation of \$1 million; (iv) an offsetting decrease of \$10 million related to commissions and fees recorded in 2025 from businesses since divested; and (v) an offsetting decrease of \$16 million related to the Litigation-Related Impact. Contingents for the third quarter of 2026 increased \$6 million to \$24 million, as compared to the same period in 2025. This increase was due to acquisitions completed within the last twelve months. The Retail segment's total commissions and fees increased by 10.5%. The Organic Revenue growth rate was 2.6% and the Organic Revenue with Contingents growth rate was 2.5% for the third quarter of 2026. The Organic Revenue growth rate was driven by net new business written during the preceding twelve months and growth on renewals of existing customers.

Income before income taxes for the three months ended September 30, 2026 decreased 10.4%, or \$17 million, as compared to the same period in 2025, to \$147 million. The primary factors driving this decrease were: (i) an increase in intercompany interest expense; (ii) an increase in estimated acquisition earn-out payables; (iii) Acquisition/Integration Costs; and (iv) an increase in depreciation expense; partially offset by (v) the profit associated with the net increase in revenue as described above.

EBITDAC - Adjusted for the three months ended September 30, 2026 increased 11.3%, or \$28 million, as compared to the same period in 2025, to \$275 million. EBITDAC Margin - Adjusted for the three months ended September 30, 2026 increased to 28.1% from 28.0% in the

same period in 2025. The change in EBITDAC Margin - Adjusted was primarily driven by: (i) acquisition synergy realization; and (ii) leveraging our expense base.

The Retail segment's total revenues for the nine months ended September 30, 2026 increased 26.0%, or \$647 million, as compared to the same period in 2025, to \$3,134 million. The \$596 million increase in core commissions and fees revenue was driven by: (i) approximately \$597 million related to the core commissions and fees revenue from acquisitions that had no comparable revenues in the same period of 2025; (ii) an increase of \$41 million related to net new and renewal business; (iii) an increase from the impact of Foreign Currency Translation of \$16 million; (iv) an offsetting decrease of \$12 million related to commissions and fees recorded in 2025 from businesses since divested; and (v) an offsetting decrease of \$44 million related to the Litigation-Related Impact. Contingents for the nine months of 2026 increased 100.0%, or \$40 million, as compared to the same period in 2025, to \$80 million. This increase was due to acquisitions completed within the last twelve months and qualifying for Contingents this year that we did not qualify for in the prior year. The Retail segment's total commissions and fees increased by 25.7%. The Organic Revenue growth rate was 1.7% and the Organic Revenue with Contingents growth rate was 2.1% for the first nine months of 2026. The Organic Revenue growth rate was driven by net new business written during the preceding twelve months and growth from renewals of existing customers.

Income before income taxes for the nine months ended September 30, 2026 increased 16.5%, or \$95 million, as compared to the same period in 2025, to \$670 million. The primary factors driving this increase were: (i) a decrease in estimated acquisition earn-out payables; and (ii) the profit associated with the net increase in revenue as described above, partially offset by (iii) an increase in depreciation expense; (iv) an increase in amortization expense; and (v) Acquisition/Integration Costs.

EBITDAC - Adjusted for the nine months ended September 30, 2026 increased 27.7%, or \$215 million, as compared to the same period in 2025, to \$991 million. EBITDAC Margin - Adjusted for the nine months ended September 30, 2026 increased to 31.6% from 31.2% in the same period in 2025. The increase in EBITDAC Margin - Adjusted was primarily driven by: (i) increased Contingents; (ii) leveraging our expense base; and (iii) lower compensation as a result of employee departures associated with the Litigation-Related Impact.

Specialty Distribution Segment

The Specialty Distribution segment is composed of three divisions; our programs business, operating as Arrowhead Programs; our wholesale brokerage business, operating as Bridge Specialty Group; and our specialty program business, operating as Arrowhead Specialty.

Arrowhead Programs manages a diverse portfolio of professional liability, personal lines, commercial lines, public entity and specialty programs supported by over 100 well-capitalized insurance carriers. In most cases, the insurance carriers that support these programs have delegated underwriting and, in many instances, claims-handling authority. These programs are generally distributed through a global network of independent agents and brokers, including Brown & Brown retail agents, and offer targeted products and services designed for businesses, individuals, specific industries, trade groups, professions, public entities, municipalities, and niche markets. This division also operates our write-your-own flood insurance carrier, WNFIC and participates in a quota share captive and an excess of loss layer captive. WNFIC's underwriting business consists of policies written on behalf of and fully ceded to the NFIP, as well as excess flood policies, which are fully reinsured in the private market.

Bridge Specialty Group offers global wholesale brokerage and delegated binding/underwriting capabilities across multiple lines, to independent agents and brokers, including Brown & Brown retail agents. Our teams across the globe provide deep industry knowledge and expertise, for placements across multiple lines of coverage based on access to admitted, excess and surplus lines carriers, as well as the Lloyd's markets in the United Kingdom.

Arrowhead Specialty offers solutions across affinity organizations, administrative services, captives, reinsurance, travel/accident, warranty, and life & health.

Arrowhead Programs' and Arrowhead Specialty's captives businesses provide additional underwriting capacity that enables growth in core commissions and fees and allow us to participate in underwriting results with limited exposure to claims expenses. The Company has traditionally participated in underwriting profits through Contingents. These captives purchase reinsurance or participate in limited tranches of the underwriting risk in order to limit the Company's exposure to claims expenses.

Approximately 81% of the Specialty Distribution segment's commissions and fees revenue is commission based.

Financial information relating to our Specialty Distribution segment is as follows:

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% Change	2026	2025	% Change
REVENUES						
Core commissions and fees	\$ 675	\$ 618	9.2%	\$ 1,940	\$ 1,588	22.2%
Profit-sharing contingent commissions	56	55	1.8%	182	121	50.4%
Investment and other income	8	8	—%	20	22	(9.1)%
Total revenues	739	681	8.5%	2,142	1,731	23.7%
EXPENSES						
Employee compensation and benefits	282	252	11.9%	828	653	26.8%
Other operating expenses	144	132	9.1%	425	321	32.4%
(Gain)/loss on disposal	—	—	—%	—	—	—%
Amortization	45	27	66.7%	133	57	133.3%
Depreciation	6	5	20.0%	18	14	28.6%
Interest	10	9	11.1%	27	27	—%
Change in estimated acquisition earn-out payables	9	1	NMF	(6)	5	NMF
Total expenses	496	426	16.4%	1,425	1,077	32.3%
Income before income taxes	\$ 243	\$ 255	(4.7)%	\$ 717	\$ 654	9.6%
Income Before Income Taxes Margin ⁽¹⁾	32.9%	37.4%		33.5%	37.8%	
EBITDAC - Adjusted ⁽²⁾	\$ 320	\$ 299	7.0%	\$ 908	\$ 759	19.6%
EBITDAC Margin - Adjusted ⁽²⁾	43.3%	43.9%		42.4%	43.8%	
Organic Revenue growth rate ⁽²⁾	(0.8%)	4.6%		(2.0%)	6.5%	
Organic Revenue with Contingents growth rate ⁽²⁾	0.3%	6.1%		0.6%	9.1%	
Employee compensation and benefits relative to total revenues	38.2%	37.0%		38.7%	37.7%	
Other operating expenses relative to total revenues	19.5%	19.4%		19.8%	18.5%	

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

(2) A non-GAAP financial measure.

NMF = Not a meaningful figure

The Specialty Distribution segment's total revenues for the three months ended September 30, 2026 increased 8.5%, or \$58 million, as compared to the same period in 2025, to \$739 million. The \$57 million increase in core commissions and fees revenue was driven by: (i) approximately \$65 million related to the core commissions and fees revenue from acquisitions that had no comparable revenues in the same period of 2025; partially offset by: (ii) a \$5 million decrease in net new business, renewal business, and fee revenues; and (iii) a \$3 million decline in core commission and fees revenue from dispositions that had no comparable revenues in the same period of 2026. Contingents for the third quarter of 2026 increased approximately \$1 million as compared to the third quarter of 2025.

The Specialty Distribution segment's total commissions and fees increased by 8.6%, with Organic Revenue decreasing 0.8% and Organic Revenue with Contingents increasing 0.3% for the three months ended September 30, 2026. The Organic Revenue with Contingents growth was driven by: (i) increased Contingents; (ii) net new and retained business; and (iii) exposure unit expansion; which were partially offset by (iv) declining rates on catastrophe ("CAT") property.

Income before income taxes for the three months ended September 30, 2026 decreased 4.7%, or \$12 million, as compared to the same period in 2025, to \$243 million due to: (i) increased amortization expense; (ii) an increase in estimated acquisition earn-out payables; (iii) Acquisition/Integration Costs; (iv) increased depreciation expense; and (v) increased intercompany interest expense; partially offset by (vi) the growth of EBITDAC - Adjusted described below.

EBITDAC - Adjusted for the three months ended September 30, 2026 increased 7.0%, or \$21 million, from the same period in 2025, to \$320 million. EBITDAC Margin - Adjusted for the three months ended September 30, 2026 decreased to 43.3% from 43.9% in the same period in 2025. EBITDAC Margin - Adjusted decreased due to: (i) the decline in Organic Revenue; and (ii) investments to increase our capabilities in Europe; partially offset by: (iii) the increase in Contingents.

The Specialty Distribution segment's total revenues for the nine months ended September 30, 2026 increased 23.7%, or \$411 million, as compared to the same period in 2025, to \$2,142 million. The \$352 million increase in core commissions and fees revenue was driven by: (i) approximately \$388 million related to the core commissions and fees revenue from acquisitions that had no comparable revenues in the same period of 2025; and (ii) an increase from the impact of Foreign Currency Translation of \$3 million; partially offset by: (iii) a \$31 million decrease in net new business, renewal business, and fee revenues; and (iv) an \$8 million decline in core commission and fees revenue from dispositions that had no comparable revenues in the same period of 2026. Contingents for the nine months ended September 30, 2026 increased approximately \$61 million, or by 50.4%, as compared to the same period in 2025. This increase is a result of favorable loss ratios and to a lesser extent acquisitions completed in the past twelve months.

The Specialty Distribution segment's total commissions and fees increased by 24.2% with Organic Revenue decreasing 2.0% and Organic Revenue with Contingents increasing 0.6%, for the nine months ended September 30, 2026. The Organic Revenue with Contingents growth was driven by: (i) increased Contingents; (ii) net new and retained business; and (iii) exposure unit expansion; which were partially offset by (iv) declining rates on CAT property.

Income before income taxes for the nine months ended September 30, 2026 increased 9.6%, or \$63 million to \$717 million, from the same period in 2025. Income before income taxes increased due to: (i) the growth of EBITDAC - Adjusted described below; and (ii) a decrease in estimated acquisition earn-out payables; partially offset by: (iii) increased amortization expense; (iv) Acquisition/Integration Costs; and (v) increased depreciation expense.

EBITDAC - Adjusted for the nine months ended September 30, 2026 increased 19.6%, or \$149 million to \$908 million, as compared to the same period in 2025. EBITDAC Margin - Adjusted for the nine months ended September 30, 2026 decreased to 42.4% from 43.8% in the same period in 2025. EBITDAC Margin - Adjusted decreased due to: (i) the decline in Organic Revenue; and (ii) investments to increase our capabilities in Europe; partially offset by: (iii) the increase in Contingents; and (iv) disciplined expense management.

Other

As discussed in Note 12 of the Notes to Condensed Consolidated Financial Statements, the "Other" line items in the Segment Information table include any revenue and expenses not allocated to reportable segments, and corporate-related items, including the intercompany interest expense charges to reporting segments.

LIQUIDITY AND CAPITAL RESOURCES

The Company seeks to maintain a conservative balance sheet and strong liquidity profile. Our capital requirements to operate as an insurance intermediary are low, and we have been able to grow and invest in our business through a combination of cash that has been generated from operations, the disciplined use of debt and the issuance of equity as part of the purchase price consideration to acquire certain businesses. We have the ability to utilize our Revolving Credit Facility under the Third Amended and Restated Credit Agreement (the "Third Amended and Restated Credit Agreement"), which as of September 30, 2026 provided additional capacity for up to \$975 million in available cash. We believe that we have access to additional funds, if needed, through the capital markets or private placements to obtain further debt financing under the current market conditions. The Company believes that its existing cash, cash equivalents, short-term investment portfolio and funds generated from operations, together with the funds available under the Revolving Credit Facility will be sufficient to satisfy its normal liquidity needs, including principal payments on our long-term debt, for the next twelve months and in the long term.

The Revolving Credit Facility contains an expansion option for up to an additional \$1,000 million of borrowing capacity, subject to the approval of participating lenders. Including the expansion options under all existing credit agreements, the Company has access to up to \$1,975 million of incremental borrowing capacity as of September 30, 2026.

Cash and cash equivalents totaled \$1,099 million at September 30, 2026 reflecting an increase of \$20 million from the \$1,079 million balance at December 31, 2025. This increase was primarily driven by previously acquired businesses.

Operating Cash Flows

Our operating cash flows are primarily derived from the net income generated during the period adjusted for non-cash expenses, which include depreciation, amortization, changes in estimated acquisition earn-out payables, mark-to-market escrow liability, non-cash stock-based compensation and deferred income taxes while excluding gains and losses on sales/disposals of investments, businesses, fixed assets and customer accounts, payments on acquisition earn-outs in excess of original estimated payables and changes in working capital which relate primarily to the timing of payments of accrued liabilities and receipts of receivables from commissions and fees related to our revenues. Our ratio of current assets to current liabilities was 1.14 and 1.04 for September 30, 2026 and December 31, 2025, respectively.

Cash flows generated from operating activities totaled \$1,140 million and \$1,006 million for the nine months ended September 30, 2026 and 2025, respectively, representing an increase of \$134 million. Operating cash flows generated in 2026 included \$957 million from net income before non-controlling interests with \$498 million of non-cash adjustments, offset by \$315 million from changes in working capital. The growth in cash from operations is primarily due to higher earnings, including the contribution from acquired businesses, partially offset by changes in working capital and higher acquisition-related earn-out payments.

Investing Cash Flows

Cash flows used for investing activities were \$125 million and \$7,701 million for the nine months ended September 30, 2026 and 2025, respectively, a decrease of \$7,576 million.

Acquisitions

During the nine months ended September 30, 2026, the Company completed 18 acquisitions (including book purchases) and paid \$41 million net of cash acquired, and including cash and cash equivalents held in a fiduciary capacity. Net cash paid for acquisitions decreased \$7,618 million in the nine months ended September 30, 2026, from \$7,659 million during the same period in 2025 primarily due to the acquisition of Accession in the prior-year period.

Dispositions

The Company received \$3 million from the sale of businesses, fixed assets and customer accounts during the nine months ended September 30, 2026, compared to \$10 million proceeds received in the same period in 2025. The decrease is attributed to smaller sales of businesses in the current period.

Capital Expenditures

Capital expenditures amounted to \$77 million and \$48 million in the nine months ended September 30, 2026 and 2025, respectively, and included purchases of furniture and fixtures, leasehold improvements related to office moves and hardware and software purchases related to information technology investments.

Financing Cash Flows

Net cash flows used in financing activities totaled \$989 million and net cash flows provided by financing activities totaled \$7,851 million in the nine months ended September 30, 2026 and 2025, respectively. The year-over-year change was primarily driven by the proceeds from the Company's follow-on common stock offering and senior notes issuance in June 2025 which were used to acquire Accession in 2025, and current-year share repurchases and deferred contingent consideration payments in 2026.

Fiduciary Receivables and Liabilities

Fiduciary cash represents funds in the Company's possession collected from customers to be remitted to insurance companies and funds from insurance companies to be distributed to insureds for the settlement of claims or refunds. The net change in fiduciary cash is represented by the net change in fiduciary liabilities and fiduciary receivables and is presented as cash flows from financing activities in the statement of cash flows. Changes in fiduciary receivables and liabilities resulted in net cash used in financing activities of \$14 million and \$145 million in the nine months ended September 30, 2026 and 2025, respectively.

Acquisition Earn-outs

Deferred contingent consideration payments totaled \$241 million and \$78 million during the nine months ended September 30, 2026 and 2025, respectively, including \$199 million and \$77 million, respectively, classified as financing activities related to acquisition earn-outs associated with original acquisition-date estimates.

Dividends

During the nine months ended September 30, 2026 and 2025, the Company paid cash dividends of \$169 million and \$137 million, respectively, an increase of \$32 million, or 23.4%. On October 21, 2026, the Board of Directors approved a quarterly cash dividend of \$0.18 per share to be paid on November 11, 2026.

Debt

Net cash proceeds from long-term debt totaled \$141 million in the nine months ended September 30, 2026, compared to net cash proceeds of \$3,936 million in the same period of 2025.

Total debt at September 30, 2026 was \$7,759 million net of unamortized discount and debt issuance costs, which was an increase of \$146 million compared to December 31, 2025. The increase includes the drawdown of \$225 million on the Revolving Credit Facility and the amortization of discounted debt related to our various unsecured senior notes and debt issuance cost amortization of \$8 million, offset by \$84 million of payments on outstanding term loan and Revolving Credit Facility balances and an additional \$3 million of deferred financing costs associated with the Third Amended and Restated Credit Agreement.

On June 5, 2026, the Company entered into the Third Amended and Restated Credit Agreement with the lenders named therein, JPMorgan Chase Bank, N.A. as administrative agent, Bank of America, N.A., Truist Bank and BMO Bank N.A. as co-syndication agents, and U.S. Bank National Association, Fifth Third Bank, National Association, Wells Fargo Bank, National Association, PNC Bank, National Association, HSBC Bank USA, National Association, Citizens Bank, N.A., The Huntington National Bank, and Barclays Bank PLC as co-documentation agents. The Third Amended and Restated Credit Agreement amended and restated the credit agreement dated October 27, 2021, which amended and restated the prior credit agreement, terminated the Company's existing term loan facility, and refinanced the outstanding borrowings thereunder into new term loan facilities. The agreement increased revolving credit commitments from \$800 million to \$1.25 billion and extended the maturity date to June 5, 2031. The agreement also provides for a \$250 million term loan due June 5, 2029 and a \$250 million term loan due June 5, 2031. Total borrowings outstanding under the facilities were approximately \$772 million as of September 30, 2026.

During the nine months ended September 30, 2026, the Company made \$6 million of scheduled principal payments on its Second Amended and Restated Credit Agreement term loan. On June 5, 2026, the remaining \$163 million outstanding under the term loan was refinanced and consolidated into the Third Amended and Restated Credit Agreement.

During the nine months ended September 30, 2026, the Company repaid \$25 million of principal related to the Term Loans issued under the Term A-2 Loan Commitment ("Term A-2 Loans"). Upon execution of the Third Amended and Restated Credit Agreement on June 5, 2026, the remaining \$338 million outstanding was refinanced and consolidated into the new credit facility.

During the first quarter, the Company drew \$225 million on the Revolving Credit Facility in connection with a share repurchase program. The Company has repaid \$50 million of the balance as of June 30, 2026. There is an outstanding balance of \$275 million on the Revolving Credit Facility as of September 30, 2026.

During the three months ended September 30, 2026, the Company made a \$3 million scheduled principal payment on the five-year term loan under the Third Amended and Restated Credit Agreement.

Common Stock

On February 12, 2026, the Company entered into an accelerated share repurchase agreement ("ASR") with an investment bank to purchase an aggregate \$250 million of the Company's common stock. The program ended on March 9, 2026 and during the period, the Company received a total of 3,574,890 shares of the Company's common stock.

During the three months ended June 30, 2026, the Company repurchased an additional 4,279,712 shares for \$250 million.

During the three months ended September 30, 2026, the Company repurchased an additional 3,630,098 shares for \$250 million.

At September 30, 2026, the remaining amount authorized by our board of directors for share repurchases was approximately \$650 million.

Contractual Cash Obligations

As of September 30, 2026, our contractual cash obligations were as follows:

(in millions)	Payments Due by Period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Long-term debt	\$ 7,822	\$ 413	\$ 1,140	\$ 1,969	\$ 4,300
Other liabilities ⁽¹⁾	859	35	597	42	185
Operating leases	412	78	131	95	108
Interest obligations	4,047	374	694	562	2,417
Maximum future acquisition contingent payments ⁽²⁾	583	208	375	—	—
Total contractual cash obligations ⁽³⁾	<u>\$ 13,723</u>	<u>\$ 1,108</u>	<u>\$ 2,937</u>	<u>\$ 2,668</u>	<u>\$ 7,010</u>

(1) Includes the escrow liability which is included within "Other Long-Term Liabilities" issued in connection with the Transaction. The liability reflects the fair value of shares and cash held in escrow to secure certain indemnification obligations of the Accession equityholders related to businesses that are in run-off or discontinued. Once all claims related to certain indemnification matters described in the Merger Agreement are resolved, the remaining amount in the escrow account will be released to the equityholders. The Company believes this escrow, plus other available funds, is sufficient to cover any potential costs associated with those specified matters subject to indemnification under the Merger Agreement. The fair value of the escrow liability is remeasured at each reporting date, with changes recognized in earnings. The timing and amount of any future settlement remains subject to the achievement of contractual milestones and may vary from the amounts disclosed. The value as of September 30, 2026, was \$541 million.

(2) Includes \$326 million of current and non-current estimated acquisition earn-out payables. Earn-out payables for acquisitions not denominated in U.S. dollars are measured at the current foreign exchange rate. Certain acquisition agreements include provisions with no maximum potential earn-out amount. The amount recorded for these acquisitions as of September 30, 2026 is \$214 million.

- (3) Does not include approximately \$60 million of current liability for a dividend of \$0.18 per share approved by the Board of Directors on October 21, 2026 to be paid on November 11, 2026.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

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

Our invested assets are held primarily as cash and cash equivalents, restricted cash, available-for-sale marketable debt securities, non-marketable debt securities, certificates of deposit, U.S. Treasury securities, and professionally managed short duration fixed income funds. These investments are subject to interest rate risk. The fair value of our invested assets at September 30, 2026 and December 31, 2025 approximated their respective carrying values due to their short-term duration and therefore, such market risk is not considered to be material.

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

As of September 30, 2026, we had \$772 million outstanding under the Third Amended and Restated Credit Agreement tied to the Secured Overnight Financing Rate (“SOFR”). These agreements bear interest on a floating basis and are therefore subject to changes in the associated interest expense. The effect of an immediate hypothetical 10% change in interest rates would not have a material effect on our Condensed Consolidated Financial Statements.

The majority of our international operations do not have material transactions in currencies other than their functional currency which would expose the Company to transactional currency rate risk. We are subject to translation exchange rate risk having businesses operating outside of the U.S. in the following functional currencies, British pounds, Canadian dollar, euros and, to a lesser extent, other currencies. Based upon our foreign currency rate exposure as of September 30, 2026, an immediate 10% hypothetical change of foreign currency exchange rates would not have a material effect on our Condensed Consolidated Financial Statements.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation (the “Evaluation”) required by Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), under the supervision and with the participation of our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15 and 15d-15 under the Exchange Act (“Disclosure Controls”) as of September 30, 2026. Based upon the Evaluation, our CEO and CFO concluded that the design and operation of our Disclosure Controls were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (ii) accumulated and communicated to our senior management, including our CEO and CFO, to allow timely decisions regarding required disclosures.

Changes in Internal Controls

There has not been any change in our internal control over financial reporting identified in connection with the Evaluation that occurred during the quarter ended September 30, 2026, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations of Internal Control Over Financial Reporting

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

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

CEO and CFO Certifications

Exhibits 31.1 and 31.2 are the Certifications of the CEO and the CFO, respectively. The Certifications are supplied in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (the “Section 302 Certifications”). This Item 4 of Part I of this Quarterly Report on Form 10-Q contains the information concerning the evaluation referred to in the Section 302 Certifications and this information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

PART II

ITEM 1. Legal Proceedings

In Item 3 of Part I of the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2025, certain information concerning litigation claims arising in the ordinary course of business was disclosed. Such information was current as of the date of filing. During the Company's fiscal quarter ended September 30, 2026, no new legal proceedings, or material developments with respect to existing legal proceedings, occurred which require disclosure in this Quarterly Report on Form 10-Q.

ITEM 1A. Risk Factors

There were no material changes in the risk factors previously disclosed in Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

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

Issuer Purchases of Equity Securities

The following table provides information about our repurchase of shares of our common stock during the three months ended September 30, 2026:

	Total number of shares purchased ⁽¹⁾	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum value of shares that may yet be purchased under the plans or programs ⁽²⁾⁽³⁾
July 1, 2026 to July 31, 2026	50,483	\$ 69.35	—	\$ 900
August 1, 2026 to August 31, 2026	1,759,121	71.61	1,758,756	774
September 1, 2026 to September 30, 2026	1,872,408	66.26	1,871,342	650
Total	3,682,012	\$ 68.86	3,630,098	\$ 650

- (1) A total of (a) 51,914 shares reported in this column are attributable to shares withheld for taxes in connection with vesting of restricted stock awards and restricted stock units under our 2019 Stock Incentive Plan, and (b) 3,630,098 shares reported in this column were repurchased at an average price per share of \$68.87 for a total cost of \$250 million.
- (2) On July 18, 2014, the board of directors authorized the repurchase of up to \$200 million of the Company's shares of common stock, on July 20, 2015, the board of directors authorized the repurchase of an additional \$400 million of the Company's shares of common stock, on May 1, 2019, the board of directors approved an additional repurchase authorization amount of \$373 million and on October 22, 2025, the board of directors approved an additional \$1,251 million increase to our existing share repurchase authorization, bringing the total remaining repurchase capacity at that time to approximately \$1,500 million. After completing these open market repurchases, the Company's outstanding board approved share repurchase authorization as of September 30, 2026, was approximately \$650 million. Between January 1, 2014 and September 30, 2026, the Company repurchased a total of approximately 32 million shares for an aggregate cost of approximately \$1,598 million.
- (3) Dollar values stated in millions.

ITEM 5. Other Information

During the third quarter of 2026, none of the Company's officers or directors adopted, modified or terminated any "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

ITEM 6. Exhibits

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

- 3.1 [Amended and Restated Articles of Incorporation of the Company \(adopted January 18, 2023\) \(incorporated by reference to Exhibit 3.1 to Form 8-K filed on January 19, 2023\).](#)
- 3.2 [Amended and Restated By-Laws \(incorporated by reference to Exhibit 3.2 to Form 8-K filed on January 19, 2023\).](#)
- 10.1*† [Transition Agreement, dated August 10, 2026, by and between the Registrant and P. Barrett Brown.**](#)
- 31.1 [Rule 13a-14\(a\)/15d-14\(a\) Certification by the Chief Executive Officer of the Registrant.](#)
- 31.2 [Rule 13a-14\(a\)/15d-14\(a\) Certification by the Chief Financial Officer of the Registrant.](#)
- 32.1 [Section 1350 Certification by the Chief Executive Officer of the Registrant.](#)
- 32.2 [Section 1350 Certification by the Chief Financial Officer of the Registrant.](#)
- 101 The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in inline XBRL, include: (i) Condensed Consolidated Statements of Income, (ii) Condensed Consolidated Balance Sheets, (iii) Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Equity, (v) Condensed Consolidated Statements of Cash Flows and (vi) the Notes to the Condensed Consolidated Financial Statements.
- 104 Cover Page Interactive Data File (formatted in inline XBRL and included in Exhibit 101).

* Filed herewith

** Management Contract or Compensatory Plan or Arrangement

† Certain exhibits and schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted exhibits and schedules upon request by the SEC; provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act, for any exhibits or schedules so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BROWN & BROWN, INC.

/s/ R. Andrew Watts

Date: October 26, 2026

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

TRANSITION AGREEMENT

This **TRANSITION AGREEMENT** (this “Agreement”), dated as of August 10, 2026, is made and entered into by and between **BROWN & BROWN, INC.**, a Florida corporation (together with its present and future Subsidiaries and Affiliates, the “Company”), and **P. BARRETT BROWN**, a resident of the State of Georgia (“Executive”). The Company and Executive are each a “Party” and, collectively, the “Parties.”

BACKGROUND

Executive joined the Company in 2000 and has served in various roles, including most recently as Executive Vice President since January 2020 and President of the Company’s Retail Segment from January 2020 until October 2025. Executive commenced a personal leave of absence, effective October 17, 2025, and effective as of that same date, one of the Company’s other executive officers was appointed to the role of President of the Retail Segment. Executive desires to voluntarily resign from the Company as a result of the appointment of another executive officer to the role of President of the Company’s Retail Segment previously held by Executive.

In connection with Executive's voluntary resignation for good reason in August 2026, the Company and Executive wish to memorialize their agreement concerning Executive's period of employment following receipt of notice of such resignation and the period following Executive's termination of employment with the Company. In recognition of Executive’s career with the Company, and as consideration for Executive’s agreement to abide by certain post-resignation and post-termination obligations as set forth in this Agreement, the Company desires to provide Executive the consideration described in this Agreement in return for the agreements of Executive set forth in this Agreement. In consideration of the payments, covenants and releases described below, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the Company and Executive agree as follows:

TERMS

1. *Certain Defined Terms.*

(a) “Affiliate” means with respect to a particular Person, any other Person that, directly or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, such particular Person, including, in the case of a natural Person, such Person’s heirs, estates, executors, and administrators. For the purposes of this definition, “control” and “controlled” mean the possession, direct or indirect, of the unilateral power (i) to direct or cause the direction of the management, operations, and policies of a Person or (ii) to appoint at least a majority of the directors or managers (or the equivalent thereof) of a Person through the ownership of at least a majority of the outstanding voting securities of such Person.

(b) “Associated with” or “Association with” means becoming the owner of an equity interest in, or otherwise consulting with, being employed by, or participating in the business of a Person in any role or position, including as an employee, director, owner, partner, member, consultant or otherwise.

(c) “Cause” means any of the following reasons for termination by the Company of Executive’s employment with the Company: (i) theft or dishonesty in connection with Executive’s employment, or falsification of any employment or Company records; (ii) Executive’s continued failure or inability to perform any reasonable assigned duties after reasonably specific written notice from the Company of, and a reasonable opportunity to cure, such continued failure or inability, if such failure or inability is, in the reasonable discretion of the Company, curable (which cure period shall be no less than 30 days); (iii) any material breach by Executive of this Agreement or the Executive Employment

Agreement; or (iv) Executive's conviction of any criminal act which, in the Company's discretion, impairs Executive's ability to perform Executive's duties with the Company. Termination for Cause pursuant to the foregoing will be determined in the sole reasonable discretion of the Company.

(d) "Change in Control" means the happening of any of the following after the Resignation Date:

(i) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Subsidiaries taken as a whole to any person (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, including regulations and applicable guidance thereunder (the "Exchange Act")) other than the Company or one of its Subsidiaries, provided, for the avoidance of doubt, that the sale of a corporation that is a Subsidiary of the Company shall not constitute a Change in Control if the Subsidiary does not represent substantially all of the properties or assets of the Company and its Subsidiaries taken as a whole;

(ii) the adoption of a plan relating to the Company's liquidation or dissolution, with all material contingencies satisfied or waived, and the taking of a substantial step to implement such liquidation or dissolution; or

(iii) the Company consolidates with, or merges with or into, any person, or any person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the voting stock of the Company or such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of voting stock of the Company outstanding immediately prior to such transaction directly or indirectly constitute, or are converted into or exchanged for, a majority of the voting stock of the surviving person immediately after giving effect to such transaction; notwithstanding the foregoing, no transaction that is otherwise a Change in Control shall be treated as a Change in Control unless it also qualifies as a "change in control event" as that phrase is used in Treasury Regulations issued pursuant to Section 409A of the Code (as defined below).

(e) "Client Account" means any Person to whom Insurance Products or Services (or any other products or services sold for fee(s) or commission(s) by the Company at the time Executive's employment with the Company ends) have been provided by the Company.

(f) "Company Records" refers to all records related to the Company's business activities and business development efforts created or maintained in the course of the Company's business (such as contact lists, prospect or target lists, pipeline reports, calendars and notes), whether made by Executive or others, and wherever stored (in email, text messages, cell phones, computers or otherwise).

(g) "Competitive Activity" refers to business-related activity on behalf of a Competitor that involves (i) providing, supervising, or managing services that are the same as or similar in function or purpose to those Executive provided, supervised, or managed for the Company in the three-year period preceding the Separation Date, (ii) assisting in the creation, development, improvement, sale or provision of competing Insurance Products or Services, (iii) owning or operating a Competitor, or (iv) undertaking any other duties or responsibilities that would reasonably foreseeably (whether intentional or not) result in the unauthorized use or disclosure of Confidential Information to or for the benefit of a Competitor.

(h) "Competitor" refers to each of the legal entities listed on Exhibit A (including any of their subsidiaries and Affiliates, irrespective of any change in name or legal structure, and inclusive of any successors, acquiring entities, or subsequent holders of assets thereof) to the extent the entity is engaged in the Insurance Business.

(i) “Confidential Information” means Confidential Information as such term is defined in Section 5(a) of the Executive Employment Agreement.

(j) “Cure Period” means the number of days, not to exceed thirty (30) days, between the date a Triggering Event becomes effective and the date the cure for such Triggering Event becomes effective, as described in **Section 12(a)(iii)(A)**. If such Triggering Event is not cured within thirty (30) days, the Cure Period will be deemed to be thirty (30) days.

(k) “Executive Employment Agreement” means that certain Employment Agreement, dated as of October 9, 2015, by and between Executive and the Company, attached as Exhibit B.

(l) “Good Standing” means that, as of any date of determination, Executive is not currently in breach of, and has not previously breached, any of Executive’s material obligations under this Agreement (other than violations of the Non-Compete Covenant caused by Executive’s Association with an M&A Affiliate which Executive is permitted to cure during a Cure Period under **Section 12(a)(iii)(A)**), the Preserved Restrictive Covenants in the Executive Employment Agreement, or any other written, signed agreement between Executive and the Company.

(m) “Group A Competitor” means those Competitors designated as Group A Competitors on Exhibit A.

(n) “Group A Executive Officer” means a president or vice president in charge of a principal business unit or division of a Group A Competitor, or any other officer who performs a policy making function for such Group A Competitor. For the limited purpose of determining a Group A Executive Officer, Group A Competitor includes all of such Group A Competitor’s Affiliates, on a consolidated basis, engaged in the Insurance Business.

(o) “Group B Competitor” means those Competitors designated as Group B Competitors on Exhibit A.

(p) “Group B Executive Officer” means (1) with respect to a Group B Competitor that is a publicly traded company, an officer that is designated as a Section 16 “officer,” as defined under Rule 16a-1(f) of the Exchange Act, of the Group B Competitor, or (2) with respect to a Group B Competitor that is not a publicly traded company or a direct or indirect subsidiary of a publicly traded company, the equivalent of a Section 16 “officer” of the Group B Competitor (i.e., an officer as defined under Rule 16a-1(f) of the Exchange Act, evaluated as if the Group B Competitor were a publicly traded company, with all of such Group B Competitor’s Affiliates that are engaged in the Insurance Business considered together on a consolidated basis).

(q) “Insurance Business” refers to the business of quoting, placing, providing, servicing and/or renewing Insurance Products or Services.

(r) “Insurance Products or Services” refers to (i) Employee Benefits Products or Services, (ii) Insurance-Related Services, and/or (iii) P&C Products or Services, in each case that Executive had relevant involvement with or was provided Confidential Information about in the preceding three years, as such terms are defined below:

(i) “Employee Benefits Products or Services” means (A) employer-sponsored benefits accounts with programs, whether self-insured or fully insured, such as group life, group health, group dental, group disability, group long-term care, ancillary benefits sold to groups and similar or related products and services, and (B) insurance procured for individual, natural persons (e.g., life, health, annuities, long-term care and similar or related products and services).

(ii) “Insurance-Related Services” means any services provided to a Client Account, either directly or by a third-party service provider, whether or not for a fee and whether or not pursuant to a written contract, including but not limited to: risk management; loss control; compliance or other consulting services; claims analysis; insurance program administration; enrollment services; COBRA, Section 125 Cafeteria Plan, Health Savings Account (HSA) Plan, Health Reimbursement Arrangement (HRA) Plan, Health Flexible Spending Account (FSA) Plan, and/or Premium Reimbursement Arrangement (PRA) Plan administration; preparation, review and/or filing of IRS Form 5500s; referrals to on-site medical clinics, attorneys, or other third-party service providers (whether or not a referral fee or other remuneration is paid by such providers for such referrals); pharmacy consulting services; Medicare set-aside services; Social Security disability services; Medicare benefits advocacy service; or other services.

(iii) “P&C Products or Services” means (A) commercial lines or personal lines property and casualty insurance products, including products typically marketed by or to the auto finance and insurance industry for either automobiles or recreational vehicles, such as extended service contracts, limited warranties, GAP protection, paint/fabric protection, credit life/accident and health coverage, tire/wheel coverage, key replacement, windshield protection, anti-theft programs, and similar products; and/or (B) commercial or individual bond or suretyship products.

(s) “Known” or “Knowledge”—an individual will be deemed to have “Knowledge” or to have “Known” of a particular fact or other matter if such individual is or was actually aware of such fact or other matter, or reasonably should be or have been aware of such fact or other matter.

(t) “Limited Release” means the limited release of the Non-Compete Covenant to the extent necessary for Executive to continue Executive’s Association with the M&A Affiliate and its business; provided Executive does not become a Group A Executive Officer during the remainder of the Restricted Period.

(u) “Limited Release Buyout Agreement” means the buyout agreement, the form of which is attached as Exhibit C, pursuant to which the Company will give Executive the Limited Release, in consideration of Executive’s payment of the Limited Release Buyout Payment.

(v) “Limited Release Buyout Payment” means the payment of the Limited Release Buyout Payment Amount by Executive to the Company, pursuant to the Limited Release Buyout Agreement, to be made in consideration of the Limited Release.

(w) “Limited Release Buyout Payment Amount” means (1) \$1,000,000, times (2) a fraction, the numerator of which equals the number of whole months remaining in the Restricted Period on the date the applicable Triggering Event becomes effective, and the denominator of which equals twelve (12).

(x) “Person” means an individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture or other entity or a governmental body.

(y) “Required Notice” means written notice by Executive to the Company that a Triggering Event has occurred, describing in reasonable detail the nature of the Triggering Event. To be effective, the Required Notice must include a certification from Executive that the Triggering Event was not Known to Executive at the time Executive’s Association with the M&A Affiliate first began and that to the best of Executive’s Knowledge, Executive does not expect to become a Group A Executive Officer or a Group B Executive Officer, as applicable, during the remainder of the Restricted Period.

(z) “Restricted Area” refers to the United States, and the following additional

countries where the Company does business that Executive has had involvement with or been provided Confidential Information about: Canada, United Kingdom, Ireland, Cayman Islands, Bermuda, and the Netherlands. Executive stipulates that the provisions of the Agreement provide Executive with adequate means to reasonably determine the maximum scope of the restraints placed upon Executive as of the Separation Date.

(aa) “Subsidiary” or “Subsidiaries” means any business organization formed, owned or controlled by the Company for purposes of engaging in the Insurance Business as of the date of this Agreement.

2. Resignation, Termination of Employment and Transition Services.

(a) Resignation. Executive shall resign as an officer of the Company and from any officer or director positions with the Company's subsidiaries and Affiliates, and any other positions of actual or apparent authority, on and effective as of August 10, 2026 (the “Resignation Date”).

(b) Transition Services and Separation Date. Executive's employment with the Company will end on July 31, 2027 (the “Separation Date”). From the date this Agreement is executed until the Separation Date (the “Transition Period”), the Company agrees to continue Executive's employment with the Company pursuant to this Agreement, and Executive agrees to provide any additional cooperation, assistance, and/or training reasonably requested by the Company's Chief Executive Officer to transition Executive's work, responsibilities, files, and systems (the “Transition Services”). During the Transition Period, Executive will not hold any officer or director position with the Company and shall perform only Transition Services at the request of the Company's Chief Executive Officer. Executive acknowledges and agrees that, throughout the entire Transition Period, Executive will remain employed in a fiduciary capacity, will owe any applicable fiduciary duties to the Company, and will be subject to, and will comply with, all applicable Company policies. During the Transition Period, Executive will be permitted to engage in other outside business activities notwithstanding anything to the contrary in the Executive Employment Agreement, except for outside business activities constituting Insurance Business, provided such outside business activities do not interfere with Executive's delivery of the Transition Services and, provided further, that Executive is otherwise in compliance with this Agreement and the Executive Employment Agreement. In consideration of the Transition Services, the Company shall provide the following compensation:

(i) Salary Pay During Transition Period. During the Transition Period, the Company will continue paying to Executive Executive's current annual base salary of **\$1,000,000** (“Salary”), less withholding for taxes and other similar items, paid in accordance with the Company's normal payroll practices.

(ii) Transition Services Bonus. Subject to the satisfactory performance of the Transition Services by Executive, as determined in the sole reasonable discretion of the Compensation Committee of the Company's Board of Directors as of each applicable payment date, the Company will pay Executive a total bonus of **\$1,300,000** (the “Transition Bonus”), less withholding for taxes and other similar items. The Transition Bonus will be divided into two equal installments of **\$650,000**, with the first installment payable on the first payroll date in February 2027, provided Executive remains employed through such date, and the second installment payable on the first reasonably practicable payroll date to occur following the Separation Date (but not more than thirty (30) days following the Separation Date), provided that Executive remains employed by the Company on the Separation Date and Executive has executed and not revoked the Supplemental Release pursuant to **Section 9**. The Parties agree that Executive shall not be eligible for any other bonuses, cash incentives, or new long-term equity grants following the

Resignation Date, except as expressly provided in this Agreement.

(iii) Legal, Financial/Tax Planning, and Career Transition Support Expenses. Promptly following the execution and delivery of this Agreement, the Company will pay Executive a lump-sum payment of **\$130,000** (the “Expense Allowance”), less withholding for taxes and other similar items, paid on the first reasonably practicable payroll date to occur following the execution and delivery of this Agreement (but not more than thirty (30) days following the execution and delivery of this Agreement), in respect of the legal, financial/tax planning, and career transition support expenses incurred, or expected to be incurred, by Executive in connection with the negotiation and entry into this Agreement and the related termination of Executive’s employment with the Company.

(iv) Benefits. During the Transition Period, Executive shall continue to be eligible to participate in the employee benefit plan(s) sponsored or maintained by the Company, to the extent that Executive is eligible to participate in any such plan under the generally applicable provisions thereof. Nothing in this Agreement shall require the Company to create or maintain any employee benefit plans, nor shall anything in this Agreement prohibit the Company from changing or discontinuing any existing employee benefit plans.

(c) Termination Prior to Separation Date. Nothing in this Agreement shall limit termination of Executive's employment prior to the Separation Date if: (i) Executive resigns or otherwise voluntarily terminates employment prior to the Separation Date; or (ii) the Company terminates Executive for “Cause” prior to the Separation Date. In the event Executive submits a resignation with a projected termination date that is before the Separation Date, the Company will have the right to accept the resignation effective immediately or in advance of the projected termination date. In the event Executive's employment is terminated prior to the Separation Date under (i) or (ii) of this **Section 2(c)**, Executive will only be entitled to receive all accrued but unpaid Salary through Executive’s last day actually worked for the Company and reimbursement for any unreimbursed business expenses properly incurred by Executive in accordance with Company policy prior to Executive’s last day actually worked for the Company (collectively, the “Accrued Obligations”), and Executive will not be entitled to any other payments or benefits set forth in this Agreement. The Accrued Obligations shall be paid no later than the first reasonably practicable payroll date to occur after Executive’s last day actually worked for the Company (but not more than thirty (30) days following Executive’s last day actually worked for the Company or such earlier date as may be required by applicable law).

3. ***Separation Obligations of the Company***. In consideration of Executive's promises contained in this Agreement, the Company agrees as follows:

(a) Severance Payments After Transition Period. Subject to Executive’s continued employment through the Separation Date, following the Separation Date, the Company will pay to Executive a total gross amount of **\$2,500,000**, less withholding for taxes and other similar items (the “Severance Pay”). The Severance Pay shall be paid in two equal annual installments of **\$1,250,000** each on the first payroll date to occur in the month of August for each of the years 2027 and 2028, provided Executive has executed and not revoked the Supplemental Release pursuant to **Section 9**.

(b) Transition Services Payments Upon Company Termination without Cause Prior to the Separation Date. In the event the Company terminates Executive’s employment without Cause prior to the Separation Date, then, for purposes of this Agreement, the “Separation Date” shall be the date of such termination of employment without Cause and, in addition to the Accrued Obligations and the Severance Pay, which will be paid in accordance with **Section 3(a)**, Executive will be entitled to receive an amount equal to (i) the Salary that would have otherwise been paid to Executive through July 31, 2027, (ii) the

Transition Bonus, and (iii) the Expense Allowance, in each case to the extent unpaid, which amount shall be payable in a single lump sum on the first reasonably practicable payroll date to occur following the date of such termination of employment without Cause (but not more than thirty (30) days following the date of such termination of employment without Cause), provided Executive has executed and not revoked the Supplemental Release pursuant to **Section 9**.

(c) Termination of Payments; Clawback. Except for the Accrued Obligations, the Parties acknowledge and agree that the payments and benefits set forth in **Section 2** and **Section 3** exceed any and all actions, pay, and benefits that the Company might otherwise have owed to Executive by contract or law, and that the payments and benefits set forth in **Section 2** and **Section 3** constitute good, valuable, and sufficient consideration for Executive's agreements under this Agreement. Except for the Accrued Obligations and except as set forth in **Section 10**, the Company's obligation to provide the payments and benefits set forth in **Section 2** and **Section 3** will cease, and Executive will within three (3) business days return to the Company by wire transfer of immediately available funds 90% of any such payments (other than Salary and reimbursement of business expenses already paid during the Transition Period) already received by Executive, in the event Executive (i) does not execute or revokes this Agreement pursuant to **Section 8**; (ii) does not execute or revokes the Supplemental Release of Claims attached as Exhibit D (the "Supplemental Release") as set forth in **Section 9**; or (iii) unless the Company terminates Executive's employment without Cause prior to the Separation Date pursuant to **Section 3(b)** or unless Executive's death occurs prior to the Separation Date, does not continue to be employed by the Company and perform the Transition Services through and including the Separation Date. In addition, the Company will not be required to make any payment pursuant to this Agreement if Executive is not in Good Standing as of the date on which any such payment and benefit is due and payable under this Agreement. For the avoidance of doubt, the Company's obligation to make the payments set forth in this **Section 3** will cease upon termination prior to the Separation Date in accordance with **Section 2(c)**.

(d) Change in Control. In the event of a Change in Control after the Resignation Date and prior to the completion of the payments described in **Section 2** and **Section 3**, any unpaid amount(s) shall be paid to Executive in a lump sum on or within thirty (30) days following the date on which the Change in Control occurs.

4. General Release of Claims and Covenant Not to Sue by Executive.

(a) General Release of Claims. Executive on behalf of Executive and Executive's agents and successors in interest, hereby unconditionally releases and discharges the Company, its successors, Subsidiaries, parent companies, assigns, joint ventures, and affiliated companies and their respective insurers, agents, legal representatives, shareholders, attorneys, employees, members, managers, officers and directors (collectively "Released Parties"), with respect to and from any claims, demands, damages, losses, liabilities, debts, judgments, obligations, accounts, causes of action, or claims for attorney's fees that Executive has, or anyone claiming for Executive might have, or claim to have, for any reason whatsoever from the beginning of the world through the date of Executive's signing this Agreement. These claims include, but are not limited to, any act or omission relating to or arising out of Executive's employment, shares of stock or other ownership interests Executive may hold in a Released Party, or the resignation of Executive's role as a director and officer, the termination of Executive's employment, benefits or other terms of employment, under any employment agreement, employment law, or other state, local, municipal, or Federal constitution, statute, regulation or ordinance, order or common law, including without limitation: any claims under the Civil Rights Act of 1866 (Section 1981), 42 U.S.C. § 1981, the Civil Rights Act of 1991, Executive Order 11246, the Equal Pay Act of 1963, the Railway Labor Act, the

Consolidated Omnibus Reconciliation Act of 1985 (COBRA), Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Worker Adjustment and Retraining Notification Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act of 1974 (ERISA), the Sarbanes-Oxley Act of 2002, the Family and Medical Leave Act of 1993, the Pregnant Worker Fairness Act, the Fair Labor Standards Act, the Genetic Information Nondiscrimination Act of 2008, the Uniformed Services Employment and Reemployment Rights Act, and under any federal, state, local or common law; any and all claims arising out of any alleged tort, including but not limited to claims of willful, intentional, or negligent infliction of emotional harm and/or distress, wrongful termination, or any other unlawful behavior; any and all claims for monetary recovery, including past lost wages, pension accruals, employee benefits, liquidated, compensatory, and/or punitive damages, and/or attorneys' fees and expenses; any claim that the restrictions provided for in **Section 12** (Non-Compete Covenant) and the Preserved Restrictive Covenants (described in **Section 11**) are not reasonable, necessary to protect trade secrets and other legitimate business interests and enforceable as written (provided, however, that Executive will at all times retain the right to challenge the Company's interpretation of the restrictions and/or their applicability to any particular conduct or circumstances involving him that may arise); and any and all claims of whatsoever nature asserted or which could be asserted by Executive against any Released Party for or on account of any matter or thing whatsoever existing or occurring up to and including the date of this Agreement.

(b) Covenant Not to Sue. Executive further hereby agrees not to file a lawsuit or other legal claim or charge to assert against any of the Released Parties any claim released by this Agreement, or to pursue any legal claim in court, arbitration, or otherwise that would be contrary to or inconsistent with the releases and representations provided for in this Agreement or the Supplemental Release.

(c) Acknowledgement Regarding Payments and Benefits. Executive acknowledges and agrees that Executive has been paid all wages and accrued benefits to which Executive is entitled through the date of execution of this Agreement. Other than the payments set forth in this Agreement, the Parties agree that the Company owes no additional amounts to Executive for wages, back pay, severance pay, bonuses, damages, accrued vacation, benefits, insurance, sick leave, other leave, or any other reason.

(d) Corporate Indemnification Obligations. Notwithstanding anything else contained in this Agreement to the contrary, Executive understands Executive is not releasing any rights to indemnity from the Company for any claims against Executive arising out of Executive's capacity or service rendered to the Company (or any of its Subsidiaries) that are within the scope of: (a) §§607.0850-607.0859, Florida Statutes; (b) any similar statute in another relevant jurisdiction or (c) the Bylaws or the Articles of Incorporation of the Company or any of its Subsidiaries. It is understood that any such indemnification (which, if appropriate will include advancement of expenses) is contingent upon Executive's compliance with the standards set forth in the relevant statute, bylaw or provision of the articles of incorporation, as applicable. In particular, the Company may require Executive to sign an undertaking to repay any expenses advanced if Executive is ultimately found not to be entitled to indemnification pursuant to the relevant statute, bylaw or provision of the articles of incorporation.

(e) Other Representations and Acknowledgements. This Agreement is intended to and does settle and resolve all claims of any nature Executive might have against the Company arising out of their employment relationship or the termination of employment or relating to any other matter, except those that cannot be released by law or those arising out of or relating to any Party's performance under this Agreement. By signing this Agreement, Executive acknowledges Executive is doing so knowingly and voluntarily, that Executive understands Executive may be releasing claims Executive may not know about, and Executive is waiving all rights Executive may have had under any law that is intended to protect

Executive from waiving unknown claims. Executive warrants Executive has not filed any notices, claims, complaints, charges, or lawsuits of any kind whatsoever against the Company or any of the Released Parties as of the date of execution of this Agreement. This Agreement shall not in any way be construed as an admission by the Company or any of the Released Parties of wrongdoing or liability or that Executive has any rights against the Company or any of the Released Parties. Executive represents and agrees that Executive has not transferred or assigned, to any person or entity, any claim Executive is releasing in this **Section 4**.

(f) **Limitations of Release.** This Agreement does not apply to Executive's right to receive benefits that are already vested in Executive's favor under the terms of any of the Released Party's benefit plans. Similarly, this Agreement does not waive claims Executive could make, if available, for unemployment compensation or worker's compensation benefits, and this Agreement does not release any claims the law does not permit Executive to release or any claims arising out of or relating to any Party's performance under this Agreement. Executive understands that Executive does not waive the right to file a charge with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("**Government Agencies**"), or engage in other protected conduct as described in **Section 6**. However, with the exception of the type of awards specifically permitted under **Section 6**, Executive waives the right to obtain any monetary relief or other recovery, including without limitation reinstatement, as a result of filing or participating in such a charge or complaint, except where such a waiver is not permitted by law.

5. ***Release of Claims by Company.*** The Company agrees to release and forever discharge Executive from any manner of suits, actions, or causes of action, whether currently known or unknown, including any claim for attorneys' fees or costs, arising out of or in any way related to any actions taken or decisions made in the interests of the Company by Executive which were within the course and scope of Executive's employment with the Company and not in violation of Company policies or directives.

6. ***Protected Rights.*** Regardless of whether Executive signs this Agreement, nothing in any Company agreement, policy, or practice, including this Agreement (a) limits or affects Executive's right to disclose or discuss sexual misconduct, abuse, hostile work environment, harassment or assault disputes or events, or any other unlawful or unsafe Company conduct or practices; (b) limits or affects Executive's right to challenge the knowing and voluntary nature of the release of claims under the Age Discrimination and Employment Act ("**ADEA**"); (c) prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, the Securities and Exchange Commission, the Occupational Safety and Health Administration, law enforcement, or any other any federal, state or local agency charged with the enforcement of any laws; or from testifying, providing evidence, or responding to a subpoena or discovery request in court litigation or arbitration; (d) requires Executive to disclose to the Company any such filing, communication, or participation; or (e) prevents a non-managerial, non-supervisory employee from engaging in protected concerted activity under §7 of the National Labor Relations Act ("**NLRA**") or similar state law such as joining, assisting, or forming a union, bargaining, picketing, striking, or participating in other activity for mutual aid or protection, or refusing to do so; this includes using or disclosing information acquired through lawful means regarding wages, hours, benefits, or other terms and conditions of employment, unless the information was entrusted to the employee in confidence by the Company as part of the employee's job duties. By signing this Agreement, Executive is waiving Executive's right to recover any individual relief from the Company (including any backpay, front pay, reinstatement or other legal or equitable relief) in any charge, complaint, or lawsuit or other proceeding, including any class or collective action, whether brought by Executive or on Executive's

behalf by any third party except where such a waiver is prohibited. However, this waiver does not prevent Executive from receiving a payment or award from a Government Agency (and not the Company or other Released Party) for information provided to the Government Agency or as otherwise directed by a Government Agency.

7. Acknowledgment. The Company hereby advises Executive to consult with an attorney prior to executing this Agreement, and Executive acknowledges and agrees that the Company has advised, and hereby does advise, Executive of Executive's opportunity to consult an attorney or other advisor and has not in any way discouraged Executive from doing so. Executive expressly acknowledges and agrees that Executive has been offered at least twenty-one (21) days to consider this Agreement before signing it, that Executive has read this Agreement carefully, that Executive has had sufficient time and opportunity to consult with an attorney or other advisor of Executive's choosing concerning the execution of this Agreement. Executive acknowledges and agrees that Executive fully understands that the Agreement is final and binding, that it contains a full release of all claims and potential claims, and that the only promises or representations Executive has relied upon in signing this Agreement are those specifically contained in the Agreement itself. Executive acknowledges and agrees that Executive is signing this Agreement voluntarily, with the full intent of releasing the Company from all claims covered by Section 4(a). It is understood and agreed that in the event any provision or term of the final Agreement is modified through negotiations or otherwise after it is first presented to Executive, such modification will not be construed to have re-started the running of the 21-day consideration period.

8. Revocation and Effective Date. The Parties agree Executive may revoke the Agreement at will within seven (7) days after Executive executes the Agreement by giving written notice of revocation to the Company. Such notice must be delivered to both the Chief People Officer (currently Julie Turpin) and to the Chief Legal Officer in the Legal Department (as described for notices in **Section 19**). The Agreement may not be revoked after the expiration of the seven-day deadline. In the event that Executive revokes the Agreement within the revocation period described in this **Section 8**, this Agreement shall not be effective or enforceable, and all rights and obligations hereunder shall be void and of no effect. If Executive does not revoke this Agreement within the revocation period described above, the effective date of this Agreement (the "Effective Date") shall be the eighth (8th) day after the day on which Executive executes this Agreement.

9. Supplemental Release. In addition to signing this Agreement, Executive agrees that, on (but not before) the Separation Date (after employment has ended) or within seven (7) days after the Separation Date, Executive must sign the Supplemental Release. Subject to and except as otherwise set forth in **Sections 3(c)** and **10**, the Company's obligation to provide the payments and benefits set forth in **Section 2** and **Section 3** is contingent on Executive signing and not revoking both this Agreement and the Supplemental Release.

10. Death of Executive. Notwithstanding anything in this Agreement to the contrary, in the event of Executive's death after the Effective Date and prior to completion of all payments set out in **Section 3**, any unpaid amounts shall be paid as and when due to the designated beneficiary on file with the Company or the personal representative of any estate established for Executive, provided (i) Executive's employment with the Company was not first terminated in accordance with **Section 2(c)**, (ii) Executive was in Good Standing at the time of Executive's death; and (iii) Executive has not revoked this Agreement pursuant to **Section 8** and, if Executive's death occurs after the Separation Date, Executive has signed and not revoked the Supplemental Release pursuant to **Section 9**.

11. Confidential Information and Trade Secrets; Post-Separation Restrictive Covenants; Related Matters.

(a) Preserved Restrictive Covenants. During the Transition Period and for the period set forth in the Executive Employment Agreement after the Separation Date, Executive acknowledges and agrees that Executive shall comply with the provisions set out in Section 5 of the Executive Employment Agreement (the “Preserved Restrictive Covenants”).

(b) Return of Company Property. Executive will comply with all return of property obligations provided for in the Executive Employment Agreement and any additional return of property requests made by the Company. More particularly, Executive will upon the Separation Date or earlier if so requested, and in any event within three (3) business days after the Separation Date (the “Return Period”), complete a diligent search for and return to the Company any and all property, files, materials and documents (including all electronically stored information), records of Confidential Information and other Company Records which Executive may have in Executive’s possession, custody or control. Executive will return all Company devices without having altered, hidden, deleted or destroyed any Company files, documents, or data stored on same. Upon request, Executive will provide the Company any passwords, access codes, keys or other means necessary to access Company devices, files, databases or accounts that are used by Executive. After the search for and return of Company property process is completed, under the Company’s supervision, Executive will take such measures as are necessary to delete or destroy all remaining copies of Company Records and Confidential Information in Executive’s possession or control other than those Executive is expressly permitted to retain under this Agreement or through written permission from the Company. Executive agrees to promptly certify compliance with the foregoing obligations in writing and under oath upon request from the Company and upon request will provide the Company reasonable means to verify (directly or through use of a third-party) that no such property or information has been retained without Company authorization on Executive’s personal computers, cell phones, email, or cloud storage accounts, or other places within Executive’s control. Nothing in this **Section 11(b)** shall prohibit Executive from retaining pay stubs, benefit statements or similar records provided to Executive by the Company for purposes of Executive’s retention concerning Executive’s own compensation, benefits, and agreements with Company. Executive will not be entitled to any post-employment payments provided under this Agreement until Executive has completed the above-described return of property obligation.

12. Non-Compete Covenant.

(a) Non-Compete Covenant. The Company has spent and will continue to spend substantial time, resources, and money developing its trade secrets and other Confidential Information, technologies, products and services, training programs, and goodwill with employees, clients, customers, and other key business relationships (“Business Investments”). To avoid the irreparable harm that would be caused by conversion of Company trade secrets, goodwill, and other Business Investments to the unfair advantage of Competitors if engaged in after Executive’s employment ends, Executive agrees to the following reasonable limitation on Executive’s conduct (the “Non-Compete Covenant”):

(i) Non-Compete. For a period of twelve (12) continuous months immediately following Executive’s Separation Date (the “Restricted Period”), Executive will not provide services to, or become Associated with, a Competitor where such services involve or Association involves Executive’s participation in Competitive Activity within the Restricted Area.

(ii) Limitations. Notwithstanding anything in this Agreement to the contrary, nothing prohibits Executive from owning a non-controlling interest consisting of two percent (2%) or less of any class of securities in any publicly traded company or passive investments through an independently controlled fund such as a mutual fund, provided that Executive is not a controlling Person of, or a member of a group that controls, such business. In addition, nothing in the post-employment restrictions shall be

construed to prohibit Executive's employment in a separately operated subsidiary or other business unit of a Person that does not engage in any Competitive Activity but is under common ownership with a Competitor so long as Executive provides written assurances regarding the non-competitive nature of Executive's position that are satisfactory to the Company and Executive's new employer confirms this understanding.

(iii) **Potential Violations Resulting from Acquisitions, Mergers, or Similar Transactions.** In the event Executive becomes Associated with a Person during the Restricted Period that was not a Competitor at the time Executive's Association with such Person first began, and such Person (an "**M&A Affiliate**") becomes an Affiliate of a Competitor, and therefore a Competitor, through acquisition, merger, equity investment, or other similar transaction by or with one of the legal entities listed on **Exhibit A** or any of its Affiliates (a "**Triggering Event**"), then Executive will deliver the Required Notice to the Company of the Triggering Event no later than five (5) days following the later of: (a) the later of the date on which the Triggering Event becomes Known to Executive and the date on which Executive is no longer prohibited in writing from disclosing the Triggering Event publicly or to the Company; and (b) the date on which the Triggering Event becomes effective.

(A) **Triggering Events Involving Group A Competitors.** For Triggering Events in which an M&A Affiliate becomes a Group A Competitor solely through acquisition, merger, equity investment, or other similar transaction by or with a Person that is a Group A Competitor at the time of such Triggering Event, if the Triggering Event was not Known to Executive at the time Executive's Association with the M&A Affiliate first began and, provided Executive has delivered the Required Notice to the Company, then during the Cure Period, Executive will have an opportunity to cure the violation of this **Section 12** that would otherwise be caused by Executive's continued Association with the M&A Affiliate, as follows:

I. Executive may terminate in writing Executive's Association with the M&A Affiliate, or

II. The Parties may execute and deliver the Limited Release Buyout Agreement, and, in connection therewith, Executive will deliver the Limited Release Buyout Payment.

III. If, during the Cure Period, Executive fails to cure, as set forth in this **Section 12(a)(iii)** (A), the violation of this **Section 12** that would otherwise be caused by Executive's continued Association with the M&A Affiliate, the restrictions in this **Section 12** will immediately resume application and Company will have all remedies otherwise available to it to address any breach that continues or occurs after the Cure Period has expired.

IV. Executive acknowledges that the purposes of this **Section 12** would be frustrated by measuring the period of restriction while Executive cures the violation of this **Section 12** that would otherwise be caused by Executive's continued Association with the M&A Affiliate as set forth in this **Section 12(a)(iii)(A)**. Therefore, the Restricted Period under this **Section 12** shall be deemed to be extended for a period equal to the Cure Period.

V. For clarity, Executive will have no right under this **Section 12(a)(iii)(A)** to cure the violation of this **Section 12** that would otherwise be caused by Executive's continued Association with the M&A Affiliate if such Triggering Event was Known to Executive at the time Executive's Association with the M&A Affiliate first began.

(B) Triggering Events Involving Group B Competitors. Notwithstanding anything to the contrary in this Section 12, a Triggering Event will not be deemed a violation of the Non-Compete Covenant if all of the following conditions are met:

I. The M&A Affiliate becomes a Group B Competitor solely through acquisition, merger, equity investment, or other similar transaction by or with a Person that is a Group B Competitor at the time of such Triggering Event; and

II. The Triggering Event was not Known to Executive at the time Executive's Association with the M&A Affiliate first began; and

III. During the remainder of the Restricted Period, Executive does not become a Group B Executive Officer.

(b) Right of Recoupment and Cessation of Payments. In the event that any part of the Non-Compete Covenant deemed material by the Company is challenged by Executive (or a party acting on Executive's behalf) and found by a binding legal authority (court or arbitrator) to be void or unenforceable, then the Company shall have the right to demand and receive from Executive as a recoupment of unearned consideration a return of, and/or waiver of the Company's obligation to pay in the future, 90% of the Severance Pay made, or to be made, to Executive. In addition, in the event of a breach found by a binding legal authority (court or arbitrator) of the Non-Compete Covenant or any other material obligation of Executive under this Agreement, the Company's obligations to make any further payments to Executive, other than payment of the Accrued Obligations, will immediately end upon such breach. In the event the Company has reasonable cause to believe that breach or threatened breach has occurred, it will have the right to suspend any payments otherwise due and owing to Executive until a final and binding court or arbitrator decision is made regarding such breach or threatened breach; provided, however, if the court or arbitrator determines such alleged breach or threatened breach did not occur, the Company shall pay to Executive all such suspended payments within thirty (30) days of such determination.

13. Breach of Agreement. Executive agrees and acknowledges that the restrictions applicable to Executive under this Agreement, including the Non-Compete Covenant, are reasonable and necessary for the protection of the Company's legitimate business interests and will not impose a hardship upon Executive, and that Executive fully understands and freely enters into these obligations. Executive acknowledges and agrees that the Company would be irreparably injured if Executive were to violate the Non-Compete Covenant, and Executive agrees that in the event of any such breach or threatened breach, other than violations caused by Executive's Association with an M&A Affiliate that are actually cured by Executive in accordance with procedures set forth in **Section 12(a)(iii)(A)**, the Company shall, in addition to any other remedies available to it, be entitled to: (a) a temporary restraining order and/or preliminary and/or permanent injunction, or other equivalent relief, restraining Executive from any actual or threatened breach of the Non-Compete Covenant; and (b) recover actual damages from Executive, plus reasonable attorneys' fees and costs as permitted by law. Executive and the Company agree that the prevailing party in any dispute arising under this Agreement shall be entitled to an award of all reasonable attorneys' fees and costs incurred in the successful prosecution of, or defense against, such claims. The Company shall be deemed the prevailing party if it becomes necessary for it pursue litigation to enforce any part of this Agreement if it is awarded any of the remedies or relief requested by it to enforce this Agreement irrespective of whether some part of the relief requested is also denied. Executive further agrees that if Executive fails to comply with an obligation under the Non-Compete Covenant that has a time limit, any limitation on the time period for the violated obligation will be deemed automatically extended by one day for each day Executive is in violation of it as part of this Agreement, up to a maximum extension of two years, without the need for a judicial extension of that protection as an equitable exercise by the court or arbitrator; provided, that for violations of the Non-Compete Covenant caused by Executive's Association

with an M&A Affiliate during a Cure Period, as set forth under **Section 12(a)(iii)(A)**, the Restricted Period will be extended pursuant to **Section 12(a)(iii)(A)(IV)** and not this **Section 13**.

14. *Equity Awards.* The Company has previously granted to Executive, pursuant to the terms and conditions of the Company's 2019 Stock Incentive Plan (the "**Equity Plan**") and the applicable grant agreement ("**SIP Grant Agreements**"), certain shares of unvested restricted common stock (the "**Restricted Stock**"), the vesting of which is subject to Executive's continuous employment with the Company until the applicable vesting date(s). For the avoidance of doubt, the vesting of the Restricted Stock will be unaffected by this Agreement, and any Restricted Stock that does not become vested and nonforfeitable on or prior to the termination of Executive's employment with the Company will be forfeited immediately in accordance with, and subject to the terms of, the Equity Plan and the applicable SIP Grant Agreements.

15. *Executive's Cooperation.* Following the Separation Date, Executive shall reasonably cooperate with the Company and its Subsidiaries with respect to any matters requiring a vote of shareholders and with respect to any disputes with third parties, internal investigation, or administrative, regulatory, or judicial proceeding, and with other matters as reasonably requested by the Company or its Subsidiaries (including Executive being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents that are or may come into Executive's possession, all at times and on schedules that are reasonably consistent with Executive's other activities and commitments). If Executive is subpoenaed or is required to testify or provide a deposition or discovery about the Company or its current or former officers, directors or employees, Executive's employment by the Company or the end of that employment, he agrees to contact the Company's Chief Legal Officer about the subpoena/demand as promptly as is reasonably possible. Further, Executive agrees to meet and cooperate with the Company's attorneys in preparation for such testimony, and Executive will at all times testify truthfully. If the Company requires Executive's cooperation in accordance with this **Section 15** after the Resignation Date, Company shall reimburse reasonable expenses incurred by Executive in providing such services as agreed in advance, which shall not exceed the actual cost or loss of income sustained by Executive plus any reasonable travel and lodging costs actually incurred, upon submission of receipts. Nothing in this **Section 15** shall obligate Executive to assist the Company in legal matters where Executive and the Company are adverse parties because Executive is pursuing a claim against the Company.

16. *Severability.* If a court or agreed upon arbitrator ("adjudicator") determines that a restriction applicable to Executive under this Agreement cannot be enforced as written in some part (such as time, scope of activity, or geography), the parties agree to the adjudicator's enforcement of the restrictions to such lesser extent as would make the obligation reasonable and enforceable, and/or to the reformation of the restriction's boundaries to make it enforceable. If, despite the foregoing, any part of this Agreement (provision, clause, sentence, or part thereof) is determined to be void, illegal or unenforceable, in whole or in part, or to cause voidness, illegality or unenforceability, then that offending part shall be severed and removed and the remainder of this Agreement shall remain in full force and effect as if the offending part were never contained in the Agreement. Presumptions provided for in this Agreement can only be overcome through clear and convincing evidence by the party opposing the presumption, and a presumption will not apply where its application would make a restriction or provision of this Agreement overbroad or unenforceable.

17. *Waiver.* The failure of either Party to enforce any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision. Any waiver of any provision of this Agreement must be in writing signed by the Party making such waiver. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

18. **Assignment.** This Agreement can be assigned by the Company without Executive's consent and shall be binding and inure to the benefit of the Company, its successors and assigns. No right, obligation or duty of this Agreement may be assigned by Executive without the prior written consent of the Company.

19. **Notices.** Notices shall be addressed as indicated below, or to such other addressee or to such other address as may be designated by either Party:

If to the Company: Brown & Brown, Inc.
300 North Beach Street
Daytona Beach, FL 32114
Attention: Chief Legal Officer, Legal Department
E-mail Address: legal.notice@bbins.com

If to Executive: To the most current residence address on file with the Company.

20. **Construction.** The Parties understand and agree that because they both have been given the opportunity to have counsel review and revise this Agreement, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement. Instead, the language of all parts of this Agreement shall be construed as a whole, and according to its fair meaning, and not strictly for or against either of the Parties.

21. **Counterparts.** This Agreement may be executed in two or more counterparts, and it shall not be necessary that the signatures of the Parties hereto be contained on any one counterpart hereof. Each counterpart shall be deemed an original but all counterparts together shall constitute one and the same instrument. Any signature page of any such counterpart, or any electronic facsimile thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any telecopy or other electronic transmission of any signature shall be deemed an original and shall bind such Party.

22. **Applicable Law; Forum Selection; Consent to Jurisdiction.** The Parties agree that this Agreement shall be governed by, construed, interpreted, and enforced in accordance with the laws of the State of Florida without giving effect to conflicts of law principles of any state to the contrary. Executive agrees that the exclusive forum for any legal action arising from or related to this Agreement that can be enforced in a court of law (in accordance with any arbitration agreement between the Parties if there is one) shall be the courts of proper subject matter jurisdiction (state or federal) located in Volusia County, Florida. With respect to any such court action, Executive hereby (a) irrevocably submits to the personal jurisdiction of such courts; (b) consents to service of process; (c) consents to venue; and (d) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction, service of process, or venue. Notwithstanding the foregoing, in the event that such court in Florida has been presented with a dispute that can be pursued in a court of law and such court refuses or cannot accept jurisdiction over such a dispute, the Parties may thereafter pursue such matter in an alternative court that can maintain jurisdiction over them.

23. **WAIVER OF JURY TRIAL.** THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION RELATED TO OR ARISING OUT OF, UNDER OR IN CONJUNCTION WITH THIS AGREEMENT THAT MAY BE PURSUED IN A COURT OF LAW, EXECUTIVE'S EMPLOYMENT WITH THE COMPANY, AND/OR THE SEPARATION OF EXECUTIVE FROM EMPLOYMENT WITH THE COMPANY. THE PARTIES UNDERSTAND AND AGREE THAT, BY SIGNING THIS AGREEMENT, ANY LAWSUIT RELATING TO EXECUTIVE'S EMPLOYMENT, OR ANY SEPARATION, WILL BE HEARD BY A JUDGE, RATHER THAN A

JURY.

24. *Final Agreement.* This Agreement and the attached exhibits contain the entire agreement between the Company and Executive with respect to the subject matter contained in this Agreement, and supersede all prior agreements between the Parties, except the Executive Employment Agreement and any SIP Grant Agreements. The Parties agree that this Agreement may not be modified except by a written document signed by both Parties. The Parties agree that this Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

25. *Code Section 409A.* This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from or compliant with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”), and applicable Internal Revenue Service guidance and Treasury Regulations issued thereunder. The tax treatment of the benefits provided under the Agreement is not warranted or guaranteed to Executive, who is responsible for all taxes assessed on any payments made pursuant to this Agreement, whether under Section 409A of the Code or otherwise. Neither the Company nor its directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by Executive as a result of the application of Section 409A of the Code. Executive's right to receive any installment payments under this Agreement shall be treated as a right to receive separate and distinct payments for purposes of Section 409A of the Code. Notwithstanding anything in this Agreement to the contrary, (i) to the extent that any amount or benefit that would constitute non-exempt “deferred compensation” for purposes of Section 409A of the Code (“**Non-Exempt Deferred Compensation**”) would otherwise be payable or distributable, or a different form of payment (e.g., lump sum or installment) of such Non-Exempt Deferred Compensation would be effected, under the Agreement by reason of the occurrence of a Change in Control or Executive's separation from service, such Non-Exempt Deferred Compensation will not be payable or distributable to Executive, and/or such different form of payment will not be effected, by reason of such circumstance unless the circumstances giving rise to such Change in Control or separation from service meet any description or definition of “change in control event” or “separation from service”, as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition); and (ii) if any amount or benefit that would constitute Non-Exempt Deferred Compensation would otherwise be payable or distributable under this Agreement by reason of Executive's separation from service during a period in which Executive is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Company under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes), the amount of such Non-Exempt Deferred Compensation that would otherwise be payable during the six-month period immediately following Executive's separation from service will be accumulated through and paid or provided on the first day of the seventh month following Executive's separation from service (or, if Executive dies during such period, within 30 days after Executive's death) to the extent required for compliance with Section 409A of the Code (in either case, the “**Required Delay Period**”), and the normal payment or distribution schedule for any remaining payments or distributions will resume at the end of the Required Delay Period. For purposes of this Agreement, the term “Specified Employee” has the meaning given such term in Section 409A of the Code and the final regulations thereunder.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Transition Agreement as of the date written above.

COMPANY:

BROWN & BROWN, INC.

By: /s/ Julie L. Turpin

Julie L. Turpin, Executive Vice President and
Chief People Officer

EXECUTIVE:

/s/P. Barrett Brown

P. Barrett Brown, individually

Signature Page to Transition Agreement

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

I, J. Powell Brown, certify that:

1. I have reviewed this Quarterly Report of Brown & Brown, Inc. (the “Registrant”) on Form 10-Q for the quarter ended September 30, 2026;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: October 26, 2026

/s/ J. Powell Brown

J. Powell Brown

President and Chief Executive Officer

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

I, R. Andrew Watts, certify that:

1. I have reviewed this Quarterly Report of Brown & Brown, Inc. (the “Registrant”) on Form 10-Q for the quarter ended September 30, 2026;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: October 26, 2026

/s/ R. Andrew Watts

R. Andrew Watts

Executive Vice President and Chief Financial Officer

President and Chief Executive Officer

