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

FORM 10-K

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

For the year ended June 30, 2022

OR

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

For the transition period from to

001-39295
(Commission File Number)

SelectQuote, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**94-3339273**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6800 West 115th Street

Suite 2511
Overland Park KS 66211
(Address of Principal Executive Offices)

(913) 599-9225
(Registrant's telephone number, including area code)

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

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

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☐ No ☒

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

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

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

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐

The aggregate market value of the outstanding common stock held by non-affiliates of the Registrant as of December 31, 2021, the last business day of our most recently completed second fiscal quarter, based on the closing price of $9.06 reported by the New York Stock Exchange on that date, was $1,213,575,592. Solely for the purposes of this calculation, the Registrant has excluded shares held by the Registrant's directors and executive officers as of December 31, 2021. Such exclusion shall not be deemed a determination by the Registrant that all such individuals are, in fact, affiliates of the Registrant.

The registrant had outstanding 164,452,029 shares of common stock as of July 31, 2022.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement for the 2022 Annual Meeting of Stockholders (its "2022 Proxy Statement"), which is expected to be filed within 120 days after the Company's fiscal year ended June 30, 2022, are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent stated herein.

SELECTQUOTE, INC. AND SUBSIDIARIES
FORM 10-K
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PART I

ITEM 1. BUSINESS

Overview

SelectQuote, Inc. (together with its subsidiaries, “SelectQuote”, the “Company”, “we”, “us”) is a leading technology-enabled, direct-to-consumer (“DTC”) distribution platform for insurance products and healthcare services. Our insurance distribution business, which has operated continuously for over 35 years, provides consumers with a transparent and convenient venue to shop for complex senior health, life, and automobile and home insurance policies from a curated panel of the nation’s leading insurance carriers. As an insurance distributor, we do not insure the consumer, but rather identify consumers looking to acquire insurance products and place these consumers with insurance carrier partners that provide these products. In return, we earn commissions from our insurance carrier partners for the policies we sell on their behalf. Our proprietary technology allows us to take a broad funnel approach to marketing by analyzing and identifying high-quality consumer leads sourced from a wide variety of online and offline marketing channels including search engines, radio, television, and third-party marketing partners. We monitor our acquisition costs to dynamically allocate our marketing spend to the most attractive channels, benefiting from over thirty years of data accumulated through our proprietary, purpose-built technologies. Our advanced workflow processing system scores each acquired lead in real time, matching it with a sales agent whom we determine is best suited to meet the consumer’s need. Our platform then captures and utilizes our experience to further build upon the millions of data points that feed our marketing algorithms, further enhancing our ability to deploy subsequent marketing dollars efficiently and target more high-quality consumer leads.

Our proprietary routing and workflow system is a key competitive advantage and driver of our business performance. Our systems analyze and intelligently route consumer leads to agents and allow us to monitor, segment, and enhance our agents’ performance. This technological advantage also allows us to rapidly conduct a needs-based, tailored analysis for each consumer that maximizes sales, enhances customer retention, and ultimately maximizes policyholder lifetime revenues. Although we have the ability to conduct end-to-end enrollments online, our expertise and value add stems from the coupling of our technology with our skilled agents, which provides greater transparency in pricing terms and choice and an overall better consumer experience. When customers are satisfied, their propensity to switch policies decreases, thereby improving retention rates (“persistency”), increasing policyholder lifetime values and, ultimately, optimizing our financial performance.

Our unique platform has enabled us to expand our distribution business in recent years to include additional products beyond insurance policies. In interacting with thousands of consumers over the years, we identified a large opportunity to leverage our existing database and distribution model to improve access to healthcare services. In addition to improving consumers’ health outcomes, this service creates deeper relationships with our insurance carrier partners by increasing policy persistency and, in turn, reducing their overall costs. Additionally, we now offer pharmacy services through our closed-door, long-term care pharmacy, which offers essential prescription medications, OTC medications, customized medication packaging, medication therapy management, and other consultative services.

Recent Events

Change in Strategic Direction

As previously disclosed in our Current Reports on Form 8-K filed with the SEC on February 7 and May 5, 2022, respectively, we updated our operating strategy in the second half of the 2022 fiscal year in response to significant changes in the insurance distribution market observed in late 2021. Our updated strategy is designed to improve short-term cash efficiency and long-term profitability by stabilizing the growth of our Medicare Advantage distribution business and focusing additional efforts on the growth of our healthcare services business. One key element of this strategy is mitigating our operational risk by embracing a growth strategy that reduces our operating

leverage and prioritizes our returns. At the core of this approach is a planned pullback in our Medicare policy production to allow us to refine our sales, marketing, and operational approach to place greater emphasis on cash efficiency, profitability, and writing business with greater potential to persist over the long term. Additionally, our strategic direction provides a differentiated approach to broader healthcare services that we believe will create a significant competitive advantage in the years ahead. For additional information about our updated strategy, please refer to our Current Report on Form 8-K filed with the SEC on August 29, 2022.

Our Business Model

We operate in an attractive segment of the insurance value chain, distributing insurance products on behalf of our insurance carrier partners who, in return, pay us commissions. Accordingly, we do not currently generate significant revenues directly from the consumers with whom we interact. In addition, because we are not the issuer of the insurance policy to the consumer, we bear no underwriting risks.

Founded over 35 years ago as what we believe was the first DTC term life insurance exchange platform in the United States, our technology-driven, differentiated model allows consumers to easily compare pricing and policy options from over 50 of the nation's leading insurance carriers. Working in tandem, our agents and technology systems are the foundational pillars of our business. Our highly trained licensed agents are subject matter experts in the products they sell, and this, in combination with our purpose-built software and business process, differentiates the service we provide to consumers relative to other insurance distributors or "online only" offerings. We believe providing personalized advice and guidance from policy research to enrollment is a key differentiator in the senior health market as consumers tend to prefer or require more personalized attention to navigate increasingly complex and ever-changing coverage options. Our agents are trained to offer unbiased advice in order to be more aligned to the specific needs of each customer.

As a technology-enabled distributor of scale in our end markets, we believe that we are well-positioned to capitalize on the accelerating trend of digital transformation across the insurance distribution landscape. Under the traditional insurance distribution model, consumers are often unaware of their full range of coverage options and are at risk of receiving opaque, "one size fits all" recommendations primarily intended to maximize agent commissions over their needs. In contrast, the insurance distribution landscape today is one in which consumers of insurance demand greater choice, seek more transparency in pricing, and use the internet to self-research their insurance options. Recent technological innovations, including the proliferation of smart mobile devices as a means of consumer purchasing, consumer demand for price transparency and comparison shopping, and the development of machine learning for business applications, continue to transform the insurance distribution landscape. As the composition of the U.S. population gradually shifts to the mobile-first generation, consumers are becoming more tech-savvy and increasingly comfortable shopping online. We believe our ability to offer multiple carriers' policies, proprietary technology platform, vast datasets and use of machine learning in key aspects of our business positions us well to take advantage of these consumer trends.

Direct distribution is becoming an increasingly important part of the overall distribution strategies of insurance carriers as they drive to lower customer acquisition costs. Internet and mobile devices enable distributors to target and reach consumers directly in a highly controlled and efficient manner. Our software allows our agents to have more effective interactions with customers, driving agent productivity and sales volumes and providing an attractive distribution alternative for our insurance carrier partners. While traditional insurance distributors use a time-intensive, in-person purchasing process, consumers are increasingly researching insurance policies for their needs online and, ultimately, purchasing through direct channels. Platforms like ours are well positioned to serve these customers as we allow consumers to compare insurance in a transparent manner, without having to solicit individual quotes from carriers in the market or rely on the options presented by a traditional insurance distributor and to do so from the comfort of their homes.

Our systems allow us to gain valuable insights from the rich sources of consumer information we have gathered over more than three decades, and we use data analytics and proprietary algorithms to enhance our sales and marketing strategies in an effort to maximize our return on our marketing spend and enhance our agents' close rates. As we have grown, we have continued to gather valuable data that has allowed us to further enhance our

algorithms. Accordingly, we have been able to improve our lead acquisition efficiency and scoring and workflow processing capabilities, which has enabled us to serve customers more efficiently and has improved the value proposition we offer to our insurance carrier partners. As our value proposition has grown, our insurance carrier partners have come to rely more on our distribution capabilities and have collaborated with us more deeply in product design, helping fuel our growth. We expect this virtuous cycle to continue as we execute on our mission. Furthermore, through our healthcare services business, we are capitalizing on the adaptability of our proprietary technology to improve consumers' health outcomes and to deepen the relationship with our insurance carrier partners.

Our Agents

Our agent force is one of the two foundational pillars that support our business. The insurance products we sell are often complicated, and each consumer has different needs. We believe the most effective method for matching products with each consumer's needs requires the attention of highly trained and skilled agents, and we believe this training and expertise differentiates us from the traditional distribution model. Each of our lines of business has dedicated licensed agents who are subject matter experts in that line, which allows them to provide deep expertise and helpful advice that are specific to a client's needs. We have developed what we believe is a best-in-class talent management system that allows us to recruit from across the United States and build and retain top agents. We provide each new agent with up to 10 weeks of proprietary in-house training, which is later supplemented by ongoing training during the agent's full-time employment. Our training is designed to ensure that every agent is well-equipped with a deep understanding of the products they sell and the customer service and sales skills necessary to best service the customer. A goal of ours is that every agent in whom we invest will build a long and rewarding career with us.

Our agents are segmented into multiple levels based on their productivity, with the most productive agents given first access to the highest quality leads. In our Senior segment, level one agents demonstrate higher productivity and close rates and lower attrition than similarly situated Senior agents in levels below them. Essentially, this process allows us to match a lead with the appropriate agent and to optimize our agent's most valuable asset: time. Each agent guides the potential customer through tailored policy options and provides education on complex senior health, life, and auto & home products, thereby helping consumers select the option that best suits their needs and circumstances. This personalized approach enhances the customer experience, and when customers are satisfied, their propensity to switch policies decreases, which extends the renewal revenue stream paid to us by our insurance carrier partners and enhances the lifetime value of policyholder relationships. Our processes and technologies come together to drive strong economic results, allowing us to reward top agents with market-leading pay.

In addition to the agents who sell insurance products, we have added customer success agents ("CSA") to work with our consumers in our healthcare services business. CSA's enroll members into this free service, complete health risk assessments ("HRA") for the insurance carriers, introduce them to one of our value-based care ("VBC") partners for a variety of healthcare-related services they provide, and introduce them to the pharmacy services we offer. Our agents are also proactive in their outreach throughout the year which creates a deeper relationship with our consumers.

Our Technology

Technology is the second foundational pillar that supports our business. Our proprietary technology permeates our business process, from lead generation to scoring and routing, product selection and eventually to customer conversion, post-sale management, and cross-selling opportunities. Applying information gathered since our founding more than 35 years ago to drive sophisticated attribution modeling, we have continued to optimize our decision-making and advance our goal of maximizing policyholder lifetime value and profitability.

Lead Acquisition: We utilize a broad policyholder acquisition funnel strategy, generating new business leads through a wide variety of online and offline marketing channels, such as search engine, television, radio advertising and third-party marketing partners. Our software continuously monitors the cost of acquiring customers

and uses our algorithm to dynamically adjust our bids for specific leads based on our expectation of the lead's lifetime value. As we continue to operate, these algorithms feed a vast and ever growing pool of millions of data points, which, with the assistance of our team of highly skilled data scientists, enhances our ability to more accurately estimate a new lead's lifetime value and enables us to make more informed decisions when generating leads. Our data science team creates algorithms that support lead buying, scoring and routing and consumer lifecycle management of closed leads. We believe what sets us apart from our competitors is our more than 35 years of proprietary data that our data scientists use as part of our bidding strategy for purchased leads, grouping phone and web leads by likelihood to purchase specific products, scoring phone and web leads using historical performance of similar leads based on demographics, tiering leads for routing to the corresponding agent levels, and performing predictive analysis of current customers' persistency.

Lead Management & Routing: Regardless of how a lead is generated, our proprietary software will score the lead in real time on a scale of 1 to 10 based on multiple factors, then route the lead to the most appropriate level of agent to maximize expected policyholder lifetime value. This works in tandem with our customized, purpose-built lead routing and workflow management technology, Get A Lead ("GAL"). Based on lead score, agent level, and agent availability, GAL uses a "rapid fire approach" to quickly assign these leads to a licensed agent. We believe that our use of proprietary technology to monitor, segment and enhance agent performance, such as through real-time lead routing to the most effective agents, is a key competitive advantage and driver of our business performance.

Sales: Once assigned a lead, our highly skilled, licensed agents utilize their training and experience and our proprietary software and systems to rapidly conduct a customized needs-based analysis for each consumer. This coupling of our technology with our skilled agents provides the consumer with greater transparency in pricing terms and choice, and an overall better consumer experience that maximizes sales, enhances customer retention and, ultimately, maximizes our policyholder lifetime revenues.

Customer Engagement & Lifecycle Management: We use advanced algorithms informed by over 1 billion consumer and third-party data points to enrich our consumer engagement strategy. Our dedicated retention-focused customer care ("CCA") team leverages this technology to help consumers successfully onboard and to identify customers we determine to be likely to purchase additional products, thereby improving the likelihood that a consumer retains his or her policy and identifying cross-sell opportunities.

Our Products

The core products we distribute on behalf of our insurance carrier partners are needs-based and critical to the overall financial well-being of consumers and the protection of their most valued assets: their families, their health and their property. Increasing household financial obligations, rising healthcare costs, importance of health and well-being, and government and lender mandates for certain insurance coverage drive the need for the insurance products we distribute. These products are underwritten by leading insurance carrier partners that we carefully select across our three segments: SelectQuote Senior, SelectQuote Life and SelectQuote Auto & Home.

SelectQuote Senior ("Senior"), our largest segment, was launched in 2010 and provides unbiased comparison shopping for Medicare Advantage ("MA") and Medicare Supplement ("MS") insurance plans as well as prescription drug and dental, vision, and hearing ("DVH") plans, and critical illness products. We represent approximately 21 leading, nationally-recognized insurance carrier partners, including UnitedHealthcare, Wellcare, and Humana. MA and MS plans accounted for 82% of our approved Senior policies for the year ended June 30, 2022, with other ancillary type policies accounting for the remainder. Additionally, InsideResponse (our lead generation business acquired in 2020) is included in Senior for reporting purposes.

In 2021, we expanded our Senior product offering with the introduction of Population Health and SelectRx (together, "Healthcare Services"). Through Population Health, consumers receive one-on-one assistance from our CSAs who help patients understand the benefits available under their health plans and connect them with additional healthcare related resources. We believe that offering this service to our existing MA consumers helps drive customer satisfaction and increase policy persistency, which, in turn, reduces costs for our insurance carrier partners.

Through SelectRx, our closed-door, long-term care pharmacy, we provide simple solutions for prescription drug management and support with a personalized approach to streamline the process of managing multiple medications for seniors with chronic conditions. SelectRx uses a high-touch, technology-driven approach to provide superior customer service and achieve improved medication adherence. SelectRx has developed an innovative pill pack solution that is customized to the unique needs of each patient, focusing on individual multi-dosages by day and time.

SelectQuote Life ("Life") is one of the country's largest and most established DTC insurance distributors for term life insurance, having sold over 2.1 million policies nationwide since our founding in 1985. Our platform provides unbiased comparison shopping for life insurance products such as term life, final expense, and other ancillary products like critical illness, accidental death, and juvenile insurance. We represent approximately 22 leading, nationally-recognized insurance carrier partners, with many of these relationships exceeding 15 years. Term life policies accounted for 36% of new premium within Life for the year ended June 30, 2022, with final expense policies accounting for 64%.

SelectQuote Auto & Home ("Auto & Home") was founded in 2011 as an unbiased comparison shopping platform for auto, home, and specialty insurance lines. Our platform provides unbiased comparison shopping for insurance products such as homeowners, auto, dwelling fire, and other ancillary insurance products underwritten by approximately 22 leading, nationally recognized insurance carrier partners. Homeowners and 12-month auto products accounted for 76% of new premium within the Auto & Home segment for the year ended June 30, 2022, with six-month auto, dwelling fire, and other products accounting for a majority of the remainder.

Our Partners

We maintain long-standing, deeply integrated relationships with over 50 of the nation's leading insurance carriers, who have some of the industry's most widely recognizable brands, including approximately 21 insurance carrier partners in our Senior segment, approximately 22 insurance carrier partners in our Life segment, and approximately 22 insurance carrier partners in our Auto & Home segment. During our most recent fiscal years, our primary insurance carrier partners in our Senior segment were carriers owned by Humana, UnitedHealthcare, Aetna, and Wellcare, the primary insurance carrier partners in our Life segment were CUNA, Pacific Life, and carriers owned by Mutual of Omaha, and the primary insurance carrier partners in our Auto & Home segment were Travelers, Safeco, and Allied/Nationwide. These high-quality relationships have resulted in strong insurance carrier retention rates and the fact that we have never been dropped by an insurance carrier partner. We believe carriers see our method of acquiring customers as scalable and efficient and, ultimately, as cost advantageous compared to their own models, and provide us, in some cases, with marketing development funds as additional compensation to deliver policies. Marketing development funds are similar to production bonuses in that they are based on attaining various predetermined target sales levels or other agreed-upon objectives for individual insurance carrier partners. Our insurance carrier partners are responsible for paying our commissions and, for these purposes, act as our customers. We do not currently generate significant revenues directly from the consumers to whom we sell insurance policies on behalf of our insurance carrier partners.

Separate from our comparison-shopping platform, we have established several carrier-specific sales platform arrangements with several of our insurance carrier partners, which we call "pods." These arrangements give us access to various marketing assets from our insurance carrier partners, such as use of the insurance carrier's brand, which allows us to target customers for specific insurance carrier partners to give us access to incremental sales volume. Consumers directed to a pod agent come from either leads that are not branded as SelectQuote or come directly from an insurance carrier-affiliated channel. Our software assigns a propensity score to unbranded leads, potentially assigning those with a high propensity to purchase from a specific carrier to that carrier's pod. The number of insurance carrier partners with which we have pod relationships can vary quarter to quarter depending on the insurance carrier partner and the segment.

As we continue to grow Population Health, we have also formed partnerships with several value-based care providers and providers of social resources that support improved health outcomes. Current Population Health

partners include primary care providers ChenMed and Iora Health, mental health service provider Thriveworks, and other service providers such as CaptionCall and National Debt Relief.

Our Market Opportunity

We estimate that the total addressable market for the insurance products we distribute is greater than $180 billion. We base our market opportunity estimates on third-party demographic data, our historical policy revenue experience, and customer retention expectations. According to the Kaiser Family Foundation, there were over 62.7 million Medicare beneficiaries in 2021. We believe this addressable market, which is the core focus of the products we distribute, presents an annual commission revenue opportunity of approximately $30 billion for our Senior segment, not including Healthcare Services. Further, we estimate the total addressable market for Healthcare Services to be in excess of $1 trillion. We expect these markets will continue to grow, in part due to a number of highly attractive demographic trends. The products marketed by our Life and Auto & Home segments also address large markets that present additional opportunities for growth, with annual commission revenue opportunities of approximately $105 billion and $47 billion, respectively. In each of our three segments, we estimate our market share to be less than 2.5%, and we believe we can benefit from greater market penetration in addition to underlying market growth. For additional information about our growth opportunities, see below under the heading "Our Growth Strategy."

Senior Market

Demand for senior insurance products in the U.S. is underpinned by powerful demographic trends. The number of people reaching retirement each year took a step-change in 2011 as the first wave of the post-war "Baby Boomer" generation turned 65. The proportion of the population that is age 65 or higher increased from 13% in 2010 to 16% in 2019 and reached 21% in 2030, according to the United States Census Bureau. On average, 11,000 "Baby Boomers" are expected to turn 65 every day, or nearly 4.2 million per year, for the next 10 years. As a result, Medicare enrollment is growing steadily, with the number of Medicare enrollees expected to grow from 63 million in 2021 (up from 59 million in 2018 and 52.5 million in 2013), to approximately 82 million in 2030, according to CSG Actuarial, with 55% of people above 65 and older making online purchases monthly.

Not only is the population of people age 65 and higher growing, but according to Pew Research Center, internet usage within this group has also risen, with 75% using the internet in 2021 compared to 40% in 2009. This group is also transacting more online, with 55% of people age 65 and higher making online purchases monthly according to SheerID, and accessing online health resources, with 68% doing so according to the Journal of Medical Internet Research. According to the International Journal of Health Policy and Management, seniors have the lowest health literacy levels with 46% of the population 65 and over needing help understanding their benefits once they've chosen a plan, and 42% believing better understanding their benefits would empower them to better manage their health.

Within the growing Medicare market, Medicare Advantage plans are gaining prominence, as these private market solutions displace the traditional, government Medicare program. CSG Actuarial estimated that, at the end of 2019, there were approximately 34 million Medicare Advantage enrollees, representing approximately 44% penetration of the Medicare market. According to LEK Consulting, in 2021, 42% of all Medicare beneficiaries were enrolled in Medicare Advantage plans and between 2020 and 2021, total Medicare Advantage enrollment grew by about 2.4 million individuals. According to estimates, Medicare Advantage penetration is likely to reach 50% penetration for all Medicare-eligible individuals by 2025 and could reach as high as 60% to 70% between 2030 and 2040.

The degree to which we will realize a corresponding increase in revenue will be determined by our ability to continue to successfully place new Medicare policies for this enlarged potential consumer base. Despite our scale, we account for only a fraction of the total market for Medicare Advantage and Medicare Supplement plans, with only 0.7 million of the 36 million total enrollment for such plans in 2021, providing ample opportunity for growth. From 2020 to 2021, our Medicare Supplement and Medicare Advantage active policy count grew 43.7%. Accordingly, we can benefit not only from broad growth in Medicare and the increasing penetration of Medicare

Advantage plans, but we can also achieve growth through market share gains in the distribution of Medicare Advantage and Medicare Supplement products.

We believe the senior healthcare market also presents a significant opportunity to grow our business by offering additional products and resources through our distribution platform. We entered the prescription drug market in 2021 through our acquisition of two boutique pharmaceutical operations, now combined under the brand "SelectRx." We estimate the total addressable pharmaceutical market in the United States to be over $500 billion. From 2006 to 2017, Medicare's share of retail drug spending in the United States increased from 18% to 30%, amounting to more than $100 billion in 2017 alone. SelectRx, our closed-door long term care pharmacy focusing on Medicare patients with more than one chronic health condition, reached more than 25,000 active subscribers in its first year of operation. Our production facilities currently have the capacity to accommodate an additional 75,000 subscribers, offering ample opportunity to increase revenues as SelectRx continues to grow.

The Medicare market also offers the opportunity to grow our business by connecting seniors with additional healthcare related products and services, including value-based care providers and resources for addressing social needs. We estimate the total value-based care market for Medicare Advantage patients to be over $600 billion. Further, with more than half of MA beneficiaries living below 200% of the federal poverty level, many of our consumers need help accessing social resources that impact health outcomes. In recognition of this need, MA plan providers are increasingly focused on benefits aimed at addressing social determinants of health like transportation, nutrition, and social isolation. Population Health is well positioned to support these efforts by connecting seniors to a centralized collection of healthcare and other resources offered through our partnerships with service providers throughout the United States.

Life Market

DTC sales of life insurance are becoming more prevalent as an increasing proportion of consumers are conducting self-directed online research prior to buying policies. Due to the typically more complex and longer-term nature of life insurance products, we expect agent expertise and consultation to continue as a prominent aspect of the sales process prior to ultimate purchase. Our dedicated, high-touch agents coupled with our user-friendly online platform caters to these evolving consumer preferences, which we believe favorably positions us to capture an increasing share of the overall market. Our approach to consumer engagement provides transparency and, we believe, an overall better experience that generates higher conversion rates than achievable by other forms of distribution, creating a cost advantage for our distribution platform relative to others.

Auto & Home Market

Property & Casualty insurance is a large addressable market in which policyholders often have a government or lender-mandated need for coverage. The DTC channel for sales of these products is well established and growing, driven by continued adoption of online sources for research and quotes. We believe the combination of our technology and agents is an important differentiator that better enables us to help potential policyholders compare and choose between multiple products, and also to give valuable advice on bundled options that provide more holistic coverage across multiple risks. We differentiate ourselves from carrier captive agents and traditional insurance distributors on the basis of choice, convenience and consumer experience.

Our Competitive Strengths

Leading technology-based sales platform. Our primary focus is to provide best-in-class service to bring policyholders value through greater choice and transparency. Since 1985, we have helped over three million policyholders save time and money on critical insurance purchases. Since our founding in 1985, we have been pioneers of insurance distribution, and, through our technology-driven sales model, we believe we are well placed to support policyholders and insurance carrier partners as consumers continue shifting toward online channels to make purchasing decisions for their insurance needs. We believe that our data and our technology are key competitive advantages and drivers of our business performance. We continue to upgrade and optimize our technology as new opportunities are identified by our Information Technology and Analytics teams. SelectCare is our core overarching

proprietary customer relationship management ("CRM") and parent system with phone bank, sales enablement/workflow optimization and reporting tools. SelectCare is a customized system that uses various algorithms to score leads, route them to agents and organize each agent's work day, with the objective of maximizing return on investment. Operating within SelectCare are the following purpose-built systems:

- **SelectBid:** Advanced, data-enriched lead scoring and purchasing tool that provides real-time feedback to help us determine which consumers and campaigns are generating the most valuable opportunities, allowing us to optimize marketing spend.

- **Get A Lead**: Customized, purpose-built lead routing and workflow management technology based on lead quality, agent performance and agent availability. GAL uses a targeted approach to rapidly assign consumers to a licensed agent.

- **Automated Rate Calculator ("ARC")/Automated Quote Engine ("AQE")**: Real-time quoting and underwriting applications integrated directly into carrier systems. ARC and AQE allow us to build quotes for potential customers in real time based on specific carrier underwriting requirements and risk tolerances.

- **SelectQuote Revenue Tracking System**: Fully integrated, proprietary revenue tracking and financial reporting tool that also supports financial and customer falloff/retention prediction algorithms, allowing for real-time workflow and actions with our customer service teams.

We currently utilize data science across all of our key business functions and systems, and our sophisticated algorithms benefit from years of data accumulation and analysis, which are continuously enriched with new data and refined by our in-house data science team. Our algorithms are informed by data accumulated through our operating history, which includes approximately 32 million leads and over 1 billion data points in our database. Our focus on data quality ensures our data scientists can draw deep insights as accurately and efficiently as possible. Our complex regression and machine-learning models drive marketing spend and lead purchasing, scoring and routing, sales execution and post-sale customer engagement, all to further our goal of maximizing policyholder lifetime value. As we continue to grow, we will naturally acquire more data that will continue to better inform our decision-making.

Highly scalable platform with growing network effects. Our structured recruiting, training and agent onboarding program provides flexibility to ramp up agent hiring activity to drive sales volumes. Through significant recent investments we have made to our technological, infrastructure and reporting capabilities, our platform is designed to provide us with ample support for future years of growth with minimal ongoing working capital requirements. We have built our systems to be highly adaptable, providing us with flexibility to seamlessly provide product extensions and enter into other product verticals. We continually evaluate our insurance carrier partnerships, and we have the ability to accommodate new insurance carrier relationships and new products that may further drive growth. As we expand, we expect our appeal to consumers as a one-stop shop and our appeal to carriers as a leading platform with large consumer audiences to continue to grow. These network effects will allow us to accumulate more data and insights, which serve to strengthen our algorithms and the value of our connections.

Strong brand awareness. We were founded over 35 years ago as what we believe was the first DTC term life insurance exchange platform in the U.S. Over this time, we have built a highly successful and recognizable household brand. We continue to enhance our visibility with advertisements on nationwide television networks and radio outlets, while also maintaining a strong online presence through our market-leading comparison websites, complemented by search engine advertising and a social media presence. There is also meaningful potential for us to leverage our strong brand awareness for intragroup cross sales and expansion into adjacent products and markets that further enhance revenue.

Ability to attract and retain productive, career-based agent force. We believe that a technology-enabled agent-based distribution model generates superior return on investment and policyholder lifetime value relative to solely web-based or traditional distribution models. As a result, we have built processes that allow us to attract, train and retain top talent, and to grow our agent force when necessary. Our sophisticated recruitment engine is employed nationally with our remote agent capability and involves personality tests, multiple interviews, and final

approval by a senior manager. Historically we have utilized flex agents in our Senior segment for AEP and OEP to capitalize on the heightened activity during these windows. Our recruiting and development processes lead to strong agent productivity rates allowing us to offer competitive compensation packages and attractive career paths. This results in a virtuous cycle, which we believe gives SelectQuote a sustainable competitive advantage in the recruitment of new agents.

Diverse product offering. At our inception, we specialized in the distribution of term life insurance products. Since then, in addition to introducing a range of other life insurance products, SelectQuote expanded into the fast-growing senior health insurance market (in 2010) and auto & home insurance market (in 2011). Today we provide consumers with access to over 40 insurance products sourced from over 50 carriers. Our unique platform then further enabled us to expand our business again in recent years to include Population Health and SelectRx. Our product segments are a natural fit with consumer insurance and healthcare needs across different life stages. We believe we are unique for our diverse product range, which provides us with greater stability as demand for certain products and customers' needs fluctuate.

Deep and broad insurance carrier partnerships. We are a key distribution partner for over 50 of the largest and most respected blue-chip insurance carriers. Our strong and long-standing relationships with many of our insurance carrier partners, some of which have been on our platform since our inception, represent a mutual commitment which we believe is difficult to replicate. While we are focused on providing consumers with greater choice, we also strive to be a meaningful component of our insurance carrier partners' distribution strategy, and are therefore selective when it comes to which carriers we accept onto our platform. Our national presence, scale, broad consumer reach and our sales capability make us a partner of choice and a critical distribution channel for these carriers. We are a leading DTC insurance distributor for a number of insurance carrier partners, which helps us negotiate for attractive economics from our insurance carrier partners. For the year ended June 30, 2022, we sold over 810,000 policies for our Senior insurance carrier partners and produced more than $220 million in new premium for our Life and Auto & Home insurance carrier partners. For the year ended June 30, 2021, we sold over 625,000 policies for our Senior insurance carrier partners and produced more than $223 million in new premium for our Life and Auto & Home insurance carrier partners. For the year ended June 30, 2020, we sold more than 315,000 policies for our Senior insurance carrier partners and produced more than $180 million in new premium for our Life and Auto & Home insurance carrier partners. Furthermore, our proprietary technology and tech-enabled agent model is focused on maximizing policyholder lifetime value, meaning that our insurance carrier partners enjoy higher quality business from each transaction sourced through us. Our insurance carrier partners also rely on our strong internal compliance function, which records all of our calls and audits a subset of them with our Quality Assurance team to ensure that we are complying with Centers for Medicare & Medicaid Services ("CMS") rules and regulation, telemarketing regulations, carrier internal requirements and that the agents are meeting certain quality metrics that we deem important. Our compliance record and efficiency have led insurance carriers to partner with us on another key value proposition—our insurance carrier dedicated agent pods. These pods deepen our relationship with these insurance carrier partners and enable us to sell more policies. Pod marketing is specific to each individual pod and is separate from SelectQuote's comparison shopping platform. This ensures a SelectQuote lead always gets presented with the comparison shopping platform.

Data driven approach to maximization of policyholder lifetime value. We use advanced algorithms informed by over 1 billion consumer data points to enrich our consumer engagement strategy. Our algorithms help agents identify opportunities for cross-sell, such as offering complementary plans at the point of sale. After a sale is made, our algorithms effectively identify customers likely to purchase additional products, thereby improving the likelihood that a policyholder retains his or her policy and generating highly predictable future income. As of June 30, 2022, our dedicated CCA team was comprised of 225 professionals who aim to improve the consumer experience during the post-sale carrier onboarding process, drive improved retention in the out years and improve cross selling opportunities. A number of the CCA team members are former licensed agents already familiar with the business and the consumer journey. This function allows our core agent force to allocate time towards new business generation. The CCA team leverages our systems to identify opportunities for consumers to purchase additional products and for us to implement tailored retention strategies. Part of the team's function also involves a data-driven targeted outreach program to Medicare Advantage clients ahead of AEP to gauge potential interest in insurance shopping plans during the upcoming season. In order to make sure that we are making decisions with the

best data possible, we partner with leading external industry consultants to review and validate our historical retention experience and projected performance. Our consistent track record of delivering strong customer retention rates creates additional value for our insurance carrier partners, solidifying SelectQuote's position as a key partner with insurance carriers, which produces a positive reinforcement loop across our business. Our database is the result of more than 35 years of dedicated focus and investment, providing us with unparalleled insights that are difficult for competitors to replicate.

Financial profile. As a distributor of insurance products, we benefit from favorable industry trends. We earn commission revenue on the successful sale and renewal of polices we distribute and, accordingly, our financial model does not reflect the inherent uncertainties associated with underwriting insurance risk. We have a high degree of visibility into the commission we earn at the time of sale, as well as the renewal commissions we would earn should a policyholder renew his or her policy. Our CCA team's efforts enhance the policyholder experience and thereby improve policyholder retention and our opportunity to generate renewal commissions. Because our agents do not receive a share of renewal commissions, each dollar of renewal revenue directly adds to our income from operations, thereby improving our margins. Our platform is highly scalable, which enables margin expansion as we grow.

Strong company culture developed by an experienced management team. We maintain a unique sales and consumer service-oriented culture. We are a diverse group of women and men who are united in our mission to provide solutions that help consumers with their overall financial well-being and protect their most valued assets. Through our recruiting processes, we are able to identify people who enjoy being a part of, and are motivated by, a performance-based, meritocratic organization. This allows us to assemble a world-class team of people who envision building their careers at SelectQuote. Our company culture is promoted by a highly experienced management team with deep industry experience and a track record of industry innovation. The key members of our management team have over 60 total years of industry experience and several members of our management team have worked together to build our business over the last ten years.

Our Growth Strategy

Maximize policyholder lifetime value. Policyholder lifetime value, which represents commissions estimated to be collected over the life of an approved policy, less the cost of acquiring the business is a key component of our overall profitability. Our goal is to maximize policyholder lifetime value, and we do so through strategies designed to maximize the revenue opportunity and minimize our customer acquisition cost. Maximizing policyholder lifetime value involves continued investment in:

- Our agent experience and customer care team, which, together, enhance our close rates, commissionable premium, and ability to earn renewal and cross-sell revenue;
- Carrier relationships and, in particular, negotiation of more favorable terms;
- Pre-AEP outreach to our Senior segment policyholders to better understand emerging trends in consumer decision making;
- Technology, data, and analytics that help us optimize our marketing and lead acquisition spend;
- Our pod offerings, which offer an opportunity to earn economics on a more favorable basis than our broader comparison shopping platform; and
- Population Health, which supports increased policy persistency by helping patients understand and utilize the full spectrum of benefits available under their plans.

Optimize our agent force. Our agent force is a key element of our ability to distribute policies and earn commission revenue. Accordingly, investing in our agent force is a critical aspect of our growth strategy. In addition to maintaining an effective recruitment function to ensure our ability to hire enough agents to support our business

goals, we believe the value of our agent force is maximized when we prioritize the performance and satisfaction of our agents. In support of this goal, we will continue to invest in training and technology to enable our agents to increase their productivity. Further, as we expand our product offering within Healthcare Services and the insurance distribution business, our agents will have additional opportunities to increase their earnings and develop their careers. We believe this environment will increase our agents' job satisfaction, helping us to build a more experienced, professional sales force that will support the growth of our business.

Deepen and broaden our insurance carrier partnerships. To ensure our ability to secure the best terms for our consumers, we maintain meaningful, long-term relationships with our partners while continuously evaluating our panel of insurance carriers. While we are selective in choosing the carriers with whom we do business, we have the ability to quickly accommodate new insurance carrier relationships and new products from existing carriers. Our focus on offering high-quality products has resulted in improved retention rates, increasing the value of our distribution model to insurance carrier partners. As discussed above, we believe Population Health will further deepen our relationships with our carrier partners by increasing plan loyalty and policy persistency, thereby reducing carriers' costs.

Deepen consumer penetration and drive cross-selling opportunities. We are highly focused on the consumer experience and believe that customer satisfaction is a key vehicle for maximizing cross-sell opportunities and repeat business. We believe there are natural synergies across our portfolio of products, and we are focused on increasing cross-selling across our existing customer base. Our success cross-selling ancillary products (e.g., dental, vision and hearing, prescription drug plans and fixed indemnity) to our clients has improved over time, and we continue to look at ways to broaden our cross-selling opportunities. Within our Auto & Home segment, we have been successful in bundling products (selling multiple products to the same customer), with bundle rates over each of the last three years of 49%, 51%, and 51%, respectively. A large and relatively untapped opportunity is to deepen cross-sell of products to customers across our three segments, and we are currently employing technology and data designed to enable us to better track the customer life journey to allow us to identify and better execute on this opportunity.

Grow Healthcare Services. We have an attractive and scalable platform with strong consumer acquisition capabilities, backed by flexible systems that can be leveraged to introduce new product offerings. Our platform has funneled over 20,000 active subscribers to SelectRx since its launch in 2021, and our current production capacity can support another 75,000 subscribers. The success of SelectRx to date not only demonstrates the strong opportunity for the further growth of our pharmacy business in the future but also illustrates the ability of our platform to serve as an effective means of introducing additional products and services to our consumers. We believe we can realize additional growth by expanding our product offering through Population Health, and we intend to devote additional time and resources to these efforts in the coming years.

Competition

The market for distribution of insurance products is highly competitive, fragmented and evolving as consumers increasingly transact online. Products are distributed through a variety of channels that we must compete against, including captive agents employed by carriers, independent agents working individually or in groups small and large, through online platforms that employ agents or outsource sales to independent agents, or other online platforms that distribute directly to the consumer.

Our primary competitors are insurance companies who sell products directly, either online or through captive agent forces, instead of paying commissions to third-party agents and brokers. We, along with a number of independent agents (working individually or in groups small or large) and online distribution platforms acting as distributors for third-party insurance products, compete for business from these direct distributors.

We also compete with eHealth, Inc., GoHealth, Inc. and other online distribution platforms acting as distributors for third-party insurance products for commission opportunities. We aim to differentiate our products and services on the basis of our agents' ability, leveraging our technology platform, to match our consumers with insurance products we expect best match their needs.

Employees

We are united by our mission to provide solutions that help consumers with their overall financial well-being and protect their most valued assets: their families, their health and their property, and our associates are vital to achieving this mission. In order to continue to provide consumers with effective and convenient innovative experiences and products, and compete and succeed in our highly competitive and rapidly evolving market, it is crucial that we continue to attract and retain experienced employees and agents. As part of these efforts, we strive to offer a competitive compensation and benefits program, foster a performance-based, meritocratic organization where everyone feels empowered to do to their best work, and give employees the opportunity to give back to their communities and make a social impact.

As of June 30, 2022, we employed a total of 1,857 agents and 2,510 non-agent full-time equivalent employees. During AEP, we typically hire additional full-time employees and hired approximately 3,600 employees for the 2021 AEP (fiscal 2022). None of our employees are represented by any collective bargaining unit or are a party to a collective bargaining agreement.

Regulation

The sale of insurance products is a heavily regulated industry. Various aspects of our business are, may become, or may be viewed by regulators from time to time as being, subject, directly or indirectly, to U.S. federal, state, and foreign laws and regulations. We are affected by laws and regulations that apply to the insurance industry, as well as those applying to businesses operating on the internet and businesses in general. This regulatory landscape includes a continually expanding and evolving range of laws, regulations, and standards that address financial services; information security; data collection, protection, and privacy; consumer protection; false claims; and compliance with applicable anti-money laundering, securities, and antitrust regulations, among other things. We are also required to comply with various laws and regulations governing Medicare providers, pharmacies, and providers of pharmacy care services, as well as laws governing marketing and advertising activities conducted by telephone, email, mobile devices and the internet.

Insurance and other Healthcare Regulations. We are a licensed insurance producer in all 50 U.S. states and the District of Columbia. Insurance is highly regulated by the states in which we do business, and we are required to maintain various licenses and approvals and comply with related restrictions and requirements. Regulatory authorities often have the discretion to grant, renew and revoke the various licenses and approvals we need to conduct our activities and, should we fail to retain our licenses, our business and results of operations could be adversely affected.

In particular, our Senior segment is subject to a complex legal and regulatory framework, including laws and regulations governing the marketing and sale of Medicare plans. The regulations and guidance issued by CMS for Medicare Advantage and Medicare Part D prescription drug plans change frequently, and such changes, including changes to CMS guidance applicable to our Senior segment or the interpretation and enforcement thereof, could cause healthcare providers or state departments of insurance to object to or decline to approve certain aspects of our marketing materials and processes.

In addition to laws and regulations related to the sale of insurance products, our Senior segment, including Population Health, is also subject to various laws governing the relationships of the business with pharmaceutical manufacturers, physicians and other healthcare providers, pharmacies, customers, and consumers, including regulations relating to anti-fraud and abuse, false claims, anti-kickbacks, beneficiary inducement, prohibited referrals, and inappropriate reduction or limitation of health care services. Civil suits (including qui tam actions) and governmental or internal investigations or reviews of business processes related to these laws and regulations could, if resolved unfavorably, result in substantial monetary damages, negative publicity, and reduced operating flexibility, all of which could increase the Company’s cost of doing business and negatively affect our results of operations.

Pharmacy and Pharmacy Care Services Regulation. We are subject to various state and federal laws and regulations governing pharmacies and providers of pharmacy care services, including applicable Medicare provider regulations, state and federal anti-kickback laws, and regulations governing the labeling, packaging, advertising, and adulteration of prescription drugs. As a dispenser of controlled substances, SelectRx is also subject to certain licensing and registration requirements of both state and federal regulatory authorities, including the U.S. Drug Enforcement Administration (DEA) and various state controlled substance authorities. SelectRx is also required to comply with certain laws and regulations of the states in which it provides home delivery services, including the requirements of some states to register with the state board of pharmacy.

Federal and state legislators regularly consider new regulations for the industry, including potential new legislation and regulations regarding the receipt or disclosure of rebates and other fees from pharmaceutical companies; the development and use of formularies and other utilization management tools; the use of average wholesale prices or other pricing benchmarks; pricing for specialty pharmaceuticals; limited access to networks; and pharmacy network reimbursement methodologies, any of which could materially affect current industry practices.

Federal Privacy, Security, and Data Standards Regulation. We are subject, whether directly or indirectly, to numerous federal laws and regulations related to the privacy and security of health information. In particular, regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH), and the Gramm-Leach-Bliley Act ("GLBA") establish privacy, security and breach reporting standards that, among other things, limit the use and disclosure of certain individually identifiable health information and require the implementation of administrative, physical and technological safeguards to protect such information. As a provider of services to entities subject to HIPAA, we are directly subject to certain provisions of the regulations as a "Business Associate." When acting as a Business Associate under HIPAA, to the extent permitted by applicable privacy regulations and contracts with customers, we are permitted to use and disclose protected health information ("PHI") to provide our services, and for certain other limited purposes; however, other uses and disclosures of PHI, such as in marketing communications, require written authorization from the patient or must meet an exception specified under the applicable privacy regulations. If we were found to have breached our obligations under HIPAA, GLBA, or certain federal consumer protection laws, we could be subject to enforcement actions by the U.S. Department of Health and Human Services, the Federal Trade Commission, and other state and federal health regulators and face various claims from private plaintiffs, including class action law suits.

State Privacy and Security Regulations. Our privacy and security practices may be affected by various state privacy laws, including statutes designed to implement certain GLBA provisions and other laws and regulations governing the use, disclosure, and protection of social security numbers, credit card account data, PHI, and other personally identifiable information. Many states have recently adopted laws or regulations of this nature, including New York, whose cybersecurity regulation for financial services companies requires entities under the jurisdiction of the New York Department of Financial Services ("NYDFS"), including insurance entities, to establish and maintain a cybersecurity program designed to protect private consumer data. The Insurance Data Security Model Law (the "Cybersecurity Model Law") adopted by the National Association of Insurance Commissioners ("NAIC") is functionally similar to the NYDFS rule and is intended to establish the standards for data security and for the investigation and notification of data breaches applicable to insurance licensees in states that have adopted the law.

Our privacy and security practices related to personally identifiable information, including information related to consumers and care providers, may also be affected by various state consumer protection laws. Different approaches to state privacy and insurance regulation and varying enforcement philosophies may materially increase our costs associated with standardizing and delivering our products and services across state lines.

Other Regulations. The United States also regulates marketing by telephone and email, and the laws and regulations governing the use of emails and telephone calls for marketing purposes continue to evolve. Further, changes in technology, the marketplace, or consumer preferences may lead to the adoption of additional laws or regulations or changes in interpretation of existing laws or regulations. The Telephone Consumer Protection Act prohibits companies from making telemarketing calls to numbers listed in the Federal Do-Not-Call Registry and

imposes other obligations and limitations on making phone calls and sending text messages to consumers. The CAN-SPAM Act regulates commercial email messages and specifies penalties for the transmission of commercial email messages that do not comply with certain requirements, such as providing an opt-out mechanism for stopping future emails from senders. We may be required to comply with these and similar laws, rules and regulations.

See “Risk Factors—Risks Related to Laws and Regulation” for additional information.

Intellectual Property

We rely on a combination of copyright, trademark, and trade secret laws and contractual agreements to establish, maintain and protect our intellectual property rights and technology. We enter into confidentiality and invention assignment agreements with our employees and enter into confidentiality agreements with third parties, including suppliers and other partners. We monitor our intellectual property regularly with the goal of ensuring all applicable registrations are maintained.

Seasonality

Due to the relative size of our Senior segment and the seasonal nature of its operations, a significant amount of our revenue is generated during our second quarter. The seasonality of the Senior segment’s operations is driven mainly by AEP, which takes place each year from mid-October to early January. We address this seasonal demand by recruiting additional sales agents, who are hired in our first quarter and trained for up to 10 weeks before they start selling during AEP in the second quarter. For the years ended June 30, 2021 and 2020, this timeline resulted in 38% and 33%, respectively, of our total revenue being generated during the second quarter, and 43% and 38%, respectively, of Senior’s total revenue being generated during the second quarter. However, during fiscal year 2022, our second quarter results were negatively impacted by a significant cohort tail adjustment for our Senior MA distribution business, and therefore the percent of total revenue for the second quarter, at 27%, was not as prominent as in years past.

Corporate Information

We were incorporated in Delaware on August 18, 1999, under the name SelectQuote, Inc. to serve as a holding company for our business subsidiaries, including SelectQuote Insurance Services, our original operating company, which was incorporated in California on August 14, 1984. Our principal executive offices are located at 6800 West 115th Street, Suite 2511, Overland Park, Kansas 66211, and our telephone number at that address is (913) 599-9225.

Available Information

Our website address is www.selectquote.com. Information contained on our website is not incorporated by reference into this Annual Report on Form 10-K, and you should not consider information contained on our website to be part of this Annual Report on Form 10-K or in deciding whether to purchase shares of our common stock. The U.S. Securities and Exchange Commission (“SEC”) maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) are also available free of charge on our investor relations website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Unless the context otherwise requires, we use the terms "SelectQuote," the "Company," "we," "us" and "our" in this report to refer to SelectQuote, Inc. In addition to historical information, this Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as "may," "should," "could," "predict," "potential," "believe," "will likely result," "expect," "continue," "will," "anticipate," "seek," "estimate," "intend," "plan," "projection," "would" and "outlook," or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

- The ultimate duration and impact of the ongoing COVID-19 pandemic and any other significant public health events;
- Our reliance on a limited number of insurance carrier partners and any potential termination of those relationships or failure to develop new relationships;
- Existing and future laws and regulations affecting the health insurance market;
- Changes in health insurance products offered by our insurance carrier partners and the health insurance market generally;
- Insurance carriers offering products and services directly to consumers;
- Changes to commissions paid by insurance carriers and underwriting practices;
- Competition with brokers, exclusively online brokers and carriers who opt to sell policies directly to consumers;
- Competition from government-run health insurance exchanges;
- Developments in the U.S. health insurance system;
- Our dependence on revenue from carriers in our Senior segment and downturns in the senior health as well as life, automotive and home insurance industries;
- Our ability to develop new offerings and penetrate new vertical markets;
- Risks from third-party products;
- Failure to enroll individuals during the Medicare annual enrollment period;
- Our ability to attract, integrate and retain qualified personnel;

- Our dependence on lead providers and ability to compete for leads;
- Failure to obtain and/or convert sales leads to actual sales of insurance policies;
- Access to data from consumers and insurance carriers;
- Accuracy of information provided from and to consumers during the insurance shopping process;
- Cost-effective advertisement through internet search engines;
- Ability to contact consumers and market products by telephone;
- Global economic conditions, including inflation;
- Disruption to operations as a result of future acquisitions;
- Significant estimates and assumptions in the preparation of our financial statements;
- Impairment of goodwill;
- Potential litigation and other legal proceedings or inquiries;
- Our existing and future indebtedness;
- Access to additional capital;
- Failure to protect our intellectual property and our brand;
- Fluctuations in our financial results caused by seasonality;
- Accuracy and timeliness of commissions reports from insurance carriers;
- Timing of insurance carriers' approval and payment practices;
- Factors that impact our estimate of the constrained lifetime value of commissions per policyholder;
- Changes in accounting rules, tax legislation and other legislation;
- Disruptions or failures of our technological infrastructure and platform;
- Failure to maintain relationships with third-party service providers;
- Cybersecurity breaches or other attacks involving our systems or those of our insurance carrier partners or third-party service providers;
- Our ability to protect consumer information and other data;
- Failure to market and sell Medicare plans effectively or in compliance with laws;
- Risks related to our being a public company; and
- The other risk factors described under "Risk Factors."

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this Annual Report on Form 10-K. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Many of the important factors that will determine these results are beyond our ability to control or predict. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

ITEM 1A. RISK FACTORS

Certain factors may have a material adverse effect on our business, financial condition, and results of operations. You should carefully consider the risks and uncertainties described below, together with all of the other information included in this Annual Report on Form 10-K, including our financial statements and the related notes, before deciding to invest in our common stock. Our business, financial condition, operating results, cash flow and prospects could be materially and adversely affected by any of these risks or uncertainties. In that case, the trading price of our common stock could decline, and you could lose all or part of your investment. The risks and uncertainties described below represent the material risks known to us, but they are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we currently see as immaterial may also adversely affect our business. Some statements in this Annual Report on Form 10-K, including statements in the following risk factors, constitute forward-looking statements. Please refer to "Cautionary Note Regarding Forward-Looking Statements."

Risk Factor Summary

Risks Related to Our Business and Industry

- We currently depend on a small group of insurance carrier partners for a substantial portion of our business. Our business may be harmed if we lose our relationships with these partners or fail to develop new insurance carrier relationships.

- Changes in the health insurance market or in the variety, quality and affordability of the insurance products offered by our carrier partners could harm our business, operating results, financial condition and prospects.

- Systemic changes in our carrier partners' sales strategies or underwriting practices could reduce the number of, or impact the renewal or approval rates of, insurance policies sold through our distribution platform.

- Insurance carriers can offer products and services directly to consumers or through our competitors.

- Our business is substantially dependent on revenue from our Senior health insurance carrier partners.

- If we are unable to develop new offerings, achieve increased consumer adoption of those offerings or penetrate new vertical markets, our business could be materially and adversely affected.

- Risks from third-party products could adversely affect our businesses.

- If our ability to enroll individuals during AEP and OEP is impeded, our business will be harmed.

- Our business is dependent on our obtaining a large quantity of quality insurance sales leads in a cost-effective manner and our ability to convert sales leads to actual sales of insurance policies.

- If we are unable to maintain or grow the data provided to us by consumers and insurance carrier partners, or if such data is inaccurate, we may be unable to provide consumers with an insurance shopping experience that is relevant, efficient and effective, which could adversely affect our business.
- We depend upon internet search engines to attract a significant portion of the consumers who visit our website, and if we are unable to effectively advertise on search engines on a cost-effective basis our business, operating results, financial condition and prospects could be harmed.
- Our existing and any future indebtedness could adversely affect our ability to operate our business.
- Operating and growing our business may require additional capital, which may not be available to us.
- Seasonality may cause fluctuations in our financial results.
- Our operating results will be impacted by factors that affect our estimate of the constrained lifetime value of commissions per policyholder.

Risks Related to Our Intellectual Property and Our Technology

- If we are unable to adequately protect our intellectual property, our ability to compete could be harmed.
- Our business depends on our ability to maintain and improve the technological infrastructure that supports our distribution platform, and any significant disruption in service on our platform could result in a loss of consumers, which could harm our business, brand, operating results, financial condition, and prospects.
- We rely on third-party service providers that provide the infrastructure for our technological systems, and any failure to maintain these relationships could harm our business.
- Our business could be materially and adversely affected by a cybersecurity breach or other attack involving our computer systems or those of our insurance carrier partners or third-party service providers.
- We collect, process, store, share, disclose and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and harm our business.

Risks Related to Laws and Regulation

- Laws and regulations regulating insurance activities are complex and could have a material and adverse effect on our business and may reduce our profitability or limit our growth.
- Our Senior segment is subject to a complex legal and regulatory framework, and non-compliance with or changes in laws and regulations governing the marketing and sale of Medicare plans could harm our business, operating results, financial condition and prospects.
- Our businesses providing pharmacy care services face additional regulatory and operational risks.
- Our business may be harmed by competition from government-run health insurance exchanges.
- Changes and developments in the regulation of the healthcare industry and the health insurance system and markets could adversely affect our business.

General Risk Factors

- Our quarterly and annual operating results or other operating metrics may fluctuate significantly and may not meet expectations of analysts, which could cause the trading price of our common stock to decline.

- We are required to make significant estimates and assumptions in the preparation of our financial statements. These estimates and assumptions may not be accurate and are subject to change.

Risks Related to Our Business and Industry

Our business may be harmed if we lose our relationships with our insurance carrier partners or fail to develop new insurance carrier relationships.

Our contractual relationships with our insurance carrier partners, including those with whom we have carrier-branded sales arrangements, are typically non-exclusive and terminable on short notice by either party for any reason. Insurance carriers may be unwilling to allow us to sell their insurance products for a variety of reasons, including competitive or regulatory reasons, dissatisfaction with the insureds that we place with them or because they do not want to be associated with our brand. Additionally, in the future, an increasing number of insurance carriers may decide to rely on their own internal distribution channels, including traditional in-house agents and carrier websites, to sell their own products and, in turn, could limit or prohibit us from distributing their products.

If an insurance carrier partner is not satisfied with our services, it could cause us to incur additional costs and impair profitability. Moreover, if we fail to meet our contractual obligations to our insurance carrier partners, we could be subject to legal liability or loss of carrier relationships. In addition, these claims against us may produce publicity that could hurt our reputation and business and adversely affect our ability to retain business or secure new business with other insurance carriers.

We may decide to terminate our relationship with an insurance carrier partner for a number of reasons, and the termination of our relationship with an insurance carrier could reduce the variety of insurance products we distribute. In connection with such a termination, we would lose a source of commissions for future sales and, in a limited number of cases, future commissions for past sales. Our business could also be harmed if in the future we fail to develop new insurance carrier relationships or offer consumers a wide variety of insurance products.

We also may lose the ability to market and sell Medicare plans for our Medicare plan insurance carrier partners. The regulations for selling senior health insurance are complex and can change. If we or our agents violate any of the requirements imposed by the CMS, state laws or regulations, an insurance carrier may terminate our relationship, or CMS may penalize an insurance carrier by suspending or terminating that carrier's ability to market and sell Medicare plans. Because the Medicare products we sell are sourced from a small number of insurance carriers, if we lose the ability to market one of those insurance carriers' Medicare plans, even temporarily, or if one of those insurance carriers loses its Medicare product membership, our business, operating results, financial condition and prospects could be harmed.

We currently depend on a small group of insurance carrier partners for a substantial portion of our business. If we become even more dependent on a limited number of insurance carrier partners, our business and financial condition may be adversely affected.

We derive a large portion of our revenues from a limited number of insurance carrier partners. For example, carriers owned by UnitedHealthcare, Wellcare, and Humana accounted for 18%, 17%, and 12%, respectively, of our total revenue for the year ended June 30, 2022, carriers owned by UnitedHealthcare, Humana, and Wellcare accounted for 24%, 19%, and 15%, respectively, of our total revenue for the year ended June 30, 2021; and carriers owned by UnitedHealthcare, Humana, and Aetna accounted for 26%, 18%, and 11%, respectively, of our total revenue for the year ended June 30, 2020. Our agreements with our insurance carrier partners to sell policies are typically terminable by our insurance carrier partners without cause upon 30 days' advance notice. Should we become more dependent on even fewer insurance carrier relationships (whether as a result of the termination of insurance carrier relationships, insurance carrier consolidation or otherwise), we may become more vulnerable to adverse changes in our relationships with insurance carriers, particularly in states where we distribute insurance

from a relatively smaller number of insurance carrier partners or where a small number of insurance carriers dominates the market, and our business, operating results, financial condition and prospects could be harmed.

Changes in the health insurance market or in the variety, quality and affordability of the insurance products offered by our insurance carrier partners could harm our business, operating results, financial condition and prospects.

The demand for our agency services is impacted by the variety, quality and price of the insurance products we distribute. If insurance carriers do not continue to provide us with a variety of high-quality, affordable insurance products, or if as a result of consolidation in the insurance industry or otherwise their offerings are limited, our sales may decrease and our business, operating results, financial condition and prospects could be harmed.

Our insurance carrier partners could determine to reduce the commissions paid to us and change their underwriting practices in ways that reduce the number of, or impact the renewal or approval rates of, insurance policies sold through our distribution platform, which could harm our business, operating results, financial condition and prospects.

Our commission rates from our insurance carrier partners are either set by each carrier or negotiated between us and each carrier. Our insurance carrier partners have the right to alter these commission rates with relatively short notice and have altered, and may in the future alter, the contractual relationships we have with them, including in certain instances by unilateral amendment of our contracts relating to commissions or otherwise. Changes of this nature could result in reduced commissions or impact our relationship with such carriers. In addition, insurance carriers periodically change the criteria they use for determining whether they are willing to insure individuals. Future changes in insurance carrier underwriting criteria could negatively impact sales of, or the renewal or approval rates of, insurance policies on our distribution platform and could harm our business, operating results, financial condition and prospects.

Insurance carriers can offer products and services directly to consumers or through our competitors.

Because we do not have exclusive relationships with our insurance carrier partners, consumers may obtain quotes for, and purchase, the same insurance policies that we distribute directly from the issuers of those policies, or from our competitors. Insurance carriers can attract consumers directly through their own marketing campaigns or other methods of distribution, such as referral arrangements, internet sites, physical storefront operations or broker agreements. Furthermore, our insurance carrier partners could discontinue distributing their products through our agency services, which would reduce the breadth of the products we distribute and could put us at a competitive disadvantage. If consumers seek insurance policies directly from insurance carriers or through our competitors, the number of consumers shopping for insurance through our platform may decline, and our business, operating results, financial condition and prospects could be materially and adversely affected.

Pressure from existing and new competitors may adversely affect our business and operating results, financial condition and prospects.

Our competitors provide services designed to help consumers shop for insurance. Some of these competitors include:

- companies that operate insurance search websites or websites that provide quote information or the opportunity to purchase insurance products online;
- individual insurance carriers, including through the operation of their own websites, physical storefront operations and broker arrangements;
- traditional insurance agents or brokers; and
- field marketing organizations.

New competitors may enter the market for the distribution of insurance products with competing insurance distribution platforms, which could have an adverse effect on our business, operating results, financial condition and prospects. Our competitors could significantly impede our ability to maintain or increase the number of policies sold through our distribution platform and may develop and market new technologies that render our platform less competitive or obsolete. In addition, if our competitors develop distribution platforms with similar or superior functionality to ours and we are not able to produce certain volumes for our insurance carrier partners, we may see a reduction in our production bonuses or marketing payments, and our revenue would likely be reduced and our financial results would be adversely affected.

Our business is substantially dependent on revenue from our Senior health insurance carrier partners and subject to risks related to Senior health insurance and the larger health insurance industry. Our business may also be adversely affected by downturns in the life, automotive and home insurance industries.

A majority of the insurance purchased through our platform and agency services is Senior health insurance, and our financial prospects depend significantly on growing demand in an aging population for the Senior health products we provide. Our overall operating results are substantially dependent upon our success in our Senior segment. For each of the years ended June 30, 2022 and 2021, 78% of our total revenue was derived from our Senior segment. For the year ended June 30, 2020, 68% of our total revenue was derived from our Senior segment. For the years ended June 30, 2022, 2021, and 2020, our top three insurance carrier partners by total revenue were from the Senior segment. Our success in the Senior health insurance market will depend upon a number of additional factors, including:

- our ability to continue to adapt our distribution platform to market Medicare plans, including the effective modification of our agent-facing tools that facilitate the consumer experience;
- our success in marketing directly to Medicare-eligible individuals and in entering into marketing partner relationships to secure cost-effective leads and referrals for Medicare plan sales;
- our ability to retain partnerships with enough insurance carriers offering Medicare products to maintain our value proposition with consumers;
- our ability to leverage technology in order to sell, and otherwise become more efficient at selling, Medicare-related plans over the telephone;
- reliance on third-party technology vendors like our voice-over IP telephone service providers and our data center and cloud computing partners;
- our ability to comply with numerous, complex and changing laws and regulations and CMS guidelines relating to the marketing and sale of Medicare plans; and
- the effectiveness of our competitors' marketing of Medicare plans.

These factors could prevent our Senior segment from successfully marketing and selling Medicare plans, which would harm our business, operating results, financial condition and prospects. We are also dependent upon the economic success of the life, automotive and home insurance industries. Declines in demand for life, automotive and home insurance could cause fewer consumers to shop for such policies using our distribution platform. Downturns in any of these markets, which could be caused by a downturn in the economy at large, could materially and adversely affect our business, operating results, financial condition and prospects.

Systemic changes in our insurance carrier partners' sales strategies could adversely affect our business.

Our business model relies on our ability to sell policies on behalf of our insurance carrier partners. We believe our insurance carrier partners view our method of acquiring customers as scalable and efficient and,

ultimately, as cost advantageous compared to their own direct distribution or proprietary agent models. However, in the event that our insurance carrier partners choose to make systemic changes in the manner in which their policies are distributed, including by focusing on direct distribution themselves or on distribution channels other than ours, such changes could materially and adversely affect our business, operating results, financial condition and prospects.

If we are unable to develop new offerings, achieve increased consumer adoption of those offerings or penetrate new vertical markets, our business, operating results, financial condition and prospects could be materially and adversely affected.

Our continued improvement of our product and service offerings is critical to our success. Accordingly, we must continually invest resources in product, technology and development in order to improve the comprehensiveness and effectiveness of our distribution platform.

In addition, while we have historically concentrated our efforts on the senior health, life and personal property and casualty insurance markets, our growth strategy includes penetrating additional vertical markets, such as final expense insurance and other insurance or financial service products. In order to penetrate new vertical markets successfully, it will be necessary to develop an understanding of those new markets and the associated risks, which may require substantial investments of time and resources, and even then we may not be successful and, as a result, our revenue may grow at a slower rate than we anticipate, and our operating results, financial condition and prospects could be materially and adversely affected.

Risks from third-party products could adversely affect our businesses.

We offer third-party products, including senior health, life, automotive and home insurance products. Insurance involves a transfer of risk, and our reputation may be harmed, and we may become a target for litigation if risk is not transferred in the way expected by customers and carriers. In addition, if these insurance products do not generate competitive risk-adjusted returns that satisfy our insurance carrier partners, it may be difficult to maintain existing business with, and attract new business from, them. Significant declines in the performance of these third-party products could subject us to reputational damage and litigation risk.

If our ability to enroll individuals during AEP and OEP is impeded, our business will be harmed.

In general, approximately 50% of our Medicare Advantage and Medicare Supplement policies are submitted during AEP. Our agents, systems and processes must handle an increased volume of transactions that occur during AEP and OEP. We hire additional agents during these periods to address this expected increase in transaction volume and temporarily reassign agents from our Senior business to our Life and Auto & Home businesses during non-AEP/OEP periods. We must ensure that our agents are trained and have received all licenses, appointments and certifications required by state authorities and our insurance carrier partners before the beginning of AEP and OEP. If the relevant state authorities or our insurance carrier partners experience shutdowns or continued business disruptions due to the COVID-19 pandemic, we may be unable to secure these required licenses, appointments and certifications for our agents in a timely manner, or at all. If technology failures, any inability to timely employ, license, train, certify and retain our employees to sell senior health insurance, interruptions in the operation of our systems, issues with government-run health insurance exchanges, weather-related events that prevent our employees from coming to our offices, or any other circumstances prevent our senior health business from operating as expected during an enrollment period, we could sell fewer policies and suffer a reduction in our business and our operating results, financial condition, prospects and profitability could be materially and adversely affected.

If we are unable to attract, integrate and retain qualified personnel, our ability to develop and successfully grow our business could be harmed.

Our business depends on our ability to retain our key executives and management and to hire, develop and retain qualified agents and enrollment and consumer service specialists. Our ability to expand our business depends on our being able to hire, train and retain sufficient numbers of employees to staff our in-house sales centers, as well

as other personnel. Our success in recruiting highly skilled and qualified personnel can depend on factors outside of our control, including the strength of the general economy and local employment markets and the availability of alternative forms of employment. Furthermore, the ongoing effects of COVID-19 may materially and adversely affect our ability to recruit and retain personnel. During periods when we are unable to recruit high-performing agents and enrollment and consumer service specialists, we tend to experience higher turnover rates. The productivity of our agents and enrollment and consumer service specialists is influenced by their average tenure. Without qualified individuals to serve in consumer-facing roles, we may produce less commission revenue, which could have a material and adverse effect on our business, operating results, financial condition and prospects. If the services of any of our key personnel should become unavailable for any reason, we may not be able to identify and hire qualified persons on terms acceptable to us, which could have a material and adverse effect on our business, operating results, financial condition and prospects.

Our business is dependent on our obtaining a large quantity of quality insurance sales leads in a cost-effective manner.

Our business requires access to a large quantity of quality insurance sales leads to keep our agents productive. We are dependent upon a number of lead suppliers from whom we obtain leads to support our sales of insurance policies. The loss of one or more of these lead suppliers, or our failure to otherwise compete to secure quality insurance sales leads, could significantly limit our ability to access our target market for selling policies.

We may not be able to compete successfully for high-quality leads against our current or future competitors, some of whom have significantly greater financial, technical, marketing and other resources than we do. If we fail to compete successfully with our competitors to source sales leads from lead suppliers, we may experience increased marketing costs and loss of market share, and our business and profitability could be materially and adversely affected.

Our business depends on our ability to convert sales leads to actual sales of insurance policies. If our conversion rate does not meet expectations, our business may be adversely affected.

Obtaining quality insurance sales leads is important to our business, but our ability to convert our leads to policy sales is also a key to our success. Many factors impact our conversion rate, including the quality of our leads, agents and our proprietary workflow technology. If lead quality diminishes, our conversion rates will be adversely affected. Competition in the marketplace and lead quality affect conversion rates. If competition for customers increases, our conversion rates may decline, even absent a degradation in lead quality. Our conversion rates are also affected by agent tenure. If agent turnover increases, leading to a decline in the average tenure of our agents, conversion rates may be adversely affected. If we are unable to recruit, train and retain talented agents, our ability to successfully convert sales leads may be adversely impacted. Our conversion rates may also be affected by issues with our workflow technology or problems with our algorithms that drive lead scoring and routing. Any adverse impact on our conversion rates could cause a material and adverse effect on our business, operating results, financial condition and prospects.

We rely on data provided to us by consumers and our insurance carrier partners to improve our technology and service offerings, and if we are unable to maintain or grow such data, we may be unable to provide consumers with an insurance shopping experience that is relevant, efficient and effective, which could adversely affect our business.

Our business relies on the data provided to us by consumers and our insurance carrier partners in addition to third-party lead suppliers. The large amount of information we use in operating our platform is critical to the insurance shopping experience we provide for consumers. If we are unable to maintain or effectively utilize the data provided to us, the value that we provide to consumers and our insurance carrier partners may be limited. In addition, the quality, accuracy and timeliness of this information may suffer, which may lead to a negative insurance shopping experience for consumers using our platform and could materially and adversely affect our business, operating results, financial condition and prospects.

We have made substantial investments into our technology systems that support our business with the goal of enabling us to provide efficient, needs-based services to consumers using data analytics. There can be no assurance that we will be able to continually collect and retain sufficient data, or improve our data technologies to satisfy our operating needs. Failure to do so could materially and adversely affect our business, operating results, financial condition and prospects.

Our ability to match consumers to insurance products that suit their needs is dependent upon their provision of accurate information during the insurance shopping process.

Our business depends on consumers' provision of accurate information during the insurance shopping process. To the extent consumers provide us with inaccurate information, the quality of their insurance shopping experience may suffer, and we may be unable to match them with insurance products that suit their needs. Our inability to suggest suitable insurance products to consumers could lead to an increase in the number of policies we submit to carriers that are ultimately rejected and could materially and adversely affect our business, operating results, financial condition and prospects.

We depend upon internet search engines to attract a significant portion of the consumers who visit our website, and if we are unable to effectively advertise on search engines on a cost-effective basis our business, operating results, financial condition and prospects could be harmed.

We derive a significant portion of our website traffic from consumers who search for health insurance through internet search engines, such as Google, Yahoo! and Bing. A critical factor in attracting consumers to our website is whether we are prominently displayed in response to certain internet searches. Search engines typically provide two types of search results, algorithmic listings and paid advertisements. We rely on both to attract consumers to our websites.

Algorithmic search result listings are determined and displayed in accordance with a set of formulas or algorithms developed by the particular internet search engine. Once a search is initiated by a consumer, the algorithms determine the hierarchy of results. Search engines may revise these algorithms from time to time, which could cause our website to be listed less prominently in algorithmic search results and lead to decreased traffic to our website. We may also be listed less prominently as a result of other factors, such as new websites, changes we make to our website or technical issues with the search engine itself. Government health insurance exchange websites have historically appeared prominently in algorithmic search results. In addition, search engines have deemed the practices of some companies to be inconsistent with search engine guidelines and decided not to list their website in search result listings at all. If we are listed less prominently in, or removed altogether from, search result listings for any reason, the traffic to our websites would decline and we may not be able to replace this traffic. An attempt to replace this traffic may require us to increase our marketing expenditures, which would also increase our cost of customer acquisition and harm our business, operating results, financial condition and prospects.

In addition to relying on algorithmic search results, we also purchase paid advertisements on search engines in order to attract consumers to our website. We typically pay a search engine for prominent placement of our website when particular terms are searched for on the search engine, without regard to the algorithmic search result listings. The prominence of the placement of our advertisement is determined by multiple factors, including the amount paid for the advertisement and the search engine's algorithms that determine the relevance of paid advertisements to a particular search term. If the search engine revises its algorithms relevant to paid advertisements then websites other than our platform may become better suited for the algorithms, which may result in our having to pay increased costs to maintain our paid advertisement placement in response to a particular search term. We could also have to pay increased amounts should major search engines continue to become more concentrated. Additionally, we bid against our competitors, insurance carriers, government health insurance exchanges and others for the display of these paid search engine advertisements, which competition increases substantially during the enrollment periods for Medicare products as it relates to our Senior segment. The competition has increased the cost of paid advertising and has increased our marketing and advertising expenses. If paid search advertising costs increase or become cost prohibitive, whether as a result of competition, algorithm changes or otherwise, our

advertising expenses could materially increase or we could reduce or discontinue our paid search advertisements, either of which would harm our business, operating results, financial condition and prospects.

Our business could be harmed if we are unable to contact consumers or market the availability of our products by telephone.

Telephone calls from our sales centers may be blocked by or subject to consumer warnings from telephone carriers. Furthermore, our telephone messages to existing or potential customers may not be reliably received due to those consumers' call-screening practices. If we are unable to communicate effectively by telephone with our existing and potential customers as a result of legislation, blockage, screening technologies or otherwise, our business, operating results, financial condition and prospects could be harmed. We are also subject to compliance with significant regulations that may affect how we are able to communicate with consumers. See "—Our communications with potential and existing customers are subject to laws regulating telephone and email marketing practices" in this section.

Global economic conditions that affect the financial stability of our insurance carrier partners, vendors, and consumers could, in turn, materially and adversely affect our revenue and results of operations.

We are also exposed to risks associated with the potential financial instability of our insurance carrier partners and consumers, many of whom may be adversely affected by volatile conditions in the financial markets or an economic slowdown. As a result of uncertainties with respect to financial institutions and the global credit markets and other macroeconomic challenges, including inflation, currently or potentially affecting the economy of the U.S. and other parts of the world consumers may experience serious cash flow problems and other financial difficulties, decreasing demand for the products of our insurance carrier partners. In addition, events in the U.S. or foreign markets, such as the U.K.'s exit from the European Union, and political and social unrest in various countries around the world, can impact the global economy and capital markets. Our insurance carrier partners may modify, delay, or cancel plans to offer new products or may make changes in the mix of products purchased that are unfavorable to us. Additionally, if our insurance carrier partners are not successful in generating sufficient revenue or are precluded from securing financing, their businesses will suffer, which may materially and adversely affect our business, operating results, financial condition and prospects.

In addition, we are susceptible to risks associated with the potential financial instability of the vendors on which we rely to provide services or to whom we delegate certain functions. The same conditions that may affect consumers also could adversely affect our vendors, causing them to significantly and quickly increase their prices or reduce their output. Our business depends on our ability to perform, in an efficient and uninterrupted fashion, our necessary business functions, and any interruption in the services provided by third parties could also adversely affect our business, operating results and financial condition.

We may acquire other companies or technologies, which could divert our management's attention, result in additional dilution to our stockholders and otherwise disrupt our operations and harm our operating results, financial condition and prospects.

We may determine to grow our business through the acquisition of complementary businesses and technologies rather than through internal development. The identification of suitable acquisition candidates can be difficult, time-consuming and costly, and we may not be able to successfully complete identified acquisitions or the acquisitions may cause diversion of management time and focus away from operating our business. Following any acquisition, we may face difficulty integrating technology, finance and accounting, research and development, human resources, consumer information, and sales and marketing functions; challenges retaining acquired employees; future write-offs of intangibles or other assets; and potential litigation, claims or other known and unknown liabilities.

Depending on the condition of any company or technology we may acquire, that acquisition may, at least in the near term, adversely affect our financial condition and operating results and, if not successfully integrated with our organization, may continue to have such effects over a longer period. We may not realize the anticipated benefits

of any acquisitions and we may not be successful in overcoming these risks or any other problems encountered in connection with potential acquisitions. Our inability to overcome these risks could have an adverse effect on our profitability, return on equity and return on assets, our ability to implement our business strategy and enhance stockholder value, which, in turn, could have a material and adverse effect on our business, operating results, financial condition and prospects.

Future acquisitions also could result in dilutive issuances of our equity securities and the incurrence of debt, which could harm our financial condition.

Impairment of the carrying value of our goodwill or other intangible assets could adversely affect our financial condition and results of operations.

As a result of past acquisitions, we carry goodwill and other acquired intangible assets on our balance sheet. The Company allocates the fair value of purchase consideration to the tangible assets, liabilities, and intangible assets acquired in an acquisition based on their fair values, and any excess purchase price over those fair values is recorded as goodwill. The fair value assigned to intangible assets acquired is supported by valuations using significant estimates and assumptions provided by management.

We test goodwill for impairment annually as of April 1, and we test goodwill and intangible assets for impairment at other times if events have occurred or circumstances exist that indicate the carrying value may no longer be recoverable. A significant amount of judgment is involved in determining if an indication of impairment exists. Factors may include, among others: a significant decline in our expected future cash flows; a sustained, significant decline in our stock price and market capitalization; a significant adverse change in legal factors or in the business climate; unanticipated competition; the testing for recoverability of a significant asset group within a reporting unit; and slower growth rates.

During the year ended June 30, 2022, we recorded impairment charges of $3.1 million and $44.6 million related to our intangible assets and goodwill, respectively. If actual results differ from the assumptions and estimates used in our goodwill and intangible asset calculations, we could incur future impairment or amortization charges. Further, we may incur additional goodwill or other impairment charges in the future associated with other acquisitions, and we cannot accurately predict the amount and timing of any impairments of these or other assets. Should the value of goodwill or other intangible assets become impaired, there could be an adverse effect on our financial condition and results of operations. For further information about the impairments we recorded during our most recently completed fiscal year, please refer to “Notes to Consolidated Financial Statements” under Item 8 below.

Our existing and any future indebtedness could adversely affect our ability to operate our business.

Under the Senior Secured Credit Facility, we are required to maintain compliance with certain debt covenants, as discussed further below in Note 10 to the consolidated financial statements. Our indebtedness could have important consequences, including:

- requiring us to dedicate a substantial portion of our cash flow to payments on our indebtedness, which would reduce the amount of cash flow available to fund working capital, capital expenditures or other corporate purposes;

- increasing our vulnerability to general adverse economic, industry and market conditions;

- subjecting us to restrictive covenants, including restrictions on our ability to pay dividends and requiring the pledge of substantially all of our assets as collateral under our Senior Secured Credit Facilities, that may reduce our ability to take certain corporate actions or obtain further debt or equity financing;

- limiting our ability to plan for and respond to business opportunities or changes in our business or industry; and

- placing us at a competitive disadvantage compared to our competitors that have less debt or better debt servicing options.

In addition, our indebtedness under the Senior Secured Credit Facilities bears interest at a variable rate, making us vulnerable to increases in the market rate of interest. If the market rate of interest increases substantially, we will have to pay additional interest on this indebtedness, which would reduce cash available for our other business needs. From time to time, we may enter into, and have entered into, interest rate swaps that involve the exchange of floating for fixed-rate interest payments in order to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all or any of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk.

In our Quarterly Report on Form 10-Q for the three months ended March 31, 2022, we disclosed that there was substantial doubt about our ability to continue as a going concern as a result of conditions that existed as of March 31, 2022. Specifically, our financial projections indicated that we would not be in compliance with a certain asset coverage ratio under the Senior Secured Credit Facility within one year after the date that the consolidated financial statements were issued. Subsequently, we entered into the Fourth Amendment to the Senior Secured Credit Facility (as defined and discussed further in Note 10 to the consolidated financial statements) to amend the required debt covenants through October 31, 2024. Based on our financial projections, we believe we will remain in compliance with the revised debt covenants within one year after the date that the consolidated financial statements are issued. Our future compliance is dependent upon the successful implementation of our new strategic direction discussed above, and we will need to continue to stay in compliance in the future with these revised covenants for one year after the date our consolidated financial statements are issued. Failure to make payments or comply with covenants under our existing debt instruments could result in an event of default. If an event of default occurs and the lenders accelerate the amounts due on the Senior Secured Credit Facility, we may need to seek additional financing, which may not be available on acceptable terms, in a timely manner or at all. In such event, we may not be able to make accelerated payments, and the lenders could seek to enforce security interests in the collateral securing such indebtedness, which includes substantially all of our assets.

Operating and growing our business may require additional capital, and if capital is not available to us, our business, operating results, financial condition and prospects may suffer.

Operating and growing our business is expected to require further investments in our technology and operations. We may be presented with opportunities that we want to pursue, and unforeseen challenges may present themselves, any of which could cause us to require additional capital. Our business model does not require us to hold a significant amount of cash and cash equivalents at any given time, and if our cash needs exceed our expectations or we experience rapid growth, we could experience strain in our cash flow, which could adversely affect our operations in the event we were unable to obtain other sources of liquidity. If we seek to raise funds through equity or debt financing, those funds may prove to be unavailable, may only be available on terms that are not acceptable to us or may result in significant dilution to our stockholders or higher levels of leverage. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and our business, operating results, financial condition and prospects could be materially and adversely affected.

If we fail to protect our brand, our ability to expand the use of our agency services by consumers may be adversely affected.

Maintaining strong brand recognition and a reputation for delivering value to consumers is important to our business. A failure by us to protect our brand and deliver on these expectations could harm our reputation and damage our ability to attract and retain customers, which could adversely affect our business. In addition, many of our competitors have more resources than we do and can spend more advertising their brands and services. Accordingly, we could be forced to incur greater expense marketing our brand in the future to preserve our position in the market and, even with such greater expense, may not be successful in doing so. Furthermore, complaints or

negative publicity about our business practices, legal compliance, marketing and advertising campaigns, data privacy and security issues and other aspects of our business, whether valid or not, could damage our reputation and brand. If we are unable to maintain or enhance consumer awareness of our brand cost-effectively, our business, operating results, financial condition and prospects could be materially and adversely affected.

Seasonality may cause fluctuations in our financial results.

As a result of AEP occurring from October 15th to December 7th and OEP occurring from January 1st to March 31st, we experience an increase in the number of submitted Medicare-related applications during the second and third quarters of the fiscal year and an increase in Medicare plan related expense during the first and second quarters of the fiscal year. Accordingly, our financial results are not comparable from quarter to quarter. In addition, changes to the timing of the Medicare annual or open enrollment periods could result in changes in the cyclical nature of consumer demand for Medicare products, to which our Senior segment may not be able to adapt. If our Senior segment cannot successfully respond to changes in the seasonality of the Medicare business, our business, operating results, financial condition and prospects could be harmed.

We rely on our insurance carrier partners to prepare accurate commission reports and send them to us in a timely manner.

Our insurance carrier partners typically pay us a specified percentage of the premium amount collected by the carrier or a flat rate per policy during the period that a customer maintains coverage under a policy. We rely on carriers to report the amount of commissions we earn accurately and on time. We use carriers' commission reports to calculate our revenue, prepare our financial reports, projections and budgets and direct our marketing and other operating efforts. It is often difficult for us to independently determine whether or not carriers are reporting all commissions due to us, primarily because the majority of the purchasers of our insurance products who terminate their policies do so by discontinuing their premium payments to the carrier instead of by informing us of the cancellation. To the extent that carriers inaccurately or belatedly report the amount of commissions due to us, we may not be able to collect and recognize revenue to which we are entitled, which would harm our business, operating results, financial condition and prospects. In addition, the technological connections of our systems with the carriers' systems that provide us up-to-date information about coverage and commissions could fail or carriers could cease providing us with access to this information, which could impede our ability to compile our operating results in a timely manner.

Our operating results fluctuate depending upon insurance carrier payment and policy approval practices and the timing of our receipt of commission reports from our insurance carrier partners.

The timing of our revenue depends upon the timing of our insurance carrier partners' approval of the policies sold on our platform and submitted for their review, as well as the timing of our receipt of commission reports and associated payments from our insurance carrier partners. Although carriers typically report and pay commissions to us on a monthly basis, there have been instances where their report of commissions and payment has been delayed for several months or is incorrect. Incorrect or late commission reports or payments could result in a large amount of commission revenue from a carrier being recorded in a given quarter that is not indicative of the amount of revenue we may receive from that carrier in subsequent quarters, causing fluctuations in our operating results. We could report revenue below the expectations of our investors or securities analysts in any particular period if a material report or payment from an insurance carrier partner were delayed for any reason. Furthermore, we could incur substantial credit losses if one or more of the insurance carrier partners that we depend upon for payment of commissions were to fail

Our operating results will be impacted by factors that impact our estimate of the lifetime value of commissions per policyholder.

We recognize revenue based on the expected value approach. This approach utilizes a number of assumptions, which include, but are not limited to, legal and enforceable rights to renewal commissions upon contract termination when determining variable consideration, renewal commission rates, historical lapse data, and

premium increase data. These assumptions are based on historical trends and any changes in those historical trends will affect our estimated lifetime value estimates in future periods and therefore could adversely affect our revenue and financial results in those future periods. As a result, adverse changes in the assumptions we make in computing expected values, such as increased lapse rates, would harm our business, operating results, financial condition and prospects.

In particular, if customer lapse rates exceed our expectations, we may not receive the revenues we have projected to receive over time, despite our having incurred and recorded any related customer acquisition costs up front. Any adverse impact on customer lapse rates could lead to our receipt of commission payments that are less than the amount we estimated when we recognized commission revenue. Under such circumstances, we would need to record an adjustment to earnings to reverse the revenue previously recognized and write-off the remaining commissions receivable balance.

We have identified a material weakness in our internal control over financial reporting. If this material weakness is not remediated, our failure to establish and maintain effective disclosure controls and procedures and internal control over financial reporting could result in material misstatements in our financial statements and a failure to meet our reporting and financial obligations, each of which could have a material adverse effect on our financial condition and the trading price of our common stock.

As previously disclosed in our Form 10-K/A for the year ended June 30, 2021, filed with the SEC on February 14, 2022, and subsequent filings, management previously identified a material weakness in our internal control over financial reporting related to the first year revenue provision for certain final expense policies. As a result of the identification of this material weakness, management concluded that our internal control over financial reporting and disclosure controls and procedures were not effective as of June 30, 2021.

As discussed below in Item 9A., Controls and Procedures, management is in the process of designing and implementing controls as part of our remediation plan to address the material weakness. These remediation measures include designing a control to address the review of final expense aged receivables on a timely basis, designing a control to evaluate the completeness and accuracy of the final expense third party carrier information, and designing a control to evaluate the completeness and accuracy of the information used in the retrospective review of provision rates. We are in the process of designing and implementing these controls which will then need to operate for a sufficient period of time so that management can conclude that the Company's controls are operating effectively. As such, we can give no assurance that the measures taken have remediated the risk of a material misstatement in our financial statements. Further, there can be no assurance that additional material weaknesses will not arise in the future, and we cannot be certain we will be able to establish or maintain adequate controls over our financial processes and reporting in the future. If we are unable to maintain effective internal control over financial reporting, our ability to record, process, and report financial information timely and accurately could be adversely affected, which could subject the Company to litigation or investigations, require management resources, increase costs, negatively affect investor confidence, and adversely impact our stock price.

Risks Related to Our Intellectual Property and Our Technology

If we are unable to adequately protect our intellectual property, our ability to compete could be harmed.

We do not currently have any patents or patent applications pending to protect our intellectual property rights, but we do hold trademarks on our name, "SelectQuote," and on the phrase "We Shop. You Save." We rely on a combination of copyright, trademark, and trade secret laws and contractual agreements, as well as our internal system access security protocols, to establish, maintain and protect our intellectual property rights and technology. Despite efforts to protect our intellectual property, these laws, agreements and systems may not be sufficient to effectively prevent unauthorized disclosure or unauthorized use of our trade secrets or other confidential information or to prevent third parties from misappropriating our technology and offering similar or superior functionality. For example, monitoring and protecting our intellectual property rights can be challenging and costly, and we may not be effective in policing or prosecuting such unauthorized use or disclosure.

We also may fail to maintain or be unable to obtain adequate protections for certain of our intellectual property in the U.S. or certain foreign countries, and our intellectual property rights may not receive the same degree of protection in foreign countries as they would in the U.S. because of the differences in foreign trademark, copyright, and other laws concerning proprietary rights. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain. In addition, our competitors may attempt to copy unprotected aspects of our product design or independently develop similar technology or design around our intellectual property rights. Third parties also may take actions that diminish the value of our proprietary rights or our reputation or cause consumer confusion through the use of similar service names or domain names. Litigation regarding any intellectual property disputes may be costly and disruptive to us. Any of these results would harm our business, operating results, financial condition and prospects.

Additionally, we enter into confidentiality and invention assignment agreements with our employees and enter into confidentiality agreements with third parties, including suppliers and other partners. However, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how and trade secrets. Moreover, no assurance can be given that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation, reverse engineering or disclosure of our proprietary information, know-how and trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products and platform capabilities. These agreements may be breached, and we may not have adequate remedies for any such breach.

We may become subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

Third parties may be able to successfully challenge, oppose, invalidate, render unenforceable, dilute, misappropriate or circumvent our trademarks, copyrights and other intellectual property rights. Our success depends, in part, on our ability to develop and commercialize our products and services without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. However, we may not be aware that our products or services are infringing, misappropriating or otherwise violating third-party intellectual property rights and such third parties may bring claims alleging such infringement, misappropriation or violation.

Actions we may take to enforce our intellectual property rights may be expensive and divert management's attention away from the ordinary operation of our business, and our inability to secure and protect our intellectual property rights could materially and adversely affect our brand and business, operating results, financial condition and prospects. Furthermore, such enforcement actions, even if successful, may not result in an adequate remedy. In addition, many companies have the capability to dedicate greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. If a third party is able to obtain an injunction preventing us from accessing such third-party intellectual property rights, or if we cannot license or develop alternative technology for any infringing aspect of our business, we would be forced to limit or stop sales of our products and platform capabilities or cease business activities related to such intellectual property.

Although we carry general liability insurance, our insurance may not cover potential claims of this type or may not be adequate to indemnify us for all liability that may be imposed. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition or results of operations. Such claims could subject us to significant liability for damages and could result in our having to stop using technology found to be in violation of a third party's rights. Further, we might be required to seek a license for third-party intellectual property, which may not be available on reasonable royalty or other terms. Alternatively, we could be required to develop alternative non-infringing technology, which could require significant effort and expense. If we cannot license or develop technology for any infringing aspect of our business, we would be forced to limit our services, which could affect our ability to compete effectively. Any of these results would harm our business, operating results, financial condition and prospects.

Our business depends on our ability to maintain and improve the technological infrastructure that supports our distribution platform, and any significant disruption in service on our platform could result in a loss of consumers, which could harm our business, brand, operating results, financial condition and prospects.

Our ability to service consumers depends on the reliable performance of our technological infrastructure. Interruptions, delays or failures in these systems, whether due to adverse weather conditions, natural disasters, power loss, computer viruses, cybersecurity attacks, physical break-ins, terrorism, errors in our software or otherwise, could be prolonged and could affect the security or availability of our platform, and the ability of our agents to sell policies and our consumer care team to service those policies. The reliability and security of our systems, and those of our insurance carrier partners, is important not only to facilitating our sale of insurance products, but also to maintaining our reputation and ensuring the proper protection of our confidential and proprietary information. If we experience operational failures or prolonged disruptions or delays in the availability of our systems, we could lose current and potential customers, which could harm our operating results, financial condition and prospects.

Potential changes in applicable technology and consumer outreach techniques could have a material and adverse effect on our operating results, financial condition and prospects.

Changes in technology and consumer outreach techniques continue to shape the insurance distribution landscape. In recent years, consumers' behavior patterns, in particular their propensity to use online sources for research, product comparison and guidance, has changed and continues to change. Similarly, available technologies for reaching targeted groups of consumers also continues to evolve. We expect that we will incur costs in the future to adjust our systems to adapt to changing behaviors and technologies. In the future, technological innovations and changes in the way consumers engage with technology may materially and adversely affect our operating results, financial condition and prospects, if our business model and technological infrastructure do not evolve accordingly.

We rely on third-party service providers that provide the infrastructure for our technological systems, and any failure to maintain these relationships could harm our business.

Information technology systems form a key part of our business and accordingly we are dependent on our relationships with third parties that provide the infrastructure for our technological systems. If these third parties experience difficulty providing the services we require or meeting our standards for those services, or experience disruptions or financial distress or cease operations temporarily or permanently, it could make it difficult for us to operate some aspects of our business. In addition, such events could cause us to experience increased costs and delay our ability to provide services to consumers until we have found alternative sources of the services provided by these third parties. If we are unsuccessful in identifying high-quality partners, if we fail to negotiate cost-effective relationships with them or if we ineffectively manage these relationships, it could materially and adversely affect our business, operating results, financial condition and prospects.

Our business could be materially and adversely affected by a cybersecurity breach or other attack involving our computer systems or those of our insurance carrier partners or third-party service providers.

Our systems and those of our insurance carrier partners and third-party service providers could be vulnerable to hardware and cybersecurity issues. Our operations are dependent upon our ability to protect our computer equipment against damage from fire, power loss, telecommunications failure or a similar catastrophic event. We could also experience a breach by intentional or negligent conduct on the part of employees or other internal sources. Any damage or failure that causes an interruption in our operations could have an adverse effect on our business, operating results, financial condition and prospects. In addition, our operations are dependent upon our ability to protect the computer systems and network infrastructure utilized by us against damage from cybersecurity attacks by sophisticated third parties with substantial computing resources and capabilities and other disruptive problems caused by the internet or other users. Such disruptions would jeopardize the security of information stored in and transmitted through our computer systems and network infrastructure, which may result in significant liability and damage our reputation.

It is difficult or impossible to defend against every risk being posed by changing technologies as well as criminals' intent on committing cyber-crime and these measures may not be successful in preventing, detecting, or stopping attacks. The increasing sophistication and resources of cyber criminals and other non-state threat actors and increased actions by nation-state actors make keeping up with new threats difficult and could result in a breach of security. Controls employed by our information technology department and our insurance carrier partners and third-party service providers, including cloud vendors, could prove inadequate. A breach of our security that results in unauthorized access to our data could expose us to a disruption or challenges relating to our daily operations, as well as to data loss, litigation, damages, fines and penalties, significant increases in compliance costs and reputational damage, any of which could have a material and adverse effect on our business, operating results, financial condition and prospects.

To the extent we or our systems rely on our insurance carrier partners or third-party service providers, through either a connection to, or an integration with, those third-parties' systems, the risk of cybersecurity attacks and loss, corruption, or unauthorized publication of our information or the confidential information of consumers and employees may increase. Third-party risks may include lax security measures, data location uncertainty, and the possibility of data storage in inappropriate jurisdictions where laws or security measures may be inadequate.

Any or all of the issues above could adversely affect our ability to attract new customers and continue our relationship with existing customers, cause our insurance carrier partners to cancel their contracts with us or subject us to governmental or third-party lawsuits, investigations, regulatory fines or other actions or liability, thereby harming our business, operating results, financial condition and prospects. Although we are not aware of any material information security breaches to date, we have detected common types of attempts to attack our information systems and data.

We collect, process, store, share, disclose and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and brand and harm our business, operating results, financial condition and prospects.

The operation of our distribution platform involves the collection and storage of consumers' information, including personal information, and security breaches could expose us to a risk of loss or exposure of this information, which could result in potential liability, investigations, regulatory fines, litigation and remediation costs, as well as reputational harm, all of which could materially and adversely affect our business, operating results, financial condition and prospects. For example, unauthorized parties could steal our potential customers' names, email addresses, physical addresses, phone numbers and other information, including sensitive personal information and credit card payment information, which we collect when providing agency services.

We receive credit and debit card payment information and related data, which we input directly into our insurance carrier portal and in some cases, submit through a third party. With respect to the Life segment, for a few of our insurance carrier partners, we retain limited card payment information and related data, which is encrypted in compliance with Payment Card Industry standards, for a period of 90 days prior to being erased from our systems.

Any failure or perceived failure by us to comply with our privacy policies, our privacy-related obligations to consumers or other third parties, or our privacy-related legal obligations, or any compromise of security that results in the unauthorized release or transfer of sensitive information, which could include personally identifiable information or other user data, may result in governmental investigations, enforcement actions, regulatory fines, litigation and public statements against us by consumer advocacy groups or others, and could cause consumers and insurance carriers to lose trust in us, all of which could be costly and have an adverse effect on our business. Regulatory agencies or business partners may institute more stringent data protection requirements or certifications than those which we are currently subject to and, if we cannot comply with those standards in a timely manner, we may lose the ability to sell a carrier's products or process transactions containing payment information. Moreover, if third parties that we work with violate applicable laws or our policies, such violations also may put consumer or insurance carrier partner information at risk and could in turn harm our reputation, business, operating results, financial condition and prospects.

Risks Related to Laws and Regulation

Laws and regulations regulating insurance activities are complex and could have a material and adverse effect on our business, reduce our profitability, and potentially limit our growth.

The insurance industry in the United States is heavily regulated. The insurance regulatory framework addresses, among other things: granting licenses to companies and agents to transact particular business activities; and regulating trade, marketing, compensation and claims practices. For example, we are required by state regulators to maintain a valid license in each state in which we transact insurance business and comply with business practice requirements that vary from state to state. In addition, our agents who transact insurance business must also maintain valid licenses. Complying with the regulatory framework requires a meaningful dedication of management and financial resources. Due to the complexity, periodic modification and differing interpretations of insurance laws and regulations, we may not have always been, and we may not always be, in full compliance with them. There can be no assurance that we, our employees, consultants, contractors and other agents are in full compliance with current and/or future laws and regulations or interpretations. Any such non-compliance could impose material costs on us, result in limitations on the business we conduct or damage our relationship with regulatory bodies, our insurance carrier partners and consumers, any of which could have a material and adverse effect on our business, operating results, financial condition and prospects.

Regulatory authorities often have the discretion to grant, renew and revoke the various licenses and approvals we need to conduct our activities. Such authorities may require us to incur substantial costs in order to comply with such laws and regulations. Furthermore, laws and regulations are also subject to interpretation by regulatory authorities, and changes in any such interpretations may adversely impact our business and our ability to carry on our existing activities.

Furthermore, the laws and regulations governing the sale of insurance may change in ways that adversely impact our business. These changes could impact the manner in which we are permitted to conduct our business, could force us to reduce the compensation we receive or otherwise adversely impact our business, operating results, financial condition and prospects.

In addition, we are subject to laws and regulations with respect to matters regarding privacy and cybersecurity. See "—We collect, process, store, share, disclose and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and brand and harm our business, operating results, financial condition and prospects" and "—We may not be able to maintain compliance with all current and potentially applicable U.S. federal and state or foreign laws and regulations, and actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate could have a material adverse effect on our business" in this section.

Our Senior segment is subject to a complex legal and regulatory framework, and non-compliance with or changes in laws and regulations governing the marketing and sale of Medicare plans and other healthcare-related products and services could harm our business, operating results, financial condition and prospects.

Our Senior segment is subject to a complex legal and regulatory framework, and the laws and regulations governing the marketing and sale of Medicare plans, particularly with respect to regulations and guidance issued by CMS related to Medicare Advantage and Medicare Part D prescription drug plans, change frequently. Changes to the laws, regulations and guidelines relating to Medicare plans, their interpretation or the manner in which they are enforced could harm our business, operating results, financial condition and prospects.

Changes to laws, regulations, CMS guidance or the enforcement or interpretation of CMS guidance applicable to our Senior segment could cause insurance carriers or state departments of insurance to object to or not to approve aspects of our marketing materials and processes. As a result, those authorities may determine that certain aspects of our Senior segment are not in compliance with the current legal and regulatory framework. Any such determinations could delay or halt the operation of our Senior segment, which would harm our business,

operating results, financial condition and prospects, particularly if such delay or halt occurred during the Medicare annual or open enrollment periods.

Our business may be harmed by competition from government-run health insurance exchanges.

Our Senior segment competes with government-run health insurance exchanges with respect to our sale of Medicare-related health insurance. Potential and existing customers can shop for and purchase Medicare Advantage and Medicare Part D Prescription Drug plans through a website operated by the federal government and can also obtain plan selection assistance from the federal government in connection with their purchase of a Medicare Advantage and Medicare Part D Prescription Drug plan. Competition from government-run health insurance exchanges could increase our marketing costs, reduce our revenue and could otherwise harm our business, operating results, financial condition and prospects.

Changes and developments in the regulation of the healthcare industry could adversely affect our business.

The U.S. healthcare industry is subject to an evolving regulatory regime at both the federal and state levels. In recent years, there have been multiple reform efforts made within the healthcare industry in an effort to curtail healthcare costs. For example, the Patient Protection and Affordable Care Act of 2010 and related regulatory reforms have materially changed the regulation of health insurance. Changes to healthcare and insurance regulation arising from the effects of the COVID-19 pandemic may be possible. While it is difficult to determine the impact of potential reforms on our future business, it is possible that such changes in healthcare industry regulation could result in reduced demand for our insurance distribution services. Our insurance carrier partners may react to existing or future reforms, or general regulatory uncertainty, by reducing their reliance on our agents. Developments of this type could materially and adversely affect our business, operating results, financial condition and prospects.

Changes and developments in the health insurance system and laws and regulations governing the health insurance markets in the United States could materially and adversely affect our business, operating results, financial condition and prospects.

Our Senior segment depends upon the private sector of the U.S. insurance system, which is subject to rapidly evolving regulation. Accordingly, the future financial performance of our Senior segment will depend in part on our ability to adapt to regulatory developments. For example, healthcare reform could lead to increased competition in our industry, and the number of consumers shopping for insurance through our agents may decline. Various aspects of healthcare reform could also cause insurance carriers to discontinue certain health insurance products or prohibit us from distributing certain health insurance products in particular jurisdictions. Our Senior segment, operating results, financial condition and prospects may be materially and adversely affected if we are unable to adapt to developments in healthcare reform in the United States.

Healthcare laws and regulations are rapidly evolving and may change significantly in the future, impacting the coverage and plan designs that are or will be provided by certain insurance carriers. Health reform efforts and measures may expand the role of government-sponsored coverage, including single payer or so called “Medicare-for-All” proposals, which could have far-reaching implications for the insurance industry if enacted. Government regulation may change in response to the COVID-19 pandemic, which may have an adverse effect on our business. We are unable to predict the full impact of healthcare reform initiatives on our operations in light of the uncertainty regarding the terms and timing of any provisions enacted and the impact of any of those provisions on various healthcare and insurance industry participants. In particular, because our DTC platform provides consumers with a venue to shop for insurance policies from a curated panel of the nation’s leading insurance carriers, the expansion of government-sponsored coverage through “Medicare-for-All” or the implementation of a single-payer system may adversely impact our business.

Our business may be harmed if our website and marketing materials are not timely approved or do not comply with legal requirements.

Our insurance carrier partners whose Medicare plans we sell approve our website, much of our marketing material and our call scripts for our Senior segment. In the event that CMS or an insurance carrier partner requires changes to, disapproves, or delays approval of these materials, we could lose a significant source of Medicare plan demand and the operations of our Senior segment could be adversely affected. If we are not successful in timely receiving insurance carrier partner or CMS approval of our marketing materials, we could be prevented from implementing our Medicare marketing initiatives, which could harm our business, operating results, financial condition and prospects, particularly if such delay or non-compliance occurs during AEP or OEP. The CMS rules and regulations also apply to our marketing partners' marketing materials. If our marketing partners' marketing materials do not comply with the CMS marketing guidelines or other Medicare program related laws, rules and regulations, such non-compliance could result in our losing the ability to receive referrals of individuals interested in purchasing Medicare plans from that marketing partner or being delayed in doing so.

If our Senior segment substantively changes its marketing materials or call scripts, our insurance carrier partners may be required to re-file those materials with CMS. Due to our inability to make CMS filings ourselves and the need for further CMS review, it is very difficult and time consuming for us to make changes to our marketing materials, and our inability to timely make changes to these materials, whether to comply with new rules and regulations or otherwise, could adversely affect the results of operations for our Senior segment. In addition, we may be prevented from using any marketing material until any changes required by CMS or our insurance carrier partners are made and approved, which would harm our business, operating results, financial condition and prospects, particularly if such delay occurred during AEP or OEP.

Our businesses providing pharmacy care services face regulatory and operational risks and uncertainties that differ from the risks of our other businesses.

We provide pharmacy care services through Population Health and SelectRx. Each business is subject to federal and state anti-kickback, beneficiary inducement and other laws governing the relationships of the business with pharmaceutical manufacturers, physicians and other healthcare providers, pharmacies, customers and consumers. In addition, federal and state legislatures regularly consider new regulations for the industry which could materially affect current industry practices, including potential new legislation and regulations regarding the receipt or disclosure of rebates and other fees from pharmaceutical companies, the development and use of formularies and other utilization management tools, the use of average wholesale prices or other pricing benchmarks, pricing for specialty pharmaceuticals, limited access to networks, and pharmacy network reimbursement methodologies. SelectRx also conducts business through home delivery and specialty and compounding pharmacies, which subjects it to extensive federal, state and local laws and regulations, including those of the DEA and individual state controlled substance authorities, the Food and Drug Administration (FDA) and state boards of pharmacy.

We could face potential claims in connection with purported errors by our home delivery, specialty or compounding pharmacies, including as a result of the risks inherent in the packaging and distribution of pharmaceuticals and other health care products. Disruptions from any of our home delivery or specialty pharmacy services could materially and adversely affect our results of operations, financial position and cash flows.

We may not be able to maintain compliance with all current and potentially applicable U.S. federal and state or foreign laws and regulations, and actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate could have a material adverse effect on our business.

We are also subject to a variety of laws and regulations that involve matters central to our business, including with respect to user privacy and the collection, processing, storing, sharing, disclosing, using, transfer and protecting of personal information and other data. These laws and regulations constantly evolve and remain subject to significant change. In addition, the application and interpretation of these laws and regulations are often uncertain. Because we store, process and use data, some of which contain personal information, we are subject to complex and evolving federal, state and local laws and regulations regarding privacy, data protection and other matters. Many of these laws and regulations are subject to change and uncertain interpretation.

New York's cybersecurity regulation for financial services companies, including insurance entities under its jurisdiction, requires entities to establish and maintain a cybersecurity program designed to protect private consumer data. The regulation specifically provides for: (i) controls relating to the governance framework for a cybersecurity program; (ii) risk-based minimum standards for technology systems for data protection; (iii) minimum standards for cyber breach responses, including notice to the New York Department of Financial Services ("NYDFS") of material events; and (iv) identification and documentation of material deficiencies, remediation plans and annual certification of regulatory compliance with the NYDFS.

In addition, in October 2017, the National Association of Insurance Commissioners ("NAIC") adopted the Insurance Data Security Model Law (the "Cybersecurity Model Law"), which is intended to establish the standards for data security and for the investigation and notification of data breaches applicable to insurance licensees in states adopting such law. The Cybersecurity Model Law continues to be adopted by states since its inception. The law could impose significant new regulatory burdens intended to protect the confidentiality, integrity and availability of information systems, although the NAIC model law is functionally similar to the NYDFS rule.

Compliance with existing and emerging privacy and cybersecurity regulations could result in increased compliance costs and/or lead to changes in business practices and policies, and any failure to protect the confidentiality of client information could adversely affect our reputation, lend to private litigation against us, any of which could materially and adversely affect our business, operating results, financial condition and prospects.

Further, we incur substantial compliance costs as a result of being a public company. The Sarbanes-Oxley Act ("SOX"), the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the New York Stock Exchange (the "NYSE"), and other applicable securities rules and regulations impose various requirements on public companies that do not apply to private companies. In addition to increasing our legal and financial costs, complying with these requirements causes management and other personnel to divert attention from operational and other business matters to devote substantial time to public company corporate governance and reporting requirements.

From time to time we are subject to various legal proceedings that could adversely affect our business.

We are, and may in the future become, involved in various legal proceedings and governmental inquiries, including labor and employment-related claims, claims relating to our marketing or sale of health insurance, intellectual property claims, and claims relating to our compliance with securities laws. For example, we are involved in the matters discussed below under Item 8, Notes to Consolidated Financial Statements, and in August 2022 we received a subpoena from the United States Attorney's Office for the District of Massachusetts, seeking, among other things, information regarding our arrangements with our insurance carrier partners. Claims that are or may in the future be asserted against us, whether with or without merit, could be time-consuming and expensive to address, could divert management's attention and other resources, and/or could subject us to significant liability for damages and harm our reputation. Our insurance and indemnities may not cover all claims that may be asserted against us. If we are unsuccessful in our defense of these legal proceedings, we may be forced to pay damages or fines, enter into consent decrees, stop offering certain of our services, or change our business practices, any of which would harm our business, operating results, and financial condition.

Our communications with potential and existing customers are subject to laws regulating telephone and email marketing practices.

We make telephone calls and send emails and text messages to potential and existing customers. The United States regulates marketing by telephone and email and the laws and regulations governing the use of emails and telephone calls for marketing purposes continue to evolve, and changes in technology, the marketplace or consumer preferences may lead to the adoption of additional laws or regulations or changes in interpretation of existing laws or regulations. New laws or regulations, or changes to the manner in which existing laws and regulations or interpreted or enforced, may further restrict our ability to contact potential and existing customers by phone and email and could render us unable to communicate with consumers in a cost-effective fashion. The Telephone Consumer Protection Act (the "TCPA") prohibits companies from making telemarketing calls to numbers

listed in the Federal Do-Not-Call Registry and imposes other obligations and limitations on making phone calls and sending text messages to consumers. The CAN-SPAM Act regulates commercial email messages and specifies penalties for the transmission of commercial email messages that do not comply with certain requirements, such as providing an opt-out mechanism for stopping future emails from senders. We may be required to comply with these and similar laws, rules and regulations. Failure to comply with obligations and restrictions related to telephone, text message and email marketing could subject us to lawsuits, fines, statutory damages, consent decrees, injunctions, adverse publicity and other losses that could harm our business. We have policies in place to comply with the TCPA and other telemarketing laws. However, despite our legal compliance, we have in the past and may in the future become subject to claims that we have violated the TCPA.

Any legal liability for the information we communicate to consumers could harm our business and operating results.

Consumers rely upon information we communicate through our agency services regarding the insurance plans we distribute, including information relating to insurance premiums, coverage, benefits, exclusions, limitations, availability, and plan comparisons. If we provide inaccurate information or information that could be construed as misleading, or if we do not properly assist individuals in purchasing insurance, we could be found liable for related damages and our relationships with our insurance carrier partners and our standing with regulators could suffer.

General Risk Factors

Our quarterly and annual operating results or other operating metrics may fluctuate significantly and may not meet expectations of research analysts, which could cause the trading price of our common stock to decline.

Our quarterly and annual operating results and other operating metrics have fluctuated in the past and may in the future fluctuate as a result of a number of factors, many of which are outside of our control and may be difficult to predict. Period-to-period variability or unpredictability of our results could result in our failure to meet our expectations or those of any analysts that cover us or investors with respect to revenue or other operating results for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our common stock could fall substantially, and we could face litigation, including securities class actions.

We are required to make significant estimates and assumptions in the preparation of our financial statements. These estimates and assumptions may not be accurate and are subject to change.

The preparation of our consolidated financial statements in conformity with GAAP requires our management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of income and expense during the reporting periods. If our underlying estimates and assumptions prove to be incorrect or if events occur that require us to revise our previous estimates or assumptions, our business, operating results, financial condition and prospects may be materially and adversely affected.

We do not intend to pay dividends in the foreseeable future.

The declaration and amount of any future dividends to holders of our common stock will be at the discretion of our Board of Directors in accordance with applicable law and after taking into account various factors, including our financial condition, operating results, current and anticipated cash needs, cash flows, impact on our effective tax rate, indebtedness, contractual obligations, legal requirements and other factors that our Board of Directors deems relevant. Our Board of Directors intends to retain future earnings to finance the operation and expansion of our business. In addition, our Senior Secured Credit Facility contains restrictions on our ability to pay dividends, subject to certain exceptions. Accordingly, we do not expect to pay dividends in the foreseeable future. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The following table sets forth the location, approximate square footage and primary use of each of the principal properties we occupied as of August 29, 2022. All of the properties listed below are leased, and we believe our properties are in good operating condition and are suitable for their primary use. As the majority of our office lease footprint now represents a hybrid in-person and remote work model, we may continue to reduce our excess space through subleasing in areas of low utilization, where commercially reasonable and to the extent unnecessary for future expansion.

Location	Approximate Square Footage Leased	Approximate Square Footage Subleased	Approximate Square Footage Occupied	Primary Use
Overland Park, Kansas	243,320	148,212	95,108	Corporate headquarters, marketing and advertising, technical development, general and administrative, operations for all segments. Attempting to sublease underutilized space. Exercised early termination option for 42,046 of square footage currently leased, and must be fully vacated by July 31, 2023.
Centennial, Colorado	45,373	13,064	32,309	Partially vacated, attempting to sublease remaining space.
Des Moines, Iowa	24,464	—	24,464	Exercised early termination option and must be fully vacated by September 30, 2022.
Monaca, Pennsylvania	18,000	—	18,000	Senior segment (SelectRx) operations
Indianapolis, Indiana	17,904	—	17,904	Senior segment (SelectRx) operations
Oakland, California	8,623	—	8,623	Life segment operations
San Diego, California	5,874	—	5,874	Life segment operations

ITEM 3. LEGAL PROCEEDINGS

From time to time we are a party to various litigation matters incidental to the conduct of our business. These legal matters primarily involve claims for damages arising out of the use of the Company’s services, insurance regulatory claims, and claims relating to intellectual property matters, employment matters, tax matters, commercial disputes, competition and sales practices. The Company may also become subject to lawsuits as a result of past or future acquisitions or as a result of liabilities retained from, or representations, warranties or indemnities provided in connection with, divested businesses. We are not presently party to any legal proceedings the resolution of which we believe would have a material adverse effect on our business, prospects, financial condition, liquidity, results of operation, cash flows or capital levels. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to our business, prospects, financial condition, liquidity, results of operation, cash flows or capital levels. For additional details, see Part II, Item 8, Note 11, Commitments and Contingencies – “Legal Contingencies and Obligations,” in the notes to consolidated financial statements in Item 8 of this Annual Report on Form 10-K, which is incorporated herein by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock trades under the symbol “SLQT” on the NYSE and has been publicly traded since May 21, 2020. Prior to this time, there was no public market for our common stock.

As of July 31, 2022, there were approximately 100 common stockholders of record. The number of record holders is based upon the actual number of holders registered on our books at such date and does not include holders of shares in “street name” or persons, partnerships, associations, corporations or other entities identified in security position listings maintained by depository trust companies.

Use of Proceeds from the IPO

On May 26, 2020, we closed our IPO, in which we sold 18,000,000 shares of our common stock and certain selling stockholders sold an additional 14,775,000 shares of our common stock. The offer and sale of the shares in the IPO were registered under the Securities Act pursuant to a Registration Statement on Form S-1 (File No. 333-236555) effective as of February 21, 2020. There has been no material change in the use of proceeds from our IPO as described in our final prospectus filed with the SEC pursuant to Rule 424(b) of the Securities Act and other periodic reports previously filed with the SEC.

Dividend Policy

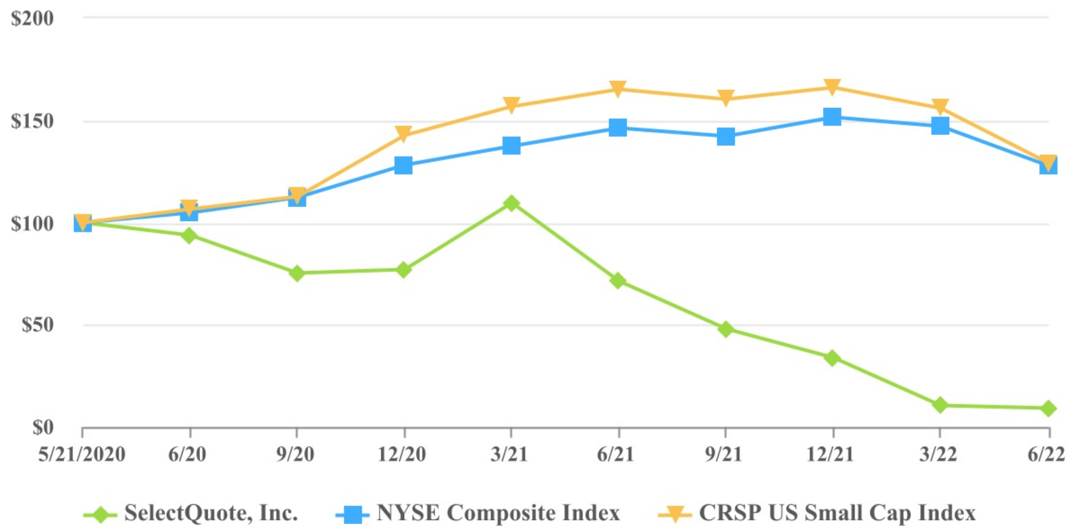
We do not anticipate declaring or paying any cash dividends on our common stock in the foreseeable future. Any future determination to declare and pay cash dividends, if any, will be made at the discretion of our Board of Directors and will depend on a variety of factors, including applicable laws, our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, general business or financial market conditions, and other factors our Board of Directors may deem relevant. In addition, our Senior Secured Credit Facility contains covenants that restrict our ability to pay cash dividends, subject to certain exceptions.

Issuer Purchases of Equity Securities

We did not repurchase any of our common stock during the year ended June 30, 2022.

Stock Performance Graph

The graph below compares the cumulative total return to stockholders on our common stock to the cumulative total return on the NYSE Composite Index and the Center for Research in Security Prices US Small Cap Index (the “CRSP US Small Cap Index”) for the period beginning on May 21, 2020 (the date our common stock commenced trading on the NYSE) through June 30, 2022. The graph assumes that $100 was invested in our common stock at the closing sales price of $27.00 per share on May 21, 2020, and in the NYSE Composite Index and the CRSP US Small Cap Index on May 21, 2020, and assumes reinvestment of any dividends. The stock price performance shown in the following graph is not intended to forecast or be indicative of possible future stock price performance.



	5/21/2020	06/20	09/20	12/20	03/21	06/21	09/21	12/21	03/22	06/22
SelectQuote, Inc.	$ 100.00	$ 93.81	$ 75.00	$ 76.85	$ 109.30	$ 71.33	$ 47.89	$ 33.56	$ 10.33	$ 9.19
NYSE Composite Index	$ 100.00	$ 104.78	$ 111.90	$ 127.95	$ 137.44	$ 145.84	$ 142.23	$ 151.20	$ 146.86	$ 127.63
CRSP US Small Cap Index	$ 100.00	$ 106.55	$ 112.35	$ 142.36	$ 156.47	$ 164.78	$ 160.01	$ 165.71	$ 155.68	$ 128.92

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and result of operations together with our consolidated financial statements and footnotes included elsewhere in this Annual Report on Form 10-K. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. Our actual results may differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" in Part I, Item 1A above.

Company Overview

We are a leading technology-enabled, direct-to-consumer ("DTC") distribution platform for insurance products and healthcare services that provides consumers with a transparent and convenient venue to shop for complex senior health, life, and auto & home insurance policies from a curated panel of the nation's leading insurance carriers. As an insurance distributor, we do not insure the consumer, but rather identify consumers looking to acquire insurance products and place these consumers with insurance carrier partners that provide these products and, in return, earn commissions from our insurance carrier partners for the policies we sell on their behalf. Because we are not the issuer of the insurance policy to the consumer, we bear no underwriting risks. Our proprietary technology allows us to take a broad funnel approach to marketing by analyzing and identifying high quality consumer leads sourced from a wide variety of online and offline marketing channels. Our primary sources of leads include search engine marketing, radio, television, and third-party marketing partners. We monitor our acquisition costs to dynamically allocate our marketing spend to the most attractive channel, benefiting from over thirty years of data accumulated through our proprietary, purpose-built technologies. Our advanced workflow processing system scores each acquired lead in real-time, matching it with an agent whom we determine is best suited to meet the consumer's need. Our platform then captures and utilizes our experience to further build upon the millions of data points that feed our marketing algorithms, which further enhances our ability to deploy subsequent marketing dollars efficiently and target more high-quality consumer leads. We have built our business model to maximize commissions collected over the life of an approved policy less the cost of acquiring the business, a metric we refer to as policyholder lifetime value and which is a key component to our overall profitability.

Our unique platform has enabled us to expand our distribution business in recent years to include additional products beyond insurance policies. In interacting with thousands of consumers over the years, we identified a large opportunity to leverage our existing database and distribution model to improve access to healthcare services. In addition to improving consumers' health outcomes, this service creates deeper relationships with our insurance carrier partners by increasing policy persistency and, in turn, reducing their overall costs. Additionally, we now offer pharmacy services through our closed-door, long-term care pharmacy, which offers essential prescription medications, OTC medications, customized medication packaging, medication therapy management, and other consultative services.

We evaluate our business using the following three segments:

SelectQuote Senior ("Senior"), our fastest growing and largest segment, was launched in 2010 and provides unbiased comparison shopping for Medicare Advantage ("MA") and Medicare Supplement ("MS") insurance plans as well as prescription drug and dental, vision, and hearing ("DVH") plans, and critical illness products. We represent approximately 21 leading, nationally-recognized insurance carrier partners, including UnitedHealthcare, Wellcare, and Humana. MA and MS plans accounted for 82%, 78%, and 77% of our approved Senior policies for the years ended June 30, 2022, 2021, and 2020, respectively, with other ancillary type policies accounting for the remainder. Additionally, InsideResponse (our lead generation business acquired in 2020) is included in Senior for segment reporting purposes.

In 2021, we expanded our Senior product offering with the introduction of Population Health and SelectRx (together, "Healthcare Services"). Through Population Health, consumers receive one-on-one assistance from our CSAs who help patients understand the benefits available under their health plans and connect them with additional healthcare related resources. We believe that offering this service to our existing MA consumers helps drive customer satisfaction and increase policy persistency, which, in turn, reduces costs for our insurance carrier partners. Through SelectRx, our closed-door, long-term care pharmacy, we provide simple solutions for prescription drug management and support with a personalized approach to streamline the process of managing multiple medications for seniors with chronic conditions. SelectRx uses a high-touch, technology-driven approach to provide superior customer service and achieve improved medication adherence. SelectRx has developed a pill pack solution that is customized to the unique needs of each patient, focusing on individual multi-dosages by day and time.

SelectQuote Life ("Life") is one of the country's largest and most established DTC insurance distributors for term life insurance, having sold over 2.1 million policies nationwide since our founding in 1985. Our platform provides unbiased comparison shopping for life insurance products such as term life, final expense, and other ancillary products like critical illness, accidental death, and juvenile insurance. We represent approximately 22 leading, nationally-recognized insurance carrier partners, with many of these relationships exceeding 15 years. Term life policies accounted for 36%, 46%, and 68% of new premium within the Life segment for the years ended June 30, 2022, 2021, and 2020, respectively, with final expense policies accounting for 64%, 54%, and 32% for the years ended June 30, 2022, 2021, and 2020, respectively.

SelectQuote Auto & Home ("Auto & Home") was founded in 2011 as an unbiased comparison shopping platform for auto, home, and specialty insurance lines. Our platform provides unbiased comparison shopping for insurance products such as homeowners, auto, dwelling fire, and other ancillary insurance products underwritten by approximately 22 leading, nationally recognized insurance carrier partners. Homeowners and 12-month auto products accounted for 76%, 79%, and 78% of new premium within the Auto & Home segment for years ended June 30, 2022, 2021, and 2020, respectively, with six-month auto, dwelling fire, and other products accounting for a majority of the remainder.

Industry Trends

We estimate that the total addressable market for the insurance products we distribute is greater than $180 billion. Further, while these markets are already substantial, they are also growing, in part due to a number of highly attractive demographic trends. Our Senior segment serves consumers predominantly in the over 65 age category. The over 65 age category grew at a 3.4% CAGR from 2010 to 2016, and grew from 12.9% of the total population to 15.2% of the total population according to the United States Census Bureau. The over 65 age category, growing at a 3.2% CAGR from 2016 to 2025, accounted for 15.6% of the population in 2020 and is expected to account for 18.9% of the population by 2025 according to the United States Census Bureau. On average, 11,000 "Baby Boomers" are expected to turn 65 every day or nearly 4.2 million per year, for the next 10 years. As a result, Medicare enrollment is growing steadily, with the number of Medicare enrollees expected to grow from 63 million in 2021 (up from 59 million in 2018 and 52.5 million in 2013), to approximately 82 million in 2030, according to CSG Actuarial, with 55% of people above 65 and older making online purchases monthly. Of this, Medicare Advantage plans are representing an increasing share of the Medicare market. At the end of 2019, there were approximately 34 million Medicare Advantage enrollees, representing approximately 44% penetration of the Medicare market. According to LEK Consulting, in 2021, 42% of all Medicare beneficiaries were enrolled in Medicare Advantage plans and between 2020 and 2021, total Medicare Advantage enrollment grew by about 2.4 million individuals. According to estimates, Medicare Advantage penetration is likely to reach 50% penetration for all Medicare-eligible individuals by 2025 and could reach as high as 60% to 70% between 2030 and 2040, highlighting the pace with which this already large segment of the Medicare market is growing. The degree to which we will realize a corresponding increase in revenue will be determined by our ability to continue to successfully place new Medicare policies for this enlarged potential consumer base.

Our Life segment is one of the country's largest DTC insurance distributors for term life insurance and provides unbiased comparison shopping for final expense and ancillary products. The U.S. life insurance market is mature and has experienced annual premium growth of 1.4% since 2013, according to S&P Global. Growth in the

life insurance sector is driven by a number of macro-economic factors including population growth, general economic growth and individual wealth accumulation.

Our Auto & Home segment predominantly sells automobile and homeowners insurance. The auto insurance industry has grown at an annual rate of 6.3% from 2013—2018 based on Statutory Direct Premiums Written, according to S&P Global, with 2018 written premium totaling $247 billion. Industry growth is driven by growth in the number of registered vehicles, increases in insurance premium rates and general economic growth. The homeowners insurance industry has grown at an annual rate of 3.8% from 2013—2018 based on Statutory Direct Premiums Written, according to S&P Global, with 2018 written premium totaling $99 billion. Industry growth is driven by growth in housing supply, increases in insurance premium rates and general economic growth.

Technological innovations, including the development of machine learning for business applications and the proliferation of smart mobile devices as a means of consumer purchasing, are changing the insurance distribution landscape. As the composition of the U.S. population gradually shifts to the mobile-first generation, consumers are becoming more tech-savvy and comfortable shopping online. The internet plays a role in 8 out of 10 life insurance purchases, according to LIMRA. Additionally, 71% of U.S. auto insurance shoppers obtain online quotes annually, according to Comscore. We believe our proprietary technology platform, vast datasets and use of machine learning in all aspects of our business put us in an excellent position to take advantage of these consumer trends.

Factors Affecting Our Results of Operations

Our primary source of revenue is commission revenue from selling policies in the senior health, life, and auto and home markets on behalf of our insurance carrier partners, the majority of which compensate us through first year and renewal commissions. We use our proprietary technology and processes to generate and obtain consumer leads and allocate those leads to agents who are best suited for those consumers. As a result, one of the primary factors affecting our growth is our total number of agents, comprised of both existing core agents and the number of new flex agents that we hire and train to sell new policies. We view agents as a critical component of helping consumers through the purchasing process to enable them to identify the most appropriate coverage that suits their needs. Through our years of experience, we have expanded our recruiting efforts and enhanced our training programs, both of which have allowed us to expand our agent force. We have also developed proprietary technologies and processes that enable us to expand our lead acquisition efforts to keep pace with our expanding sales force and maintain agent productivity despite the significant growth in number of agents.

The amount of revenue we expect to recognize per policy is based on multiple factors, including our commission rates with our insurance carrier partners and the expected retention rates of different types of policies. The higher our retention rates, the more revenue we expect to generate pursuant to our carrier agreements, which generally entitle us to receive annual renewal commissions for so long as the policyholder renews their policy. Additionally, we earn certain volume-based bonuses from some carriers on first-year policies sold, which we refer to as both production bonuses and marketing development funds, based on attaining various predetermined target sales levels or other agreed upon objectives, as presented in the consolidated statements of comprehensive income as production bonus revenue. These commissions that we expect to generate over the life of an approved policy less the cost of acquiring the business is a key component to our overall profitability. Our goal is to maximize policyholder lifetime value by increasing retention rates, which starts by providing consumers with a transparent, valuable and best-in-class consumer experience and making sure consumers are buying a policy that meets their specific needs.

Recent Events

As previously disclosed in our Current Reports on Form 8-K filed with the SEC on February 7 and May 5, 2022, respectively, we updated our operating strategy in the second half of the 2022 fiscal year in response to significant changes in the insurance distribution market observed in late 2021. Our updated strategy is designed to improve short-term cash efficiency and long-term profitability by stabilizing the growth of our MA distribution business and focusing additional efforts on the growth of Healthcare Services. One key element of this strategy is mitigating our operational risk by embracing a growth strategy that reduces our operating leverage and prioritizes our returns. At the core of this approach is a planned pullback in our Medicare policy production to allow us to

refine our sales, marketing, and operational approach to place greater emphasis on cash efficiency, profitability, and writing business with greater potential to persist over the long term. Additionally, our strategic direction provides a differentiated approach to broader healthcare services that we believe will create a significant competitive advantage in the years ahead. For additional information about our updated strategy, please refer to our Current Report on Form 8-K filed with the SEC on August 18, 2022.

Immaterial Correction of Prior Period Financial Statements

Subsequent to the issuance of our financial statements as of and for the year ended June 30, 2021, we determined that the provision for first year commission revenue for certain final expense policies offered by certain of our insurance carrier partners should have been accrued based on a higher lapse rate. This misstatement was initially thought to be isolated to an error in the lapse rate for one of our insurance carrier partners, as disclosed in the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2021. However, during the three months ended June 30, 2022, it was determined that the lapse rate for other insurance carrier partners were also incorrect, resulting in an additional misstatement being identified. See note 1 to the consolidated financial statements for further details. As a result of the misstatements found, we have corrected certain previously reported financial information for the year ended June 30, 2021 and 2020, in this Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

Key Business and Operating Metrics by Segment

In addition to traditional financial metrics, we rely upon certain business and operating metrics to estimate and recognize commission revenue, evaluate our business performance and facilitate our operations. In Senior, our primary product, Medicare Advantage, pays us flat commission rates based on the number of policies we sell on behalf of our insurance carrier partners. Therefore, we have determined that units and unit metrics are the most appropriate measures to evaluate the performance of Senior. In Life and Auto & Home, we are typically paid a commission that is a percent of the premium that we generate for our insurance carrier partners. Therefore, we have determined that premium-based metrics are the most relevant measures to evaluate the performance of these segments. Below are the most relevant business and operating metrics for each segment:

Senior

Submitted Policies

Submitted policies are counted when an individual completes an application with our licensed agent and provides authorization to them to submit it to the insurance carrier partner. The applicant may have additional actions to take before the application will be reviewed by the insurance carrier.

The following table shows the number of submitted policies for the years ended June 30:

	2022	2021	2020
Medicare Advantage	808,116	550,321	264,546
Medicare Supplement	7,208	26,785	24,085
Dental, Vision and Hearing	145,716	132,106	70,018
Prescription Drug Plan	6,842	11,436	13,513
Other	14,776	16,487	5,890
Total	982,658	737,135	378,052

2022 compared to 2021—Total submitted policies increased by 33% for the year ended June 30, 2022, compared to the year ended June 30, 2021. The increase was driven primarily by a 47% increase in MA submitted policies and a 10% increase in DVH submitted policies, partially offset by a 73% decrease in MS submitted policies. The overall increase in submitted policies for Senior products was primarily due to increases in the number of agents

we employ, partially offset by lower agent productivity. During the year ended June 30, 2022, we increased the number of average productive agents by 100% and average productivity per agent declined by 29%.

2021 compared to 2020—Total submitted policies increased by 95% for the year ended June 30, 2021, compared to the year ended June 30, 2020. The increase was driven primarily by a 108% increase in MA submitted policies and an 89% increase in DVH submitted policies. The overall increase in submitted policies for Senior products was primarily due to an increase in the number of agents we employ and an increase in productivity per agent. During the year ended June 30, 2021, we increased the number of average productive agents by approximately 75% and increased the productivity per productive agent by 16% from the year ended June 30, 2020. The increase in productivity was driven by improvements in agent close rates and enhancements to our agent workflow and desktop.

Approved Policies

Approved policies represents the number of submitted policies that were approved by our insurance carrier partners for the identified product during the indicated period. Not all approved policies will go in force.

The following table shows the number of approved policies for the years ended June 30:

	2022	2021	2020
Medicare Advantage	661,738	467,585	225,404
Medicare Supplement	5,461	21,911	18,102
Dental, Vision and Hearing	124,989	111,015	55,556
Prescription Drug Plan	6,124	10,747	13,009
Other	12,407	14,089	4,654
Total	810,719	625,347	316,725

In general, the relationship between submitted policies and approved policies has been steady over time. Therefore, factors impacting the number of submitted policies also impact the number of approved policies.

2022 compared to 2021—Total approved policies increased by 30% for the year ended June 30, 2022, compared to the year ended June 30, 2021. The increase was driven primarily by a 42% increase in MA approved policies and a 13% increase in DVH approved policies, partially offset by a 75% decrease in MS approved policies. Fluctuations in approved policies are in direct correlation to submitted policies; however, this year we experienced a 4% decrease in MA submitted-to-approved conversion rates for the year ended June 30, 2022, compared to the year ended June 30, 2021, driven by higher consumer switching behavior. This resulted in MA approved policies growing at a slower rate than MA submitted policies.

2021 compared to 2020—Total approved policies increased by 97% for the year ended June 30, 2021, compared to the year ended June 30, 2020. The increase was driven primarily by a 107% increase in MA approved policies, 100% increase in DVH approved policies, and a 21% increase in MS approved policies. Fluctuations in approved policies are in direct correlation to submitted policies; therefore, the increases in the number of agents and the increased agent productivity noted above also resulted in the increase in approved policies compared to the year ended June 30, 2020.

Lifetime Value of Commissions per Approved Policy

The lifetime value of commissions (the “LTV”) per approved policy represents commissions estimated to be collected over the estimated life of an approved policy based on multiple factors, including but not limited to, contracted commission rates, carrier mix and expected policy persistency with applied constraints. The LTV per approved policy is equal to the sum of the commission revenue due upon the initial sale of a policy, and when applicable, an estimate of future renewal commissions. The estimate of the future renewal commissions is

determined using contracted renewal commission rates constrained by a persistency-adjusted 10-year renewal period based on a combination of our historical experience and available insurance carrier historical experience to estimate renewal revenue only to the extent probable that a material reversal in revenue would not be expected to occur. These factors may result in varying values from period to period. The LTV per approved policy represents commissions only from policies sold during the period. That figure excludes renewals during the period from policies originally sold in a prior period with insurance carrier partners whose contracts preclude us from recognizing variable consideration for estimated renewal commissions and updated estimates of prior period variable consideration based on actual policy renewals in the current period.

The following table shows the LTV per approved policy for the years ended June 30:

	2022	2021	2020
Medicare Advantage	$ 925	$ 1,260	$ 1,287
Medicare Supplement	1,270	1,269	1,376
Dental, Vision and Hearing	123	136	140
Prescription Drug Plan	234	224	229
Other	73	113	34

2022 compared to 2021—The LTV per MA approved policy decreased 27% for the year ended June 30, 2022, compared to the year ended June 30, 2021. The LTV per MA approved policy was negatively impacted by lower MA persistency rates, which includes an increase in constraint and higher provision for renewal year lapse rates; higher provision for first year lapse rates; carrier mix; and the switch to policy level persistency, somewhat offset by higher commission rates.

2021 compared to 2020—The LTV per MA and MS approved policy decreased 2% and 8%, respectively, for the year ended June 30, 2021, compared to the year ended June 30, 2020. The LTV per MA approved policy was negatively impacted by lower MA persistency rates, higher intra-year lapse rates and carrier mix, somewhat offset by higher commission rates. The LTV per MS approved policy was negatively impacted by a carrier mix shift of policies to a direct carrier pod that pays us lower commissions but has lower marketing costs.

Per Unit Economics

Per unit economics represents total MA and MS commissions, other product commissions, other revenues, and costs associated with Senior, each shown per number of approved MA and MS approved policies over a given time period. Management assesses the business on a per-unit basis to help ensure that the revenue opportunity associated with a successful policy sale is attractive relative to the marketing acquisition cost. Because not all acquired leads result in a successful policy sale, all per-policy metrics are based on approved policies, which is the measure that triggers revenue recognition.

The MA and MS commission per MA/MS policy represents the LTV for policies sold in the period. Other commission per MA/MS policy represents the LTV for other products sold in the period, including DVH prescription drug plan, and other products, which management views as additional commission revenue on our agents' core function of MA/MS policy sales. Other per MA/MS policy represents the production bonuses, marketing development funds, lead generation revenue from InsideResponse, revenue generated through Healthcare Services, and updated estimates of prior period variable consideration based on actual policy renewals in the current period. Total operating expenses per MA/MS policy represents all of the operating expenses within Senior. The Revenue to customer acquisition cost ("CAC") multiple represents total revenue per MA/MS policy as a multiple of total marketing acquisition cost, which represents the direct costs of acquiring leads. These costs are included in marketing and advertising expense within the total operating expenses per MA/MS policy.

The following table shows per unit economics for the periods presented. Based on the seasonality of Senior and the fluctuations between quarters, we believe that the most relevant view of per unit economics is on a rolling

12-month basis. All per MA/MS policy metrics below are based on the sum of approved MA/MS policies, as both products have similar commission profiles. These metrics are the basis on which management assesses the business.

	Twelve Months Ended June 30,		
(dollars per approved policy):	2022	2021	2020
MA and MS approved policies	667,199	489,496	243,506
MA and MS commission per MA / MS policy	$ 928	$ 1,260	$ 1,293
Other commission per MA/MS policy	27	39	45
Other per MA / MS policy	(62)	190	147
Total revenue per MA / MS policy	893	1,489	1,485
Total operating expenses per MA / MS policy	(1,183)	(991)	(887)
Adjusted EBITDA per MA / MS policy [(1)]	$ (290)	$ 498	$ 598
Adjusted EBITDA Margin per MA / MS policy [(1)]	(32)%	33 %	40 %
Revenue / CAC multiple	1.8X	3X	3.5X

(1) These financial measures are not calculated in accordance with GAAP. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for information regarding our use of these non-GAAP financial measures and a reconciliation of such measures to their nearest comparable financial measures calculated and presented in accordance with GAAP.

2022 compared to 2021—Total revenue per policy decreased 40% for the twelve months ended June 30, 2022, compared to the twelve months ended June 30, 2021, with the decrease driven by the lower LTV of MA policies, the $193.3 million adjustment from a change in estimate of MA cohort transaction prices, and the decrease in overall MS revenue, somewhat offset by higher marketing development funds received per approved MA/MS policy and the addition of revenue from SelectRx. Total costs per policy increased 19% for the twelve months ended June 30, 2022, compared to the twelve months ended June 30, 2021, due to higher fulfillment costs associated with scaling Healthcare Services, higher sales expenses driven by a reduction in agent productivity during AEP, and an increase in our marketing and advertising expense driven by lower close rates during AEP.

2021 compared to 2020—Total revenue per policy stayed flat for the twelve months ended June 30, 2021, compared to the twelve months ended June 30, 2020, due to lower MA/MS commissions driven by lower persistency, a decrease in the amount of other ancillary insurance policies sold as a percent of MA/MS policies, and lower marketing development funds received per approved MA/MS policy due to a shift in mix towards carriers that do not pay us marketing development funds, offset by higher lead generation revenue associated with InsideResponse. Total cost per policy increased 12% for the twelve months ended June 30, 2021, compared to the twelve months ended June 30, 2020, due to an increase in our marketing and advertising expense consistent with our strategy to drive higher absolute revenue and Adjusted EBITDA with slightly lower Adjusted EBITDA margin.

Life

Life premium represents the total premium value for all policies that were approved by the relevant insurance carrier partner and for which the policy document was sent to the policyholder and payment information was received by the relevant insurance carrier partner during the indicated period. Because our commissions are earned based on a percentage of total premium, total premium volume for a given period is the key driver of revenue for Life.

The following table shows term and final expense premiums for years ended June 30:

(in thousands):	2022	2021	2020
Term Premiums	$ 62,364	$ 76,833	$ 76,800
Final Expense Premiums	109,218	90,878	35,997
Total	$ 171,582	$ 167,711	$ 112,797

2022 compared to 2021—Total term premiums decreased 19% for the year ended June 30, 2022, compared to the year ended June 30, 2021. The number of policies sold declined 27%, driven by lower agent headcount, which was somewhat offset by a 12% increase in the average premium per policy sold. Final expense premiums increased 20% for the year ended June 30, 2022, compared to the year ended June 30, 2021, due to an increase in the number of agents selling final expense policies.

2021 compared to 2020—Total core premiums were flat for the year ended June 30, 2021, compared to the year ended June 30, 2020. The number of policies sold declined 24%, which was somewhat offset by a 22% increase in the average premium per policy sold. Final expense premiums increased 152% for the year ended June 30, 2021, compared to the year ended June 30, 2020, due to a significant increase in the number of agents selling final expense policies.

Auto & Home

Auto & Home premium represents the total premium value of all new policies that were approved by our insurance carrier partners during the indicated period. Because our commissions are earned based on a percentage of total premium, total premium volume for a given period is the key driver of revenue for our Auto & Home segment.

The following table shows premiums for the years ended June 30:

(in thousands):	2022	2021	2020
Premiums	$ 50,114	$ 55,596	$ 70,087

2022 compared to 2021—Total premiums decreased 10% for the year ended June 30, 2022, compared to the year ended June 30, 2021, primarily due to our strategy to reduce the growth in Auto & Home.

2021 compared to 2020—Total premiums decreased 21% for the year ended June 30, 2021 compared to the year ended June 30, 2020, primarily due to our strategic shift of agents from Auto & Home to our Senior and Life divisions.

Non-GAAP Financial Measures

To supplement our financial statements presented in accordance with GAAP and to provide investors with additional information regarding our GAAP financial results, we have presented in this Annual Report on Form 10-K Adjusted EBITDA and Adjusted EBITDA Margin, which are non-GAAP financial measures. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similarly titled measures presented by other companies.

Adjusted EBITDA. We define Adjusted EBITDA as income (loss) before interest expense, income tax expense (benefit), depreciation and amortization, and certain add-backs for non-cash or non-recurring expenses, including restructuring, share-based compensation expenses, and any impairment charges. The most directly comparable GAAP measure is net income (loss). We monitor and have presented in this Annual Report on Form 10-K Adjusted EBITDA because it is a key measure used by our management and Board of Directors to understand and evaluate our operating performance, to establish budgets, and to develop operational goals for managing our business. In particular, we believe that excluding the impact of these expenses in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core operating performance.

We believe that this non-GAAP financial measure helps identify underlying trends in our business that could otherwise be masked by the effect of the expenses that we exclude in the calculations of this non-GAAP financial measure. Accordingly, we believe that this financial measure provides useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects.

Adjusted EBITDA is not prepared in accordance with GAAP and should not be considered in isolation of, or as an alternative to, measures prepared in accordance with GAAP. There are a number of limitations related to the use of this non-GAAP financial measure rather than net income (loss), which is the most directly comparable financial measure calculated and presented in accordance with GAAP. These limitations include the fact that Adjusted EBITDA excludes interest expense, depreciation and amortization expense, share-based compensation expense, income tax expense (benefit), and other non-recurring expenses that are one-time in nature. In addition, other companies may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison.

The following tables reconcile Adjusted EBITDA and net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, for the periods presented:

Year Ended June 30, 2022:

(in thousands)	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Net loss					$ (297,504)
Share-based compensation expense					7,052
Non-recurring expenses [1]					4,730
Depreciation and amortization					24,724
Loss on disposal of property, equipment, and software, net					1,456
Goodwill impairment					44,596
Impairment of long-lived assets					3,147
Interest expense, net					43,595
Income tax benefit					(92,302)
Adjusted EBITDA	$ (193,799)	$ (129)	$ 5,433	$ (72,011)	$ (260,506)

(1) These expenses primarily consist of costs incurred for amendments to the Senior Secured Credit Facility, costs related to acquisitions, and severance expenses.

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Year Ended June 30, 2021:

	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Net income					$ 124,859
Share-based compensation expense					5,165
Non-recurring expenses [(1)]					6,065
Fair value adjustments to contingent earnout obligations					1,488
Depreciation and amortization					16,142
Loss on disposal of property, equipment, and software					686
Interest expense					29,320
Loss on extinguishment of debt					3,315
Income tax expense					33,156
Adjusted EBITDA	$ 243,777	$ 22,542	$ 8,178	$ (54,301)	$ 220,196

(1) These expenses primarily consist of costs incurred for the First Amendment to the Senior Secured Credit Facility, recent acquisitions, re-designation of the hedge, and the Secondary Offering.

Year Ended June 30, 2020:

	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Net income					$ 79,484
Share-based compensation expense					9,498
Non-recurring expenses [(1)]					3,721
Fair value adjustments to contingent earnout obligations					375
Depreciation and amortization					7,993
Loss on disposal of property, equipment, and software					360
Restructuring expenses [(2)]					153
Interest expense, net					24,595
Loss on extinguishment of debt					1,166
Income tax expense					24,502
Adjusted EBITDA	$ 145,738	$ 25,635	$ 8,699	$ (28,225)	$ 151,847

(1) These expenses consist of one-time consulting expenses associated with adopting ASC 606, non-recurring compensation to certain former board members, non-restructuring severance expenses, employer payroll taxes on the one-time Distribution to stock option holders, costs related to our IPO, cost related to the acquisition of InsideResponse, and expenses related to business continuity in response to the COVID-19 pandemic.

Key Components of our Results of Operations

The following table sets forth our operating results and related percentage of total revenues for the years ended June 30:

(in thousands)	2022		2021		2020	
Revenue						
Commission	$ 587,518	77 %	$ 818,772	88 %	$ 474,429	90 %
Production bonus	89,057	12 %	70,653	8 %	50,308	10 %
Other	87,470	11 %	40,556	4 %	4,601	— %
Total revenue	764,045	100 %	929,981	100 %	529,338	100 %
Operating costs and expenses						
Cost of revenue	466,808	61 %	270,715	29 %	167,399	32 %
Marketing and advertising	484,084	63 %	385,291	41 %	184,157	35 %
General and administrative	89,837	12 %	63,114	7 %	35,283	7 %
Technical development	24,729	3 %	18,623	2 %	12,347	2 %
Goodwill Impairment	44,596	6 %	—	— %	—	— %
Total operating costs and expenses	1,110,054	145 %	737,743	79 %	399,186	76 %
Income (loss) from operations	(346,009)	(45)%	192,238	21 %	130,152	25 %
Interest expense, net	(43,595)	(6)%	(29,320)	(3)%	(24,595)	(5)%
Loss on extinguishment of debt	—	— %	(3,315)	— %	(1,166)	— %
Other expense, net	(202)	— %	(1,588)	— %	(405)	— %
Income (loss) before income tax expense (benefit)	(389,806)	(51)%	158,015	18 %	103,986	20 %
Income tax expense (benefit)	(92,302)	(12)%	33,156	4 %	24,502	5 %
Net income (loss)	$ (297,504)	(39)%	$ 124,859	14 %	$ 79,484	15 %

Revenue

Our primary source of revenue are the commissions earned for the sale of first year and renewal policies from our insurance carrier partners, which are presented in our consolidated statements of comprehensive income as commission revenue. Additionally, we earn certain volume-based bonuses from some carriers on first-year policies sold, which we refer to as both production bonuses and marketing development funds, based on attaining various predetermined target sales levels or other agreed upon objectives, as presented in the consolidated statements of comprehensive income as production bonus revenue. Other revenue includes the lead generation revenue from InsideResponse and the revenue generated through Healthcare Services.

Our commission contracts with our insurance carrier partners contain a single performance obligation satisfied at the point in time to which we allocate the total transaction price. The transaction price is identified as the first year commission due upon the initial sale of a policy as well as an estimate of future renewal commissions and production bonus revenue when applicable. After a policy is sold, we have no material additional or recurring obligations to the policyholder or the insurance carrier partner. Therefore, we do not incur any additional expense related to our receipt of future renewal commissions or production bonus revenue. All of the costs associated with the sale of an individual policy are incurred prior to or at the time of the initial sale of an individual policy. Revenue is recognized at different milestones for each segment based on the contractual enforceable rights, our historical experience, and established customer business practices. Refer to Note 1 to the consolidated financial statements for further details by segment. InsideResponse's lead generation revenue is recognized when the generated lead is accepted by our customers, which is the point of sale, and we have no performance obligation after the delivery.

Revenues generated from SelectRx are recognized upon shipment. At the time of shipment, we have performed substantially all of our performance obligations and do not experience a significant level of returns or re-shipments. There are no future revenue streams associated as patients have the option to cancel their service at any time with no further payments due.

The following table presents our commission, production bonus, other, and total revenue for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	**2022**	**2021**	**2020**	**2022 vs. 2021**	**2021 vs. 2020**
Commission	$ 587,518	$ 818,772	$ 474,429	(28)%	73%
Production bonus	89,057	70,653	50,308	26%	40%
Other	87,470	40,556	4,601	116%	781%
Total revenue	$ 764,045	$ 929,981	$ 529,338	(18)%	76%

2022 compared to 2021—Commission revenue decreased $231.3 million, or 28%, which included decreases in Senior, Life, and Auto & Home commission revenues of $203.9 million, $21.0 million, and $1.8 million, respectively. For Senior, the revenue decline was driven by the 27% reduction in LTV's of approved MA policies and a $193.3 million downward adjustment from a change in estimate of Senior MA cohort transaction prices. Life's revenue decline was driven by a $15.0 million decrease in term life revenue, driven by lower agent headcount, and a $5.9 million decrease in final expense revenue, driven by an $9.5 million downward adjustment from provision for loss and a change in estimate of cohort transaction price, which was partially offset by an increase in the number of agents selling final expense policies. The revenue decline for Auto & Home was driven by our strategy to reduce the growth in that division. Production bonus revenue increased $18.4 million, which was primarily driven by a $22.4 million increase in marketing development funds received for Senior, partially offset by decreases of $2.7 million and $1.3 million for Life and Auto & Home, respectively. The $46.9 million increase in other revenue was primarily driven by $65.8 million of new revenue from Healthcare Services, partially offset by a reduction of $18.3 million in external lead generation revenue from InsideResponse, as more of their leads were consumed within Senior than in the prior year.

2021 compared to 2020—Commission revenue increased $344.3 million, or 73%, which included increases in Senior and Life commission revenues of $307.1 million and $49.1 million, respectively, offset by a decrease in Auto & Home commission revenue of $10.4 million. For Senior, the revenue growth was driven by the significant increase in our agent count that led to a 108% increase in Medicare Advantage commission revenue. Life's $49.1 million revenue growth was driven by $45.1 million growth in final expense revenue which was a result of the investment we have made in agents to grow sales of these policies, and a slight increase in core term life revenue. The revenue decline for Auto & Home was driven by our strategic shift in agents from Auto & Home to our Senior and Life divisions. The $20.3 million increase in production bonus revenue was primarily driven by $19.5 million in marketing development funds received for Senior, and the $36.0 million increase in other revenue was primarily driven by $35.8 million of lead generation revenue from InsideResponse.

Operating Costs and Expenses

Cost of Revenue

Cost of revenue primarily represents the direct costs associated with fulfilling our obligations to our insurance carrier partners for the sale of insurance policies. Such costs primarily consist of compensation and related benefit costs for agents, fulfillment specialists and others directly engaged in servicing policy holders. It also includes licensing costs for our agents and allocations for facilities, telecommunications and software maintenance costs, which are all based on headcount. Facilities costs include rent and utilities expenses and other costs to maintain our office locations. Telecommunications and software maintenance costs includes costs related to the internal phone systems and various software applications that our agents use to make sales. These costs directly

correlate to the number of agents we have as we are primarily charged based on per person usage for the phone systems and software applications. For SelectRx, cost of revenue represents the direct costs associated with inventory used to fulfill pharmacy patient orders.

The following table presents our cost of revenue for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Cost of revenue	$ 466,808	$ 270,715	$ 167,399	72%	62%

2022 compared to 2021—Cost of revenue increased $196.1 million, or 72%, in 2022 compared to 2021, primarily due to a $123.6 million increase in compensation costs driven by the growth in the number of employees within Senior. The increase in headcount also drove increases in the allocations of $13.7 million for facilities, telecommunications, and software maintenance costs, and $8.4 million for licensing costs. Additionally, there was $43.8 million of new inventory costs for SelectRx.

2021 compared to 2020—Cost of revenue increased $103.3 million, or 62%, in 2021 compared to 2020, primarily due to a $86.0 million increase in compensation costs driven by the growth in the number of agents within the Senior segment and to a lesser extent the Life segment to support the sale of final expense policies. The increase in headcount also drove increases in the allocations of $10.1 million for facilities, telecommunications, and software maintenance costs, and $4.3 million for licensing costs.

Marketing and Advertising

Marketing and advertising expenses consist primarily of the direct costs associated with marketing and advertising of our services, such as television and radio commercials and online advertising. These direct costs generally represent the vast majority of our marketing and advertising expenses. Other costs consist of compensation and other expenses related to marketing, business development, partner management, public relations, carrier relations personnel who support our offerings, and allocations for facilities, telecommunications, and software maintenance costs. Our marketing and advertising costs increase during AEP and OEP to generate more leads during these high-volume periods.

The following table presents our marketing and advertising expenses for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	2022	2021	2020	2021 vs. 2020	2020 vs. 2019
Marketing and advertising	$ 484,084	$ 385,291	$ 184,157	26%	109%

2022 compared to 2021—Marketing and advertising expenses increased $98.8 million, or 26%, in 2022 compared to 2021, primarily due to a $88.4 million increase in lead costs associated with generating more leads for our larger agent base to consume and lower overall close rates which impacted our marketing efficiency, and a $7.7 million increase in compensation costs, as we increased the number of employees supporting our marketing organization to produce more leads. Additionally, there was a $2.1 million increase in depreciation and amortization expense due to additional fixed assets and software in service.

2021 compared to 2020—Marketing and advertising expenses increased $201.1 million, or 109%, in 2021 compared to 2020, primarily due to a $138.6 million increase in Senior marketing and advertising costs associated with generating more leads for our larger agent base to consume. Marketing and advertising costs also increased $32.9 million in our Life segment driven by an increase in leads specifically for our final expense policies.

Additionally, compensation costs related to our marketing personnel increased $30.4 million as we increased the number of people supporting our marketing organization to produce more leads to support the growth of the business.

General and Administrative

General and administrative expenses include compensation and benefits costs for staff working in our executive, finance, accounting, recruiting, human resources, administrative, business intelligence and data science departments. These expenses also include fees paid for outside professional services, including audit, tax and legal fees and allocations for facilities, telecommunications, and software maintenance costs.

The following table presents our general and administrative expenses for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	**2022**	**2021**	**2020**	**2022 vs. 2021**	**2021 vs. 2020**
General and administrative	$ 89,837	$ 63,114	$ 35,283	42%	79%

2022 compared to 2021—General and administrative expenses increased $26.7 million, or 42%, in 2022 compared to 2021, primarily due to $13.7 million in higher compensation costs due to additional headcount to support the growth in the business; $4.3 million in depreciation and amortization expenses due to additional fixed assets and software in service; $4.5 million in professional services fees due to increases in recruiting, accounting and legal, and insurance costs; and $3.1 million of charges related to the impairment of long-lived intangible assets as described in Note 7 to the consolidated financial statements.

2021 compared to 2020—General and administrative expenses increased $27.8 million, or 79%, in 2021 compared to 2020, primarily due to $10.2 million in higher compensation costs due to additional headcount to support the growth of the business; $4.2 million in corporate development charges, primarily related to the First Amendment to the Senior Secured Credit Facility, the recent acquisitions, and the Secondary Offering; and $7.1 million in higher professional fees and insurance costs.

Technical Development

Technical development expenses consist primarily of compensation and benefits costs for internal and external personnel associated with developing, maintaining and enhancing our applications, infrastructure and other IT-related functions as well as allocations for facilities, telecommunications and software maintenance costs.

The following table presents our technical development expenses for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	**2022**	**2021**	**2020**	**2022 vs. 2021**	**2021 vs. 2020**
Technical development	$ 24,729	$ 18,623	$ 12,347	33%	51%

2022 compared to 2021—Technical development expenses increased $6.1 million, or 33%, in 2022 compared to 2021, primarily due to a $3.4 million increase in compensation costs related to our technology personnel as we increased the number of people in our desktop support and development efforts to support the increase in total headcount. The increase in headcount also drove increases in the allocations of $1.6 million for facilities, telecommunications, and software maintenance costs.

2021 compared to 2020—Technical development expenses increased $6.3 million, or 51%, in 2021 compared to 2020, primarily due to a $7.2 million increase in compensation costs related to our technology

personnel as we increased the number of people in our desktop support and development efforts to support the increase in total headcount and the growth in the business, offset by a $2.3 million decrease in professional fees as we decreased our cost of external application developers.

Interest Expense, Net

The following table presents our interest expense, net for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Interest expense, net	$ (43,595)	$ (29,320)	$ (24,595)	49%	19%

2022 compared to 2021—Interest expense increased $14.3 million, or 49%, in 2022 compared to 2021, primarily as a result of the increase in our outstanding balances on the Term Loans and DDTL Facility, amortization of additional deferred financing costs associated with the amendments to the Senior Secured Credit Facility, and the ticking fee interest assessed on the remaining available borrowing capacity of the DDTL Facility.

2021 compared to 2020—Interest expense increased $4.7 million, or 19%, in 2021 compared to 2020, primarily as a result of increases in interest incurred on the Term Loans prior to the First Amendment to the Senior Secured Credit Facility, partially offset by interest related to our non-recourse debt, which was terminated on June 8, 2020.

Income Tax Expense (Benefit)

The following table presents our provision for income taxes for the years ended June 30 and the percentage changes from the prior year:

				Percent Change	
(dollars in thousands)	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Income tax expense (benefit)	$ (92,302)	$ 33,156	$ 24,502	(378)%	35%
Effective tax rate	23.7 %	21.0 %	23.6 %		

2022 compared to 2021—For the year ended June 30, 2022, we recognized an income tax benefit of $92.3 million, representing an effective tax rate of 23.7%. The differences from our federal statutory tax rate to the effective tax rate for the year ended June 30, 2022, were primarily related to state income taxes.

2021 compared to 2020—For the year ended June 30, 2021, we recognized income tax expense of $33.2 million, representing an effective tax rate of 21.0%. The differences from our federal statutory tax rate to the effective tax rate for the year ended June 30, 2021, were primarily due to the net effects of state income taxes partially offset by Kansas High Performance Incentive Program (“HPIP”) tax credits and the exercise of non-qualified stock options.

Segment Information

We currently have three reportable segments: i) Senior, ii) Life, and iii) Auto & Home. Senior primarily sells senior Medicare-related health insurance products and also includes Population Health, SelectRx, and InsideResponse. Life primarily sells term life and final expense products, and Auto & Home primarily sells individual automobile and homeowners’ insurance. In addition, we account for non-operating activity, share-based compensation expense, certain intersegment eliminations, and the costs of providing corporate and other administrative services in our administrative division, Corporate & Eliminations. These services are not directly

identifiable with our reportable segments and are shown in the tables below to reconcile the reportable segments to the consolidated financial statements. We have not aggregated any operating segments together to represent a reportable segment.

We report segment information based on how our chief operating decision maker ("CODM") regularly reviews our operating results, allocates resources, and makes decisions regarding business operations. The performance measures of the segments include total revenue and Adjusted EBITDA because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Costs of revenue, marketing and advertising, and technical development operating expenses that are directly attributable to a segment are reported within the applicable segment. Indirect costs of revenue, marketing and advertising, and technical development operating expenses are allocated to each segment based on varying metrics such as headcount. Adjusted EBITDA is calculated as total revenue for the applicable segment less direct and allocated costs of revenue, marketing and advertising, technical development, and general and administrative operating costs and expenses, excluding depreciation and amortization expense; gain or loss on disposal of property, equipment, and software; share-based compensation expense; restructuring expenses; and non-recurring expenses such as severance payments and transaction costs. Our CODM does not separately evaluate assets by segment; therefore, assets by segment are not presented.

Effective July 1, 2022, we will realign our reportable segments as a result of the change in strategic direction established for fiscal year 2023. This realignment will separate the Healthcare Services business, which includes SelectRx and Population Health, out of the Senior reportable segment and into its own operating and reporting segment. The CODM will review discrete financial information for the Healthcare Services business, separate from the Senior segment, to make operational and financial decisions and allocate resources beginning July 1, 2022. The tables presented below have not been adjusted to reflect this change in reportable segments. All prior-period comparative segment information will be recast in the Company's first quarter of fiscal 2023 Quarterly Report on Form 10-Q to reflect the change in reportable segments.

The updated strategy is designed to stabilize the growth of the MA distribution business, focus additional efforts on the growth of the Healthcare Services business, and enhance our competitive value proposition. Additionally, the strategy is designed to improve short-term cash efficiency and long-term profitability. Key elements of our strategic direction include committing to a growth strategy that prioritizes our returns and mitigates our operational risk to reduce our operating leverage. This includes a planned pullback in our Medicare policy production which allows us to refine our sales, marketing and operational approach, placing greater focus on cash efficiency, profitability, and writing business with greater potential to persist over the long term. Additionally, our strategic direction provides a differentiated approach to broader healthcare services that we believe will create a significant competitive advantage in the years ahead.

The following tables present information about the reportable segments for the periods presented:

Year Ended June 30, 2022

(in thousands)	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Revenue	$ 595,375	$ 153,973	$ 27,881	$ (13,184)	$ 764,045
Operating expenses	(789,174)	(154,102)	(22,448)	(58,625) [1]	(1,024,349)
Other expenses, net	—	—	—	(202)	(202)
Adjusted EBITDA	$ (193,799)	$ (129)	$ 5,433	$ (72,011)	(260,506)
Share-based compensation expense					(7,052)
Non-recurring expenses [2]					(4,730)
Depreciation and amortization					(24,724)
Loss on disposal of property, equipment, and software, net					(1,456)
Goodwill impairment					(44,596)
Impairment of long-lived assets					(3,147)
Interest expense, net					(43,595)
Income tax benefit					92,302
Net loss					$ (297,504)

(1) Operating expenses in the Corp & Elims division primarily include $44.2 million in salaries and benefits for certain general, administrative, and IT related departments, and $18.2 million in professional services fees.

(2) These expenses primarily consist of costs incurred for amendments to the Senior Secured Credit Facility, costs related to acquisitions, and severance expenses.

Year Ended June 30, 2021

	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Revenue	$ 728,701	$ 177,669	$ 30,913	$ (7,302)	$ 929,981
Operating expenses	(484,924)	(155,127)	(22,735)	(46,899) [1]	(709,685)
Other expenses, net	—	—	—	(100)	(100)
Adjusted EBITDA	$ 243,777	$ 22,542	$ 8,178	$ (54,301)	220,196
Share-based compensation expense					(5,165)
Non-recurring expenses [2]					(6,065)
Fair value adjustments to contingent earnout obligations					(1,488)
Depreciation and amortization					(16,142)
Loss on disposal of property, equipment, and software					(686)
Interest expense, net					(29,320)
Loss on extinguishment of debt					(3,315)
Income tax expense					(33,156)
Net income					$ 124,859

(1) Operating expenses in the Corp & Elims division primarily include $34.0 million in salaries and benefits for certain general, administrative, and IT related departments, and $13.4 million in professional services fees.

(2) These expenses primarily consist of costs incurred for the First Amendment to the Senior Secured Credit Facility, recent acquisitions, re-designation of the hedge, and the Secondary Offering.

Year Ended June 30, 2020

	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Revenue	$ 361,673	$ 127,790	$ 41,189	$ (1,314)	$ 529,338
Operating expenses	(215,935)	(102,155)	(32,490)	(26,881) [1]	(377,461)
Other expenses, net	—	—	—	(30)	(30)
Adjusted EBITDA	$ 145,738	$ 25,635	$ 8,699	$ (28,225)	151,847
Share-based compensation expense					(9,498)
Non-recurring expenses [2]					(3,721)
Fair value adjustments to contingent earnout obligations					(375)
Depreciation and amortization					(7,993)
Loss on disposal of property, equipment and software					(360)
Restructuring expenses					(153)
Interest expense, net					(24,595)
Loss on extinguishment of debt					(1,166)
Income tax expense					(24,502)
Net income					$ 79,484

(1) Operating expenses in the Corp & Elims division primarily include $17.2 million in salaries and benefits for certain general, administrative, and IT related departments, and $8.7 million in professional services fees.

(2) These expenses consist of one-time consulting expenses associated with adopting ASC 606, non-recurring compensation to certain former board members, non-restructuring severance expenses, employer payroll taxes on the one-time Distribution to stock option holders, costs related to our IPO, cost related to the acquisition of InsideResponse, and expenses related to business continuity in response to the COVID-19 pandemic.

The following table depicts the disaggregation of revenue by segment and product for the years ended June 30:

(dollars in thousands)	2022	$	%	2021	$	%	2020
Senior:							
Commission revenue:							
Medicare advantage	$ 409,090	$ (186,042)	(31)%	$ 595,132	$ 309,175	108 %	$ 285,957
Medicare supplement	5,224	(18,207)	(78)%	23,431	(10,870)	(32)%	34,301
Prescription drug plan	(170)	(1,822)	(110)%	1,652	(1,215)	(42)%	2,867
Dental, vision, and health	15,056	(913)	(6)%	15,969	8,211	106 %	7,758
Other commission revenue	5,257	3,101	144 %	2,156	1,794	496 %	362
Total commission revenue	434,457	(203,883)	(32)%	638,340	307,095	93 %	331,245
Total production bonus revenue	66,888	22,381	50 %	44,507	19,460	78 %	25,047
Total other revenue	94,030	48,176	105 %	45,854	40,473	752 %	5,381
Total Senior revenue	595,375	(133,326)	(18)%	728,701	367,028	101 %	361,673
Life:							
Commission revenue:							
Term	65,539	(15,049)	(19)%	80,588	4,024	5 %	76,564
Final expense	68,295	(5,932)	(8)%	74,227	45,104	155 %	29,123
Total commission revenue	133,834	(20,981)	(14)%	154,815	49,128	46 %	105,687
Total production bonus revenue	20,139	(2,715)	(12)%	22,854	751	3 %	22,103
Total other revenue	—	—	— %	—	—	— %	—
Total Life revenue	153,973	(23,696)	(13)%	177,669	49,879	39 %	127,790
Auto & Home:							
Total commission revenue	25,851	(1,770)	(6)%	27,621	(10,410)	(27)%	38,031
Total production bonus revenue	2,030	(1,262)	(38)%	3,292	134	4 %	3,158
Total other revenue	—	—	— %	—	—	— %	—
Total Auto & Home revenue	27,881	(3,032)	(10)%	30,913	(10,276)	(25)%	41,189
Eliminations:							
Total commission revenue	(6,624)	(4,620)	231 %	(2,004)	(1,470)	275 %	(534)
Total production bonus revenue	—	—	— %	—	—	— %	—
Total other revenue	(6,560)	(1,262)	24 %	(5,298)	(4,518)	579 %	(780)
Total Elimination revenue	(13,184)	(5,882)	81 %	(7,302)	(5,988)	456 %	(1,314)
Total commission revenue	587,518	(231,254)	(28)%	818,772	344,343	73 %	474,429
Total production bonus revenue	89,057	18,404	26 %	70,653	20,345	40 %	50,308
Total other revenue	87,470	46,914	116 %	40,556	35,955	781 %	4,601
Total revenue	$ 764,045	$ (165,936)	(18)%	$ 929,981	$ 400,643	76 %	$ 529,338

Revenue by Segment

2022 compared to 2021—Revenue from our Senior segment was $595.4 million for the year ended June 30, 2022, a $133.3 million, or 18%, decrease compared to revenue of $728.7 million for the year ended June 30, 2021. The decrease was primarily due to a $186.0 million, or 31%, decrease in MA commission revenue driven by a $193.3 million downward adjustment from the change in estimate of cohort transaction prices, a $18.2 million decrease in MS commission revenue, and a reduction of $18.3 million in external lead generation revenue from InsideResponse, partially offset by $65.8 million of new revenue from Healthcare Services and a $22.4 million increase in marketing development funds received.

Revenue from our Life segment was $154.0 million for the year ended June 30, 2022, a $23.7 million, or 13%, decrease compared to revenue of $177.7 million for the year ended June 30, 2021. The decrease was primarily due to a $15.0 million decrease in term life revenue, driven by lower agent headcount, and a $5.9 million decrease in final expense revenue, which was the result of an $9.5 million downward adjustment from provision for loss and a change in estimate of cohort transaction price, which was partially offset by an increase in the number of agents selling final expense policies.

Revenue from our Auto & Home segment was $27.9 million for the year ended June 30, 2022, a $3.0 million, or 10%, decrease compared to revenue of $30.9 million for the year ended June 30, 2021, primarily due to our strategy to reduce the growth in Auto & Home.

2021 compared to 2020—Revenue from our Senior segment was $728.7 million for the year ended June 30, 2021, a $367.0 million, or 101%, increase compared to revenue of $361.7 million for the year ended June 30, 2020. The increase was primarily due to a $309.2 million, or 108%, increase in MA commission revenue, $19.5 million in marketing development funds received, and $35.8 million of lead generation revenue from InsideResponse included in other revenue. This was partially offset by a $10.9 million, or 32%, decrease in MS commission revenue primarily due to the recognition of $9.0 million of renewal year revenue from a certain MS carrier whose contract was amended during the year ended June 30, 2020.

Revenue from our Life segment was $177.7 million for the year ended June 30, 2021, a $49.9 million, or 39%, increase compared to revenue of $127.8 million for the year ended June 30, 2020. The increase was primarily due to a $45.1 million, or 155%, increase in final expense revenue which was the result of our increased focus on selling final expense policies.

Revenue from our Auto & Home segment was $30.9 million for the year ended June 30, 2021, a $10.3 million, or 25%, decrease compared to revenue of $41.2 million for the year ended June 30, 2020. The decrease was primarily due to a 21% decrease in premium sold.

Adjusted EBITDA by Segment

2022 compared to 2021—–Adjusted EBITDA from our Senior segment was $(193.8) million for the year ended June 30, 2022, a $437.6 million, or 179%, decrease compared to Adjusted EBITDA of $243.8 million for the year ended June 30, 2021. The decrease in Adjusted EBITDA was primarily due to a $304.3 million increase in operating costs and expenses, driven by a $98.7 million increase in variable marketing expenses as discussed above, a $96.2 million increase in personnel costs associated with additional headcount, $51.0 million higher fulfillment costs associated with scaling Population Health and SelectRx, and $43.8 million in pharmaceutical costs for SelectRx. In addition, there was a $133.3 million decrease in total Senior revenue, driven by the $193.3 million downward adjustment from a change in estimate of MA cohort transaction prices discussed above.

Adjusted EBITDA from our Life segment was $(0.1) million for the year ended June 30, 2022, a $22.7 million, or 101%, decrease compared to Adjusted EBITDA of $22.5 million for the year ended June 30, 2021. The decrease in Adjusted EBITDA was primarily due to a $23.7 million decrease in revenue as a result of the decreases in term life and final expense revenue discussed above.

Adjusted EBITDA from our Auto & Home segment was $5.4 million for the year ended June 30, 2022, a $2.7 million, or 34%, decrease compared to Adjusted EBITDA of $8.2 million for the year ended June 30, 2021. The decrease in Adjusted EBITDA was due to a $3.0 million decrease in revenue partially offset by a $0.3 million decrease in operating costs and expenses. The revenue decline for Auto & Home was driven by our strategy to reduce the growth in that division.

2021 compared to 2020—Adjusted EBITDA from our Senior segment was $243.8 million for the year ended June 30, 2021, a $98.0 million, or 67%, increase compared to Adjusted EBITDA of $145.7 million for the year ended June 30, 2020. The increase in Adjusted EBITDA was due to a $367.0 million increase in revenue

partially offset by a $269.0 million increase in operating costs and expenses primarily attributable to an increase in variable marketing expenses and personnel costs associated with higher headcount that was driven by a significant increase in policies submitted and approved and an increase in the number of licensed agents.

Adjusted EBITDA from our Life segment was $22.5 million for the year ended June 30, 2021, a $3.1 million, or 12%, decrease compared to Adjusted EBITDA of $25.6 million for the year ended June 30, 2020. The decrease in Adjusted EBITDA was primarily due to a $53.0 million increase in operating costs and expenses primarily attributable to an increase in variable marketing expenses and variable sales commission expenses to agents driven by an increase in the amount of premium sold for final expense policies, partially offset by a $49.9 million increase in revenue. Adjusted EBITDA was also impacted by flexing a significant amount of our Life and Health Advisor ("LHA") agents that sell final expense policies into Senior to sell during AEP as we incurred expense to hire and train some of these agents but didn't realize the full benefit of revenue within our Life business for the quarter.

Adjusted EBITDA from our Auto & Home segment was $8.2 million for the year ended June 30, 2021, a $0.5 million, or 6%, decrease compared to Adjusted EBITDA of $8.7 million for the year ended June 30, 2020. The decrease in Adjusted EBITDA was primarily due to a $10.3 million decrease in revenue partially offset by a $9.8 million decrease in operating costs and expenses. Revenue was negatively impacted by our shift of agents to 1) the Senior segment to maximize the opportunity of the AEP and OEP seasonal increase in demand and 2) the Life segment to sell final expense policies.

Liquidity and Capital Resources

Our liquidity needs primarily include working capital and debt service requirements. We believe that the cash available under the Senior Secured Credit Facility will be sufficient to meet our projected operating and debt service requirements for at least the next 12 months. To the extent that our current liquidity is insufficient to fund future activities, we may need to raise additional funds. If we raise additional funds by issuing equity securities, the ownership of our existing stockholders will be diluted. The incurrence of additional debt financing would result in debt service obligations, and any future instruments governing such debt could provide for operating and financing covenants that could restrict our operations.

Risks and Uncertainties Regarding Liquidity and Compliance with our Senior Secured Credit Facility Covenant

Under the Senior Secured Credit Facility, we are required to maintain a certain asset coverage ratio, as discussed further in Note 10 to the consolidated financial statements. In our Quarterly Report on Form 10-Q for the three months ended March 31, 2022, we disclosed that there was substantial doubt about our ability to continue as a going concern as a result of conditions that existed as of March 31, 2022. Specifically, our financial projections indicated that we would not be in compliance with a certain asset coverage ratio under the Senior Secured Credit Facility within one year after the date that the consolidated financial statements were issued. Subsequently, we entered into the Fourth Amendment to the Senior Secured Credit Facility (as defined and discussed further in Note 10 to the consolidated financial statements) to amend the required debt covenants through October 31, 2024. Based on our financial projections, we believe we will remain in compliance with the revised debt covenants within one year after the date that the consolidated financial statements are issued. Our future compliance is dependent upon the successful implementation of our new strategic direction discussed above, and we will need to continue to stay in compliance in the future with these revised covenants for one year after the date our consolidated financial statements are issued.

As of June 30, 2022 and June 30, 2021, our cash and cash equivalents totaled $141.0 million and $286.5 million, respectively. Additionally, the following table presents a summary of our cash flows for the years ended June 30:

(in thousands)	2022	2021	2020
Net cash used in operating activities	$ (338,314)	$ (115,442)	$ (61,776)
Net cash used in investing activities	(42,576)	(64,016)	(51,370)
Net cash provided by financing activities	235,433	97,042	481,446

Operating Activities

Cash used in operating activities primarily consists of net income, adjusted for certain non-cash items including depreciation; amortization of intangible assets and internally developed software; deferred income taxes; share-based compensation expense; impairment charges; and the effect of changes in working capital and other activities.

Collection of commissions receivable depends upon the timing of our receipt of commission payments and associated commission statements from our insurance carrier partners. If we were to experience a delay in receiving a commission payment from an insurance carrier partner within a quarter, our operating cash flows for that quarter could be adversely impacted.

A significant portion of our marketing and advertising expenses is driven by the number of leads required to generate the insurance applications we submit to our insurance carrier partners. Our marketing and advertising costs are expensed and generally paid as incurred and since commission revenue is recognized upon approval of a policy but commission payments are paid to us over time there are working capital requirements to fund the upfront cost of acquiring new policies. During AEP, we experience an increase in the number of submitted Senior insurance applications and marketing and advertising expenses compared to periods outside of AEP. The timing of AEP affects the positive or negative impacts of our cash flows during each quarter.

Year Ended June 30, 2022—Cash used in operating activities was $338.3 million, consisting of net loss of $297.5 million, adjustments for non-cash items of $2.2 million, and cash used in operating assets and liabilities of $38.6 million. Adjustments for non-cash items primarily consisted of $92.7 million in deferred income taxes as the Company defers revenue related to certain commissions receivable into following years until it is collected, partially offset by $44.6 million of goodwill impairment charges, $24.7 million of depreciation and amortization related to additional fixed assets purchases to accommodate our growth in headcount and internally developed software in service, $7.1 million of share-based compensation expense, $5.5 million in amortization of debt issuance costs and debt discount, and $4.1 million of non-cash lease expense. The cash decrease resulting from changes in net operating assets and liabilities primarily consisted of increases of $25.7 million in accounts receivable, net related to the increase in approved policies, increases of $10.9 million in other assets primarily related to increases in prepaid balances and SelectRx inventory, and decreases of $5.1 million in operating lease liabilities, partially offset by a decrease of $7.3 million in commissions receivable.

Year Ended June 30, 2021—Cash used in operating activities was $115.4 million, consisting of net income of $124.9 million and adjustments for non-cash items of $66.2 million, offset by cash used in operating assets and liabilities of $306.5 million. Adjustments for non-cash items primarily consisted of $33.0 million in deferred income taxes as the Company defers revenue related to certain commissions receivable into following years until it is collected, $16.1 million of depreciation and amortization related to additional fixed assets purchases to accommodate our growth in headcount and internally developed software in service, $5.2 million of share-based compensation expense, and $3.8 million of non-cash lease expense. The cash decrease resulting from changes in net operating assets and liabilities primarily consisted of increases of $332.9 million in commissions receivable and $20.0 million in accounts receivable, net related to the increase in approved policies, partially offset by increases of $19.7 million in accounts payable and accrued expenses and $25.6 million in other liabilities, which consists primarily of commission advances and accrued compensation and benefits, all driven by the increased marketing and personnel costs required to produce our increased revenue.

Year Ended June 30, 2020—Cash used in operating activities was $61.8 million, consisting of net income of $79.5 million and adjustments for non-cash items of $45.2 million, offset by cash used in operating assets and liabilities of $186.5 million. Adjustments for non-cash items primarily consisted of $24.5 million of deferred income taxes as the Company defers revenue related to certain commissions receivable into following years until it is collected, $9.5 million of stock compensation expense primarily for the distribution to stock option holders, and $8.0 million of depreciation and amortization related to the additional fixed assets purchases and internally developed software in service. The cash decrease resulting from changes in net operating assets and liabilities primarily consisted of increases of $13.4 million and $197.4 million in accounts receivable, net and commissions receivable, respectively, partially offset by increases of $15.7 million in accounts payable and accrued expenses and $9.2 million in accrued compensation and benefits, all driven by the increased marketing and personnel costs required to produce our increased revenue.

Investing Activities

Our investing activities primarily consist of purchases of furniture and fixtures, computer hardware, leasehold improvements related to facilities expansion, and capitalized salaries related to the development of internal-use software.

Year Ended June 30, 2022—Net cash used in investing activities of $42.6 million was primarily due to $24.8 million of purchases of property and equipment primarily to support AEP and OEP and the growth of SelectRx infrastructure, $9.9 million in purchases of software and capitalized internal-use software, $6.9 million of net cash paid to acquire Simple Meds, and a $1.0 million non-controlling interest equity investment.

Year Ended June 30, 2021—Net cash used in investing activities of $64.0 million was primarily due to $41.0 million of cash paid net of the cash acquired for the acquisitions of a lead distribution company and Express Med Pharmaceuticals as well as $14.9 million of purchases of property and equipment and $8.1 million in purchases of software and capitalized internal-use software spent to develop and enhance new and existing systems to efficiently accommodate our increased volumes.

Year Ended June 30, 2020—Net cash used in investing activities of $51.4 million was primarily due to $35.8 million of cash paid net of the cash acquired for the acquisition of InsideResponse as well as $9.4 million of purchases of property and equipment and $6.1 million in purchases of software and capitalized internal-use software spent to develop new programs and systems to efficiently accommodate our increased volumes.

Acquisitions

On May 1, 2020, we acquired 100% of the outstanding membership units of InsideResponse for an aggregate purchase price of up to $65.0 million (subject to customary adjustments). The purchase price was comprised of $32.7 million that was paid in cash at the closing of the transaction and an earnout of $32.3 million that was paid in cash during the year ended June 30, 2021.

On February 1, 2021, we acquired substantially all of the assets of a lead distribution company for an aggregate purchase price of up to $33.5 million (subject to customary adjustments), comprised of $24.0 million in cash paid at the closing of the transaction, $6.0 million of holdback for, if any, indemnification claims, net working capital adjustments, and underperformance, and an earnout of up to $3.5 million. The minimum earnout target was not achieved; however, the remaining holdback was earned in full, and the Company paid the remaining holdback of $5.5 million, with interest, after the net working capital true-up of $0.5 million, during the year ended June 30, 2022.

On April 30, 2021, we acquired 100% of the outstanding shares of Express Med Pharmaceuticals for an aggregate purchase price of up to $24.0 million (subject to customary adjustments), comprised of $17.5 million in cash paid at the closing of the transaction, an additional $2.5 million of holdback for indemnification claims, if any, and an earnout of up to $4.0 million, if any. As of June 30, 2022, the Company has accrued compensation expense of $1.0 million with respect to the earnout.

On August 31, 2021, SelectRx acquired 100% of the outstanding equity interests of Simple Meds for an aggregate purchase price of $7.0 million (subject to customary adjustments). The aggregate purchase price of $7.0 million was paid in cash at the closing of the transaction.

Refer to Note 2 to the consolidated financial statements for further details concerning our recent acquisitions.

Financing Activities

Our financing activities primarily consist of proceeds from the issuance of debt and equity and proceeds and payments related to stock-based compensation.

Year Ended June 30, 2022—Net cash provided by financing activities of $235.4 million was primarily due to $242.0 million in net proceeds from the DDTL Facility and $3.2 million in proceeds from common stock options exercised and the employee stock purchase plan, partially offset by a holdback settlement of $5.5 million for acquisition of a lead distribution company, principal payments of $2.4 million and $1.2 million on the Term Loans and DDTL Facility, respectively, and $0.3 million in debt issuance costs related to the amendments to the Senior Secured Credit Facility.

Year Ended June 30, 2021—Net cash provided by financing activities of $97.0 million was primarily due to $228.8 million in net proceeds from the Term Loans as a result of the First Amendment, partially offset by payments of $84.1 million related to the partial extinguishment of the Term Loans prior to the First Amendment, $32.3 million of earnout for the InsideResponse acquisition, and $10.4 million for withholding taxes related to net share settlements of employee stock option awards.

Year Ended June 30, 2020—Net cash provided by financing activities of $481.4 million was primarily due to $416.5 million in net proceeds from the Term Loans, $340.2 million in proceeds from our initial public offering, net of underwriters' discounts and commissions, and $135.0 million in proceeds from the issuance of preferred stock, partially offset by $275.0 million for the Distribution, $100.0 million payment on our Term Loans with proceeds from the IPO, and $31.4 million in payments on non-recourse debt, primarily to pay off the Receivables Financing Agreement.

Senior Secured Credit Facility

We entered into the Senior Secured Credit Facility to provide access to cash, in a variety of methods, when necessary to fund the operations of the business. As of June 30, 2022, there was $469.6 million outstanding under the Term Loans and $243.8 million outstanding under the DDTL Facility and no amounts outstanding under the Revolving Credit Facility. Refer to Note 10 to the consolidated financial statements for further details and defined terms.

Our risk management strategy includes entering into interest rate swap agreements to protect against unfavorable interest rate changes relating to forecasted debt transactions. The Company's Amended Interest Rate Swap is designated as a cash flow hedge of the interest payments on $325.0 million in principal of the Term Loans. Refer to Note 9 to the consolidated financial statements for further details and defined terms.

Delayed Draw Credit Facilities

On December 14, 2018, we entered into a senior secured delayed draw credit facility in which we had access to a senior secured delayed draw credit facility consisting of up to $30.0 million aggregate principal amount of commitments, with the commissions receivable from the Auto & Home insurance policies sold as collateral. Over the life of the agreement, we received $32.8 million in proceeds from seven draws on the facility and made principal payments of $4.5 million. On June 8, 2020, we repaid in full all indebtedness and other obligations due totaling $29.3 million, and all security interests and liens were terminated and released and the agreement was terminated. We repaid the outstanding debt using proceeds from the IPO.

Series E Preferred Shares Private Placement

On April 17, 2020 and May 6, 2020, we issued and sold an aggregate of 100,000 shares and 35,000 shares, respectively, of our Series E preferred stock to certain "accredited investors" (as defined in Regulation D promulgated under the Securities Act), at a purchase price of $1,000 per share, for aggregate proceeds of $135.0 million and net proceeds to the Company of $129.4 million, after deducting commissions and expenses. A portion of the net proceeds was used to complete our acquisition of InsideResponse and the remaining was used for general corporate purposes. Upon the closing of the IPO, all outstanding shares of Series E preferred stock automatically converted into shares of common stock at a fixed discount. Refer to Note 12 to the consolidated financial statements for further details.

Initial Public Offering

On May 26, 2020, we completed our IPO whereby 18,000,000 shares of common stock were sold to the public at $20.00 per share (in addition to shares sold by selling stockholders). Net proceeds to us from the offering, after deducting underwriting discounts and commissions and offering expenses, were $333.1 million.

Contractual Obligations

Our principal commitments consist of obligations under our outstanding operating leases for office facilities; our Senior Secured Credit Facility which includes the Term Loans, DDTL Facility, and Revolving Credit Facility (as defined in Note 10 to the consolidated financial statements); and our Amended Interest Rate Swap (as defined in Note 9 to the consolidated financial statements). In addition, we have outstanding service and licensing agreements with various vendors for connectability, maintenance, and other services, including minimum purchase requirements for pharmaceuticals. We believe that we will be able to fund these obligations through our existing cash and cash equivalents and cash generated from operations.

Recent Accounting Pronouncements

For a discussion of new accounting pronouncements recently adopted and not yet adopted, see the notes to our consolidated financial statements.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and disclosure of contingent assets and liabilities in our financial statements. We regularly assess these estimates; however, actual amounts could differ from those estimates. The impact of changes in estimates is recorded in the period in which they become known.

An accounting policy is considered to be critical if the nature of the estimates or assumptions is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change, and the effect of the estimates and assumptions on financial condition or operating performance. The accounting policies we believe to reflect our more significant estimates, judgments and assumptions that are most critical to understanding and evaluating our reported financial results are: revenue recognition for commissions revenue, commissions receivable, accounting for income taxes, share-based compensation, the valuation of assets and liabilities acquired from acquisitions, and the impairment of intangible assets and goodwill.

Commission Revenue Recognition and Commissions Receivable

In accordance with Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers* ("ASC 606"), revenue is recognized when a customer obtains control of promised goods or services and

is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. We apply the following five-step model in order to determine this amount: (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) we satisfy each performance obligation. Significant management judgments and estimates must be made in connection with determination of the revenue to be recognized in any accounting period. If we made different judgments or utilized different estimates for any period, material differences in the amount and timing of revenue recognized could result. The accounting estimates and judgments related to the recognition of revenue require us to make assumptions about numerous factors such as the determination of performance obligations and determination of the transaction price.

The estimate of renewal commission revenue is considered variable consideration and requires significant judgment to determine the renewal commission revenue to be recognized at the time the performance obligation is met and in the reassessment of the transaction price each reporting period. This includes determining the number of periods in which a renewal will occur and the value of those renewal commissions to be received if renewed, which includes estimating persistency, the renewal year provision, and an additional product specific constraint applied to account for trends such as industry volatility or uncertainty of consumer behavior patterns. Persistency is the estimate of policies expected to renew each year and renewal year provision is the estimate of policies expected to lapse during each renewal period. The estimated average duration of expected renewals for our cohorts used in the calculation of LTV is ten years. Effective for policies sold during the three months ended December 31, 2021, and thereafter, the Company increased the product specific constraint for our largest product, Medicare Advantage, from 6% to 15%. The assumptions used in the Company's calculation of renewal commission revenue are based on a combination of the Company's historical experience for renewals, lapses, and payment data; available insurance carrier data; other industry or consumer behavior patterns; and expectations for future retention rates. The estimate of variable consideration is recognized only to the extent it is probable that a material reversal in revenue would not be expected to occur when the uncertainty associated with future commissions receivables is subsequently resolved when the policy renews or lapses. The Company is continuously reviewing and monitoring the assumptions and inputs into the Company's calculation of renewal commission revenue, including reviewing changes in the data used to estimate LTV's as well as monitoring the cash received for each cohort as compared to the original estimates at the time the policy was sold. The Company assesses the actual renewal data and historical data to identify trends and updates assumptions when a sufficient amount of evidence would suggest that the expectation underlying the assumption has changed and a change in estimate of the transaction price is warranted. The differences in actual cash received for current period renewals may result in an adjustment by cohort ("cohort adjustment") to revenue and commissions receivable. Cohort adjustments can be positive or negative and are recognized using actual experience from policy renewals. The Company analyzes cohort adjustments to determine if they are indicative of changes needed in our estimates of future renewal commissions ("tail adjustments") that remain unresolved as of the reporting period.

The Company recognizes revenue for both first year and renewal commissions when it has completed its performance obligation, which is at different milestones for each segment based on the contractual enforceable rights, the Company's historical experience, and established customer business practices:

- Senior—Commission revenue is recognized at the earliest of when the insurance carrier has approved the policy sold, when a commission payment is received from the insurance carrier, or when the policy sold becomes effective.

- Life—Term commission revenue is recognized when the insurance carrier has approved the policy sold and payment information has been obtained from the policyholder. Final expense commission revenue is recognized when the carrier provides confirmation the policy is active.

- Auto & Home—Commission revenue is recognized when the policy sold becomes effective.

Commissions receivable are contract assets that represent estimated variable consideration for performance obligations that have been satisfied but payment is not due as the underlying policy has not renewed yet and are therefore subject to the same assumptions, judgements, and estimates used when recognizing revenue as noted above. The current portion of commissions receivable are future renewal commissions expected to be renewed and collected in cash within one year, while the non-current portion of commissions receivable are expected to be collected beyond one year. Contract assets are reclassified as accounts receivable, net when the rights to the renewal commissions become unconditional, which is primarily upon renewal of the underlying policy, typically on an annual basis.

Income Taxes

The Company applies ASC 740, *Income Taxes* ("ASC 740"), in accounting for uncertainty in income taxes recognized in the Company's consolidated financial statements. ASC 740 requires a "more-likely-than-not" ("MLTN") threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company records a liability for the difference between the benefit recognized and measured pursuant to ASC 740 and the tax position taken or expected to be taken on the Company's tax return. To the extent that the assessment of such tax positions changes, the change in estimate is recorded in the period in which the determination is made.

In accordance with ASC 740, we account for income taxes using an asset and liability approach. Deferred income tax assets and liabilities result from temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements that will result in taxable or deductible amounts in future years. The Company continues to recognize its deferred tax assets as of June 30, 2022, as it believes it is MLTN that the deferred tax assets will be realized. The Company recognizes a significant deferred tax liability due to the timing of recognizing revenue when a policy is sold, while revenue for tax purposes is not recognized until future renewal commission payments are received. This deferred tax liability is a source of income that can be used to support the realizability of the Company's deferred tax assets. As such, the Company does not believe a valuation allowance is necessary as of June 30, 2022, and will continue to evaluate in the future as circumstances may change.

Share-Based Compensation

We recognize share-based compensation expense in the consolidated statements of comprehensive income based on the fair value of our stock-based awards over their respective vesting periods, depending on the plan. The estimated grant date fair value of our stock options is determined using the Black-Scholes-Merton pricing model. The expected term for stock options granted is determined using the simplified method, which deems the expected term to be the midpoint between the vesting date and the contractual life of the stock-based awards. The dividend yield is determined by dividing the expected per share dividend during the coming year by the grant date stock price, however, we do not expect to pay any dividends in the foreseeable future. We base the risk-free interest rate on the implied yield currently available on U.S. Treasury zero-coupon issues with a remaining term equal to the expected term of our stock options. Expected volatility is determined using historical stock prices for a combination of publicly traded peer group companies and our stock price. The estimated attainment of performance-based awards and related expense is based on the expectations of target achievement. The assumptions used in calculating the fair value of stock-based payment awards and expected attainment of performance-based awards represent our best estimates, but these estimates involve inherent uncertainties and the application of management judgment. We will continue to use judgment in evaluating the expected term and volatility related to our own stock-based awards on a prospective basis, and incorporating these factors into the model. Changes in key assumptions could significantly impact the valuation of such instruments.

Fair Value of Assets Acquired and Liabilities Assumed from Acquisitions

We account for business combinations using the acquisition method of accounting. Identifiable assets acquired and liabilities assumed are recognized and measured as of the acquisition date at fair value. Additionally, any contingent consideration is recorded at fair value on the acquisition date and classified as a liability. Goodwill is recognized to the extent by which the aggregate of the acquisition-date fair value of the consideration transferred

exceeds the recognized basis of the identifiable assets acquired, net of assumed liabilities. Determining the fair value of assets acquired and liabilities assumed requires management's judgment and often involves the use of significant estimates and assumptions, including, but not limited to, the selection of appropriate valuation methodology, projected revenue, expenses and cash flows, weighted average cost of capital, discount rates, estimates of customer turnover rates, estimates of terminal values, and assessment of the probabilities of the earnout metrics.

Impairment of Long-Lived Assets and Goodwill

The Company accounts for long-lived assets in accordance with the provisions of ASC 360, *Property, Plant and Equipment* ("ASC 360"). ASC 360 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset or asset group may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to its expected future undiscounted cash flows. If the carrying amount exceeds its expected future undiscounted cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset or asset group exceeds its fair value. For purposes of this test, long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities.

For the year ended June 30, 2022, the Company recorded impairment charges of $3.1 million in general and administrative expense in the consolidated statement of comprehensive income related to write-offs of previously acquired definite-lived intangible assets from which the Company does not expect to receive future economic benefit. There were no impairment charges recorded on the Company's long-lived assets for the years ended June 30, 2021 and 2020. Refer to Note 7 to the consolidated financial statements for additional details.

Goodwill represents the excess of the purchase price over the estimated fair values of identifiable assets and liabilities acquired in a business combination as of the acquisition date. Goodwill is not amortized in accordance with the requirements of ASC 350, *Intangibles-Goodwill and Other* ("ASC 350"), rather, goodwill is tested for impairment on an annual basis and whenever events or circumstances indicate that the asset may be impaired. Further, goodwill is allocated, and evaluated for impairment, at the reporting unit level, which is defined as an operating segment or one level below an operating segment.

We have the option to perform a qualitative assessment to determine if it is more likely than not that the fair value of a reporting unit has declined below its carrying value. This assessment considers various financial, macroeconomic, industry and segment specific qualitative factors. If we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying value, a quantitative test is then performed by estimating the fair value of the reporting unit and comparing it with its carrying value, including goodwill. If the carrying amount of a reporting unit is greater than its estimated fair value, goodwill is written down by the excess amount, limited to the total amount of goodwill allocated to that reporting unit.

The Company estimates the fair value of reporting units under ASC 350 by using an income approach, a market approach, or a combination thereof, which involves the use of significant unobservable inputs, or Level 3 inputs, as defined by the fair value hierarchy of ASC 820, *Fair Value Measurement* ("ASC 820"), and require us to make various judgmental assumptions around future revenues and operating costs, growth rates, and discount rates which consider our budgets, business plans, and economic projections. As such, these estimates are uncertain and may vary from actual results. Under the income approach, we utilize the discounted cash flow method while under the market approach, we utilize a peer-based guideline public company method based on published multiples of earnings of comparable entities with similar operations and economic characteristics.

As a result of our annual goodwill impairment test as of April 1, 2022, the Company recorded goodwill impairment charges of $44.6 million in goodwill impairment in the consolidated statement of comprehensive income for the year ended June 30, 2022. There were no goodwill impairment charges recorded for the years ended June 30, 2021 and 2020. Refer to Note 7 to the consolidated financial statements for additional details.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the normal course of business, we are subject to market risk. Market risks represent risks of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our business, financial condition, and results of operations are not materially affected by foreign currency exchange rates, inflationary pressures, and commodity price fluctuations. Our financial instruments that are exposed to concentrations of credit risk primarily consist of accounts and commissions receivable. We do not require collateral or other security for our receivables, but believe the potential for collection issues with any of our customers was minimal as of June 30, 2022, 2021, and 2020, based on the lack of collection issues in the past and the high financial standards we require of our customers. As of June 30, 2022, three insurance carrier partners accounted for 29%, 20%, and 14% of total accounts and commissions receivable. As of June 30, 2021, three insurance carrier partners accounted for 29%, 21%, and 10% of total accounts and commissions receivable. As of June 30, 2020, three insurance carrier partners accounted for 26%, 20%, and 10% .

Interest Rate Risk

As of June 30, 2022, we had cash of $140.2 million deposited in non-interest bearing accounts, all at major banks with limited to no interest rate risk, and cash of $0.7 million deposited in a money market account with one of those banks. As of June 30, 2021, we had cash of $25.7 million deposited in non-interest bearing accounts, all at major banks with limited to no interest rate risk, and cash of $260.7 million deposited in a money market account with one of those banks. Interest-earning instruments carry a degree of interest rate risk. We do not enter into investments for trading or speculative purposes. Our risk management strategy has included, and may continue to include entering into interest rate swap agreements to protect against unfavorable interest rate changes relating to forecasted debt transactions.

Seasonality

See “Risk Factors—Risks Related to Our Business and Industry—Our existing and any future indebtedness
could adversely affect our ability to operate our business” and “Risk Factors—Risks Related to Our Business and Industry—Developments with respect to LIBOR may affect our borrowings under our credit facilities” for additional information.

ITEM 8. FINANCIAL STATEMENTS

Consolidated Financial Statements

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of SelectQuote, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of SelectQuote, Inc. and subsidiaries (the "Company") as of June 30, 2022 and 2021, the related consolidated statements of comprehensive income (loss), shareholders' equity, and cash flows, for each of the three years in the period ended June 30, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 2022, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of June 30, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated August 29, 2022 expressed an adverse opinion on the Company's internal control over financial reporting because of a material weakness.

Basis for Opinion

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

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

Critical Audit Matters

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

Commission Revenue – Renewal Commission Revenue - *Refer to Notes 1 and 13 to the financial statements*

Critical Audit Matter Description

The Company earns commissions for first year and renewal policies from the insurance carriers, as presented in the consolidated statements of comprehensive income as commission revenue. The Company recognized commission revenue of $588 million for the year ended June 30, 2022, which includes $387 million of renewal commission revenue. The estimate of renewal commission revenue (referred to as “renewal commissions”) is considered variable

consideration within the transaction price and requires significant judgment including determining the number of periods in which a renewal will occur and the constrained value of those renewal commissions to be received if renewed. The accounting estimates and judgments related to the recognition of renewal commissions require the Company to make assumptions to determine the transaction price. The Company utilizes a practical expedient to estimate renewal commissions by applying the use of a portfolio approach to policies grouped together by segment, insurance carrier, product type, and quarter the policy was initially sold (referred to as a “cohort”). The transaction price is determined using the estimated lifetime value, which represents commissions estimated to be collected over the life of an approved policy. There is significant judgment involved in determining the key assumptions used to constrain renewal commissions at the time the performance obligation is met and in the reassessment of the transaction price each reporting period. The Company reassesses the assumptions and inputs into the Company’s estimate of renewal commissions, including reviewing changes in the key assumptions used to estimate renewal commissions as well as the difference between the cash received for each cohort compared to the original estimate recorded at the time the performance obligation was met. The differences in cash received for current period renewals may result in a change in the estimated variable consideration by cohort. The Company assesses the differences in the actual cash received for current period renewals and records adjustments (“cohort adjustments”) as the underlying uncertainty is resolved upon renewal. The Company analyzes the current period cohort adjustments to determine if they are indicative of a change in the estimate of future renewal commissions (“tail adjustments”). For the year ended June 30, 2022, the Company recognized a net downward adjustment of $212.2 million commission revenue cohort and tail adjustment related to a change in estimate for policies approved in prior fiscal years.

Given the significant judgment made by management to estimate the variable consideration, including key assumptions used to constrain the renewal commissions, such as persistency, renewal year provision, and product specific trends to incorporate industry volatility or uncertainty of consumer behavior at the time the performance obligation is met and then reassessed at each subsequent reporting period, auditing management’s methodology including the underlying key assumptions supporting the variable consideration and the respective cohort and tail adjustments requires a high degree of auditor judgment when performing audit procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures to address the significant judgments, including management’s determination of key assumptions used to constrain renewal commission revenue at the time the performance obligation is met and in the reassessment of the transaction price each reporting period included the following, among others:

- We tested the effectiveness of the control over the Company’s methodology to estimate the variable consideration at the time the performance obligation is met including key assumptions used in the methodology to constrain the renewal commission revenue which include persistency, renewal year provision, and product specific trends by segment and carrier.

- We tested the effectiveness of the controls over the completeness and accuracy of the underlying policy data supporting certain key assumptions used to identify, evaluate, and record the variable consideration recognized at the time the performance obligation is met.

- We tested the effectiveness of the control over the Company’s methodology to reassess the variable consideration recognized in prior periods related to current and future renewal periods, referred to as cohort and tail adjustments, respectively.

- We tested the effectiveness of the controls over the completeness and accuracy of the policy data and underlying inputs used to identify, evaluate, and record cohort and tail adjustments in accordance with the Company’s methodology.

- We tested the completeness and accuracy of the renewal commission revenue recorded in the current year as variable consideration. We reperformed the renewal revenue commissions calculation using

management's selected key assumptions to test that the Company followed its methodology for a sample of policies.

- We selected a sample of policies used in the Company's persistency assumption and confirmed the policy status directly with the carriers.
- We obtained new and amended insurance carrier contracts and evaluated key terms, including termination clauses and penalties to determine that the contract qualified for inclusion in variable consideration either at the time the performance obligation was met or subsequently included as a tail adjustment due to a contract modification.
- We evaluated and tested the Company's methodology, including any changes, to identify, evaluate and record cohort and tail adjustments.
- We evaluated and tested the Company's product specific constraint.
- We tested the completeness and accuracy of the policy data and underlying inputs used in the Company's cohort adjustments which included agreeing inputs to third-party carrier statements and reperformed the cohort and tail adjustment calculation to test that the Company followed its methodology for a sample of cohort and tail adjustments.

Goodwill — Healthcare Services Reporting Unit - ***Refer to Notes 1 and 7 to the financial statements***

Critical Audit Matter Description

The Company's evaluation of goodwill for impairment involves the comparison of the fair value of each reporting unit to its carrying value. The Company determines the estimated fair value of its reporting units using a weighting of the discounted cash flow method under the income approach and the peer-based guideline public company method under the market approach. The determination of the fair value using the discounted cash flow model requires significant judgment related to forecasted growth of future revenues, cost of revenues, earnings before interest, taxes, depreciation and amortization (EBITDA) margins, and discount rates using weighted average cost of capital which considers market and industry data as well as company-specific risk factors. The goodwill balance was $29.1 million as of June 30, 2022, of which was entirely attributable to the Healthcare Services reporting unit. The fair value of Healthcare Services reporting unit exceeded its carrying value as of the measurement date and, therefore, no impairment was recognized.

We identified goodwill for Healthcare Services as a critical audit matter because of the significant estimates and assumptions management makes to estimate the fair value of Healthcare Services and the sensitivity of the operations ability to scale, cost structure, and profitability of the business. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to the forecasts of future revenues, cost of revenues, EBITDA margins, and selection of a discount rate.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecast of future revenues, cost of revenues, EBITDA margins, and the selection of a discount rate for the Healthcare Services reporting unit included the following, among others:

- We tested the effectiveness of the control over management's goodwill impairment evaluation and the determination of the fair value of Healthcare Services, including the control related to management's forecasts and selection of the discount rate.
- We evaluated management's ability to accurately forecast future revenue by comparing prior forecasts to actual results.

- We evaluated the reasonableness of management's forecasts by comparing the forecasts to (1) prior results, (2) internal communications to management and the Board of Directors, and (3) forecasted information included in industry reports and companies in its peer group.

- With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate, including testing the underlying source information and the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the discount rate selected by management.

- With the assistance of our fair value specialists, we evaluated the peer-based guideline companies and the related revenue and EBITDA multiples. We evaluated the underlying source information and mathematical accuracy of the calculations, and compared the multiples selected by management to its guideline companies.

/s/ Deloitte & Touche LLP

Kansas City, MO
August 29, 2022

We have served as the Company's auditor since 2018.

SELECTQUOTE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	June 30,	
	2022	2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 140,997	$ 286,454
Accounts receivable, net	129,748	103,364
Commissions receivable-current	116,277	89,120
Other current assets	15,751	4,486
Total current assets	402,773	483,424
COMMISSIONS RECEIVABLE—Net	722,349	756,777
PROPERTY AND EQUIPMENT—Net	41,804	29,510
SOFTWARE—Net	16,301	12,611
OPERATING LEASE RIGHT-OF-USE ASSETS	28,016	31,414
INTANGIBLE ASSETS—Net	31,255	40,670
GOODWILL	29,136	68,019
OTHER ASSETS	18,418	1,436
TOTAL ASSETS	$ 1,290,052	$ 1,423,861
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 24,766	$ 34,079
Accrued expenses	26,002	20,676
Accrued compensation and benefits	42,150	40,909
Operating lease liabilities—current	5,261	5,289
Current portion of long-term debt	7,169	2,360
Other current liabilities	8,165	5,504
Total current liabilities	113,513	108,817
LONG-TERM DEBT, NET—less current portion	698,423	459,043
DEFERRED INCOME TAXES	50,080	138,827
OPERATING LEASE LIABILITIES	33,946	38,392
OTHER LIABILITIES	2,985	11,743
Total liabilities	898,947	756,822
COMMITMENTS AND CONTINGENCIES (Note 11)		
SHAREHOLDERS' EQUITY:		
Common stock, $0.01 par value—700,000,000 shares authorized; 164,452,029 and 163,510,191 shares issued and outstanding as of June 30, 2022 and 2021, respectively	1,644	1,635
Additional paid-in capital	554,845	544,771
Retained earnings (accumulated deficit)	(177,100)	120,404
Accumulated other comprehensive income	11,716	229
Total shareholders' equity	391,105	667,039
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,290,052	$ 1,423,861

See accompanying notes to consolidated financial statements.

SELECTQUOTE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Year Ended June 30,		
	2022	2021	2020
REVENUE:			
Commission	$ 587,518	$ 818,772	$ 474,429
Production bonus	89,057	70,653	50,308
Other	87,470	40,556	4,601
Total revenue	764,045	929,981	529,338
OPERATING COSTS AND EXPENSES:			
Cost of revenue	466,808	270,715	167,399
Marketing and advertising	484,084	385,291	184,157
General and administrative	89,837	63,114	35,283
Technical development	24,729	18,623	12,347
Goodwill impairment	44,596	—	—
Total operating costs and expenses	1,110,054	737,743	399,186
INCOME (LOSS) FROM OPERATIONS	(346,009)	192,238	130,152
INTEREST EXPENSE, NET	(43,595)	(29,320)	(24,595)
LOSS ON EXTINGUISHMENT OF DEBT	—	(3,315)	(1,166)
OTHER EXPENSE, NET	(202)	(1,588)	(405)
INCOME (LOSS) BEFORE INCOME TAX EXPENSE (BENEFIT)	(389,806)	158,015	103,986
INCOME TAX EXPENSE (BENEFIT)	(92,302)	33,156	24,502
NET INCOME (LOSS)	$ (297,504)	$ 124,859	$ 79,484
NET INCOME (LOSS) PER SHARE:			
Basic	$ (1.81)	$ 0.77	$ (0.18)
Diluted	$ (1.81)	$ 0.75	$ (0.18)
WEIGHTED-AVERAGE COMMON STOCK OUTSTANDING USED IN PER SHARE AMOUNTS:			
Basic	164,042	162,889	97,496
Diluted	164,042	165,544	97,496
OTHER COMPREHENSIVE INCOME (LOSS) NET OF TAX:			
Gain (loss) on cash flow hedge	11,487	1,483	(1,254)
OTHER COMPREHENSIVE INCOME (LOSS)	11,487	1,483	(1,254)
COMPREHENSIVE INCOME (LOSS)	$ (286,017)	$ 126,342	$ 78,230

See accompanying notes to the consolidated financial statements.

SELECTQUOTE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Retained Earnings / (Accumulated Deficit)	Treasury Stock	Accumulated Other Comprehensive (Loss) Income	Total Shareholders' Equity
	Shares	Amount					
BALANCES-June 30, 2019	90,619	$ 906	$ 138,378	$ 200,446	$ (77,275)	$ —	$ 262,455
Net income	—	—	—	79,484	—	—	79,484
Loss on cash flow hedge, net of tax	—	—	—	—	—	(1,295)	(1,295)
Amount reclassified into earnings, net of tax	—	—	—	—	—	41	41
Stock options exercised	5,495	56	5,450	—	—	—	5,506
Share-based compensation expense	—	—	9,483	—	—	—	9,483
Issuance and conversion of preferred shares, net of transaction fees	51,571	516	129,531	—	—	—	130,047
Dividends paid[(1)]	—	—	—	(207,341)	—	—	(207,341)
Dividends paid on unexercised stock options	—	—	(9,221)	—	—	—	(9,221)
Return of capital	—	—	(58,438)	—	—	—	(58,438)
Treasury stock retirement	(3,520)	(36)	—	(77,044)	77,275	—	195
Proceeds from initial public offering, net of underwriters' discounts and commissions and other offering expenses	18,026	180	332,930	—	—	—	333,110
BALANCES-June 30, 2020	162,191	$ 1,622	$ 548,113	$ (4,455)	$ —	$ (1,254)	$ 544,026
Net income	—	—	—	124,859	—	—	124,859
Gain on cash flow hedge, net of tax	—	—	—	—	—	941	941
Amount reclassified into earnings, net of tax	—	—	—	—	—	542	542
Exercise of employee stock options, net of shares withheld for cashless exercises and to cover tax withholdings	1,213	12	(9,473)	—	—	—	(9,461)
Issuance of common stock pursuant to employee stock purchase plan	56	1	985	—	—	—	986
Vesting of restricted stock unit awards	50	—	—	—	—	—	—
Share-based compensation expense	—	—	5,146	—	—	—	5,146
BALANCES-June 30, 2021	163,510	$ 1,635	$ 544,771	$ 120,404	$ —	$ 229	$ 667,039
Net loss	—	—	—	(297,504)	—	—	(297,504)
Gain on cash flow hedge, net of tax	—	—	—	—	—	10,869	10,869
Amount reclassified into earnings, net of tax	—	—	—	—	—	618	618
Exercise of employee stock options, net of shares withheld for cashless exercises and to cover tax withholdings	349	3	1,293	—	—	—	1,296
Issuance of common stock pursuant to employee stock purchase plan	467	5	1,877	—	—	—	1,882
Vesting of restricted stock unit awards	126	1	(148)	—	—	—	(147)
Share-based compensation expense	—	—	7,052	—	—	—	7,052
BALANCES-June 30, 2022	164,452	$ 1,644	$ 554,845	$ (177,100)	$ —	$ 11,716	$ 391,105

[(1)] Dividends paid for common stock and unexercised stock options were $1.96 per share and $15.66 per share for preferred series A-D during the year ended June 30, 2020. Refer to Note 12 for further details.

Reflects the retrospective application of the eight-for-one stock split effective February 28, 2020, whereby each share of common stock outstanding immediately prior to the effective date was split and converted into eight shares of common stock. The par value per share remained unchanged. The Company's capital accounts have been retroactively restated to reflect the stock split.

See accompanying notes to the consolidated financial statements.

SELECTQUOTE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended June 30,		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ (297,504)	$ 124,859	$ 79,484
Adjustments to reconcile net income (loss) to net cash, cash equivalents, and restricted cash used in operating activities:			
Depreciation and amortization	24,724	16,142	7,993
Goodwill impairment	44,596	—	—
Loss on disposal of property, equipment, and software	1,458	686	360
Impairment of long-lived assets	3,147	—	—
Share-based compensation expense	7,052	5,165	9,498
Deferred income taxes	(92,716)	33,007	24,493
Amortization of debt issuance costs and debt discount	5,461	3,344	2,266
Write-off of debt issuance costs	—	2,570	237
Fair value adjustments to contingent earnout obligations	—	1,488	375
Non-cash lease expense	4,067	3,823	—
Changes in operating assets and liabilities:			
Accounts receivable, net	(25,749)	(19,993)	(13,408)
Commissions receivable	7,271	(332,936)	(197,364)
Other assets	(10,915)	4,848	(3,352)
Accounts payable and accrued expenses	(4,464)	19,728	15,672
Operating lease liabilities	(5,143)	(3,782)	—
Other liabilities	401	25,609	11,970
Net cash used in operating activities	(338,314)	(115,442)	(61,776)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	(24,798)	(14,907)	(9,446)
Proceeds from sales of property and equipment	—	—	3
Purchases of software and capitalized software development costs	(9,851)	(8,081)	(6,106)
Acquisition of business	(6,927)	(41,028)	(35,821)
Investment in equity securities	(1,000)	—	—
Net cash used in investing activities	(42,576)	(64,016)	(51,370)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from Revolving Credit Facility	50,000	—	87,989
Payments on Revolving Credit Facility	(50,000)	—	(99,021)
Proceeds from DDTL Facility	242,000	—	—
Payments on DDTL Facility	(1,225)	—	—
Net proceeds from Term Loans	—	228,753	416,500
Payments on Term Loans	(2,360)	(84,118)	(100,000)
Proceeds from other debt	—	—	16,575
Payments on other debt	(184)	(251)	(31,447)
Proceeds from common stock options exercised and employee stock purchase plan	3,179	1,887	5,506
Cash dividends paid	—	—	(275,000)
Issuance of preferred stock	—	—	135,000
Payments of tax withholdings related to net share settlement of equity awards	(148)	(10,362)	—
Payments of debt issuance costs	(328)	(885)	(7,854)
Payments of costs incurred in connection with private placement	—	(1,771)	(3,784)
Payments of costs incurred in connection with initial public offering	—	(3,911)	(3,218)
Proceeds from initial public offering, net of underwriters' discounts and commissions	—	—	340,200
Payment of contingent earnout liability	—	(32,300)	—
Payment of acquisition holdback	(5,501)	—	—
Net cash provided by financing activities	235,433	97,042	481,446
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(145,457)	(82,416)	368,300
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of year	286,454	368,870	570
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—End of year	$ 140,997	$ 286,454	$ 368,870

Reconciliation to the Consolidated Balance Sheets:			
Cash and cash equivalents	140,997	286,454	321,065
Restricted cash	—	—	47,805
Total cash, cash equivalents, and restricted cash	$ 140,997	$ 286,454	$ 368,870
SUPPLEMENTAL CASH FLOW INFORMATION:			
Interest paid, net	$ (38,043)	$ (26,006)	$ (23,497)
(Payment) refund of income taxes, net	(169)	(214)	64
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING ACTIVITIES:			
Landlord funded allowance for tenant improvements	—	—	4,437
Capital expenditures in accounts payable and accrued expenses	655	444	241
Contingent earnout obligation related to acquisition	—	—	30,437
SUPPLEMENTAL DISCLOSURES OF NONCASH FINANCING ACTIVITIES:			
Payoff of credit agreement	—	—	(21,645)
Equity issuance costs in accounts payable and accrued expenses	—	—	5,643

See accompanying notes to consolidated financial statements.

SELECTQUOTE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business—SelectQuote, Inc. (together with its subsidiaries, the "Company" or "SelectQuote") contracts with insurance carriers to sell senior health, life, and auto and home insurance policies by telephone to individuals throughout the United States through the use of multi-channel marketing and advertising campaigns. SelectQuote's Senior division ("Senior") sells Medicare Advantage, Medicare Supplement, Medicare Part D, and other ancillary senior health insurance related products. Additionally, Senior includes the lead generation business, InsideResponse and Healthcare Services, which includes Population Health and SelectRx. Population Health contracts with insurance carriers to perform health risk assessments ("HRA") on potential new members to determine how Population Health's value-based care ("VBC") partners can help members produce better healthcare outcomes. SelectRx is a closed-door, long-term care pharmacy, which offers essential prescription medications, OTC medications, customized medication packaging, medication therapy management, and other consultative services. SelectQuote's Life division ("Life") sells term life, final expense, and other ancillary products, and SelectQuote's Auto & Home division ("Auto & Home") primarily sells non-commercial auto and home, property and casualty insurance products. The Company primarily earns revenue in the form of commission payments from the insurance carriers. Commission payments are received both when the initial policy is sold ("first year") and when the underlying policyholder renews their policy in subsequent years ("renewal"). The Company also receives certain volume-based bonuses from some carriers on first-year policies sold based on attaining various predetermined target sales levels or other agreed upon objectives. These bonuses are referred to as "production bonuses" or "marketing development funds." Additionally, the Company earns lead generation revenue from InsideResponse, revenue from Population Health for performing HRAs and making transfers or appointments with VBC partners, and pharmaceutical sales revenue from SelectRx.

Basis of Presentation—The accompanying consolidated financial statements include the accounts of SelectQuote, Inc., and its wholly owned subsidiaries: SelectQuote Insurance Services, SelectQuote Auto & Home Insurance Services, LLC ("SQAH"), ChoiceMark Insurance Services, Inc., Tiburon Insurance Services, InsideResponse, LLC ("InsideResponse"), and SelectQuote Ventures, Inc. All intercompany accounts and transactions have been eliminated in consolidation. The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles and include all adjustments necessary for the fair presentation of our financial position as of June 30, 2022. Certain reclassifications have been made to prior periods to conform with current year. Results from operations related to entities acquired during the periods covered by the consolidated financial statements are reflected from the effective date of acquisition. Results of operations were not materially impacted by the COVID-19 pandemic.

Our fiscal year ends on June 30. References in this Annual Report to a particular "year," "fiscal," "fiscal year," or "year-end" mean our fiscal year. The significant accounting policies applied in preparing the accompanying consolidated financial statements of the Company are summarized below.

Seasonality—Medicare-eligible individuals are permitted to change their Medicare Advantage and Medicare Part D prescription drug coverage for the following year during the Medicare annual enrollment period ("AEP") in October through December and are allowed to switch plans from an existing plan during the open enrollment period ("OEP") in January through March each year. As a result, the Company's Senior segment's commission revenue is highest in the second quarter and to a lesser extent, the third quarter during OEP.

Use of Estimates—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and disclosure of contingent assets and liabilities. The Company regularly assesses these estimates; however, actual amounts could differ from those estimates. The most significant items involving management's estimates include estimates of revenue recognition, commissions receivable, the provision for income taxes, share-based compensation, and

valuation of intangible assets and goodwill. The impact of changes in estimates is recorded in the period in which they become known.

Going Concern—The accompanying consolidated financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplate the realization of assets and the satisfaction of liabilities in the normal course of business. In the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2022, the Company disclosed that there was substantial doubt about its ability to continue as a going concern as a result of conditions that existed as of March 31, 2022. Specifically, the Company's financial projections indicated it would not be in compliance with a certain asset coverage ratio under the Senior Secured Credit Facility within one year after the date that the consolidated financial statements were issued. Subsequently, the Company entered into the Fourth Amendment to the Senior Secured Credit Facility (as defined and discussed further in Note 10 to the consolidated financial statements) to amend the required debt covenants through October 31, 2024. Based on its financial projections, the Company believes it will remain in compliance with the revised debt covenants within one year after the date that the consolidated financial statements are issued. We are in compliance with all debt covenants as of June 30, 2022.

Business Combinations—The Company accounts for business combinations in accordance with ASC Topic 805, *Business Combinations* ("ASC 805"), which requires most identifiable assets, liabilities, and goodwill acquired in a business combination to be recorded at full fair value at the acquisition date. Additionally, ASC 805 requires transaction-related costs to be expensed in the period incurred. The determination of fair value of assets acquired and liabilities assumed requires estimates and assumption that can change as a result of new information obtained about facts and circumstances that existed as of the acquisition date. As such, the Company will make any necessary adjustments to goodwill in the period identified within one year of the acquisition date. Adjustments outside of that range are recognized currently in earnings. Refer to Note 2 of the consolidated financial statements for further details.

Cash, Cash Equivalents, and Restricted Cash—Cash and cash equivalents represent cash and short-term, highly liquid investments with maturities of three months or less at the time of purchase. Prior to amending the Senior Secured Credit Facility, the Company's restricted cash balance consisted of a specified deposit account to be used only for interest payments on the Term Loans.

Concentrations of Credit Risk—Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of accounts and commissions receivable. The Company believes the potential for collection issues with any of its customers is minimal as of June 30, 2022, based on the lack of collection issues in the past and the high financial standards the Company requires of its customers. As of June 30, 2022, three insurance carrier customers accounted for 29%, 20%, and 14% of total accounts and commissions receivable. As of June 30, 2021, three insurance carrier customers accounted for 29%, 21%, and 10% of total accounts and commissions receivable.

For the year ended June 30, 2022, three insurance carriers customers accounted for 18%, 17%, and 12% of total revenue. For the year ended June 30, 2021, three insurance carrier customers accounted for 24%, 19%, and 15% of total revenue. For the year ended June 30, 2020, three insurance carrier customers accounted for 26% 18%, and 11% of total revenue.

Property and Equipment—Net—Property and equipment are stated at cost less accumulated depreciation. Finance lease amortization expenses are included in depreciation expense in our consolidated statements of comprehensive income. Depreciation is computed using the straight-line method based on the date the asset is placed in service using the following estimated useful lives:

Computer hardware	3 years
Machinery and equipment	2–5 years
Automobiles	5 years
Leasehold improvements	Shorter of lease period or useful life
Furniture and fixtures	7 years

Maintenance and minor replacements are expensed as incurred.

Software—Net—The Company capitalizes costs of materials, consultants, and compensation and benefits costs of employees who devote time to the development of internal-use software during the application development stage. Judgment is required in determining the point at which various projects enter the phases at which costs may be capitalized, in assessing the ongoing value of the capitalized costs, and in determining the estimated useful lives over which the costs are amortized, which is generally 3 years.

Implementation costs incurred in a hosting arrangement that is a service contract are capitalized according to the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software and classified in the same balance sheet line item as amounts prepaid for the related hosting arrangement. Amortization of these costs is recorded to the same income statement line item as the service fees for the related hosting arrangement and over the same term.

Leases—The Company has entered into various lease agreements for office space and other equipment as lessee. At contract inception, the Company determines that a contract contains a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration. If a contract contains a lease, the Company recognizes a right-of-use asset and a lease liability on the consolidated balance sheet at lease commencement. The Company has elected a practical expedient to make an accounting policy not to record short-term leases on the consolidated balance sheet, defined as leases with an initial term of 12 months or less that do not contain purchase options that the lessee is reasonably certain to elect.

Right-of-use assets represent the Company’s right to use an underlying asset for the lease term as the Company has control over an economic resource and is benefiting from the use of the asset. Lease liabilities represent the Company’s obligation to make payments for that right of use. Right-of-use assets and lease liabilities are determined by recognizing the present value of future lease payments using the Company’s incremental borrowing rate, which is the rate we would have to pay to borrow on a collateralized basis based upon information available at the lease commencement date. The right-of-use asset is measured at the commencement date by totaling the amount of the initial measurement of the lease liability, adding any lease payments made to the lessor at or before the commencement date, subtracting any lease incentives received, and adding any initial direct costs incurred by the Company.

When lease terms include renewal or termination options, the Company determines the lease term as the noncancelable period of the lease, plus periods covered by an option to extend the lease if the Company is reasonably certain to exercise the option. The Company considers an option to be reasonably certain to be exercised by the Company when a significant economic incentive exists.

The Company has lease agreements with lease and nonlease components. The Company elected the practical expedient to make an accounting policy election by class of underlying asset, to not separate nonlease components from the associated lease components and instead account for each separate lease component and its associated nonlease components as a single lease component. The Company has applied this accounting policy election to all asset classes.

Impairment and Disposal of Long-Lived Assets—The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not

be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to its expected future undiscounted cash flows. If the carrying amount exceeds its expected future undiscounted cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset or asset group exceeds its fair value. Assets to be disposed of are reported at the lower of their carrying amount or fair value, less costs to sell. Refer to Note 7 of the consolidated financial statements for further details.

Goodwill—Goodwill represents the excess of the purchase price over the estimated fair values of identifiable assets and liabilities acquired in a business combination as of the acquisition date. Goodwill is not amortized in accordance with the requirements of ASC 350, rather, goodwill is tested for impairment on an annual basis and whenever events or circumstances indicate that the asset may be impaired. The Company considers significant unfavorable industry or economic trends as factors in deciding when to perform an impairment test. Goodwill is allocated among, and evaluated for impairment, at the reporting unit level, which is defined as an operating segment or one level below an operating segment. The Company performs the annual goodwill impairment test as of April 1. Refer to Note 7 of the consolidated financial statements for further details.

Equity Issuance Costs—Equity issuance costs primarily consist of legal fees, underwriting fees, and other costs incurred as a result of the IPO and the issuance of Series E preferred stock. Upon completion of the IPO in May of 2020, $26.9 million of costs were charged to shareholders' equity against the gross proceeds raised. For the issuance of Series E preferred stock in April and May of 2020, $5.6 million of costs were charged to shareholders' equity against the gross proceeds raised.

Revenue Recognition—The Company has three revenue streams: commissions, production bonuses, and other revenues. The Company recognizes revenue when a customer obtains control of promised goods or services and recognizes an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. The Company applies the following five-step model in order to determine this amount: (i) identification of the contract with a customer; (ii) identification of the performance obligations in the contract, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation. The Company only applies the five-step model to contracts when it is probable that it will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer.

Commission Revenue

*Contracts with Customers***—**The Company earns commission revenue from the sale of insurance policies, both in the first year the policy is sold and when the underlying policyholder renews their policy in subsequent years, as presented in the consolidated statements of comprehensive income as commission revenue. The Company's primary customers are the insurance carriers that it contracts with to sell insurance policies on their behalf. The contracts with the insurance carriers are non-exclusive and can typically be terminated unilaterally by either party. We review individual contracts to determine the Company's legal and enforceable rights to renewal commissions upon contract termination when determining variable consideration. Additionally, the insurance carriers often have the ability to amend provisions in the contracts relating to the prospective commission rates paid to the Company for new policies sold. The Company's contracts with customers for commission revenue contain a single performance obligation satisfied at a point in time to which it allocates the total transaction price.

*Significant Judgments***—**The accounting estimates and judgments related to the recognition of revenue require the Company to make assumptions about numerous factors such as the determination of performance obligations and determination of the transaction price. In determining the amounts of revenue to recognize, the Company considers the following:

- Determination of Performance Obligations—The Company reviews each contract with customers to determine what promises the Company must deliver and which of these promises are capable of being distinct and are distinct in the context of the contract. The delivery of new policyholders to the insurance carriers is the only material promise specified

within the contracts. After a policy is sold, the Company has no material additional or recurring obligations to the policyholder or the insurance carrier. The Company's contracts do not include downstream policyholder activities such as claims support or payment collection services. While the primary promise is the sale of policies, some contracts include the promise to provide administrative services to policyholders on behalf of the insurance carrier such as responding to policyholder inquiries regarding coverage or providing proof of insurance. The Company has concluded that while these administrative services may be distinct, they are immaterial in the context of the contract.

- Determination of the Transaction Price—Although the commission rates the Company is paid are based on agreed-upon contractual terms, the transaction price is determined using the estimated LTV, which represents commissions estimated to be collected over the life of an approved policy. This includes the first year commission due upon the initial sale of a policy as well as an estimate of renewal commissions. First year commission revenue for new policies sold includes an estimated provision for those policies that are anticipated to lapse before the first policy anniversary renewal date ("first year provision"). The Company utilizes a practical expedient to estimate renewal commission revenue by applying the use of a portfolio approach to policies grouped together by segment, insurance carrier, product type, and quarter the policy was initially sold (referred to as a "cohort").

  The estimate of renewal commission revenue is considered variable consideration and requires significant judgment to determine the renewal commission revenue to be recognized at the time the performance obligation is met and in the reassessment of the transaction price each reporting period. This includes determining the number of periods in which a renewal will occur and the value of those renewal commissions to be received if renewed, which includes estimating persistency, the renewal year provision, and an additional product specific constraint applied to account for trends such as industry volatility or uncertainty of consumer behavior patterns. Persistency is the estimate of policies expected to renew each year and renewal year provision is the estimate of policies expected to lapse during each renewal period. The estimated average duration of expected renewals for our cohorts used in the calculation of LTV is ten years. Effective for policies sold during the three months ended December 31, 2021, and thereafter, the Company increased the product specific constraint for MA from 6% to 15%.

  The assumptions used in the Company's calculation of renewal commission revenue are based on a combination of the Company's historical experience for renewals, lapses, and payment data; available insurance carrier data; other industry or consumer behavior patterns; and expectations for future retention rates. The estimate of variable consideration is recognized only to the extent it is probable that a material reversal in revenue would not be expected to occur when the uncertainty associated with future commissions receivables is subsequently resolved when the policy renews or lapses. The Company monitors and updates this estimate of transaction price at each reporting period.

- Reassessment of the Transaction Price—The Company is continuously reviewing and monitoring the assumptions and inputs into the Company's calculation of renewal commission revenue, including reviewing changes in the data used to estimate LTV's as well as monitoring the cash received for each cohort as compared to the original estimates at the time the policy was sold. The Company assesses the actual renewal data and historical data to identify trends and updates assumptions when a sufficient amount of evidence would suggest that the expectation underlying the assumption has changed and a change in estimate of the transaction price is warranted. The differences in actual cash received for current period renewals may result in an adjustment by cohort ("cohort adjustment") to revenue and commissions receivable. Cohort adjustments can be positive or negative and are recognized using actual experience from policy renewals. The Company analyzes cohort adjustments to

determine if they are indicative of changes needed in our estimates of future renewal commissions ("tail adjustments") that remain unresolved as of the reporting period. As part of the ongoing evaluation, the Company recorded a net downward adjustment to revenue in fiscal years 2022 and 2021 related to a change in estimate (refer to Note 13 of the consolidated financial statements for further details).

Timing of Recognition—The Company recognizes revenue for both first year and renewal commissions when it has completed its performance obligation, which is at different milestones for each segment based on the contractual enforceable rights, the Company's historical experience, and established customer business practices:

- Senior—Commission revenue is recognized at the earliest of when the insurance carrier has approved the policy sold, when a commission payment is received from the insurance carrier, or when the policy sold becomes effective.
- Life—Term commission revenue is recognized when the insurance carrier has approved the policy sold and payment information has been obtained from the policyholder. Final expense commission revenue is recognized when the carrier provides confirmation the policy is active.
- Auto & Home—Commission revenue is recognized when the policy sold becomes effective.

Production Bonus Revenue

In addition to the commissions revenue received for the sale of policies, the Company earns two additional forms of revenue from its insurance carrier customers: 1) production bonuses, which are generally based on attaining predetermined target sales levels and are paid at the end of an agreed-upon measurement period and 2) marketing development funds, which are used as additional compensation and incentive to drive incremental policy sales for certain insurance carrier customers and are typically paid upfront to be used for lead generation activities during the agreed-upon measurement period (e.g. AEP for Senior). Together, revenue from production bonuses and marketing development funds are presented in the consolidated statements of comprehensive income as production bonus revenue.

The sale of a certain volume of insurance policies is the only material promise specified within the contracts for production bonuses, with the transaction price being the agreed-upon contractual total production bonus to be paid by the insurance carrier at the end of the measurement period. The Company recognizes revenue from production bonuses as policies are sold based upon the agreed-upon targets in the customer contracts, using contractual amounts and forecast data to project the volume for the measurement period and record revenue proportionally as policies are sold. Therefore, the estimates of revenue for production bonuses are considered variable consideration, but the uncertainty around the variable consideration is typically resolved within a reporting period due to the nature of the production bonus contracts. Due to this, there are not significant judgments required in recognizing production bonus revenue.

The contract language can vary in the Company's marketing development funds contracts, but generally the material promise to the customer is for the Company to use the upfront payment to generate leads. There are no future revenue streams or variable consideration associated as the transaction price is fixed, determined, and paid up front. Therefore, the Company's performance obligation is fulfilled, and revenue is recognized, as leads are generated during the agreed-upon measurement period (typically one fiscal quarter). The difference between the upfront payment and the unmet performance obligation represents a contract liability, which is classified as a commission advance and included in other current liabilities in the consolidated balance sheet as shown in note 6 to the consolidated financial statements.

Other Revenue

Included in other revenue in the consolidated statements of comprehensive income is revenue from InsideResponse and Healthcare Services. Lead generation revenue for InsideResponse is recognized when the generated lead is accepted by the customer (various insurance brokers), which is the point of sale, the transaction price is known based on volume and contractual prices, and the Company has no further performance obligation after the delivery of the lead. Population Health revenue is recognized when the HRA has been performed for an insurance carrier customer or the agreed-upon task has been completed for a VBC partner (the customer), the transaction price is known based on volume and contractual prices, and the Company has no further performance obligation. Pharmaceutical sales revenue from SelectRx is recognized upon shipment of an order to a customer (the patient ordering the medication). At the time of shipment, the Company has performed its one performance obligation, does not experience a significant level of returns or re-shipments, and collectability is probable. There are no future revenue streams or variable consideration associated as the transaction price is fixed and determined at time of shipment, customers have the option to cancel their service at any time, and any subsequent new order is its own performance obligation. All of the Company's contracts with customers included in other revenue contain a single performance obligation satisfied at a point in time to which it allocates the total transaction price.

Accounts Receivable, net—Accounts receivable, net primarily represents either first year or renewal commissions expected to be received on policies that have already been sold or renewed and for production bonus revenue that has been earned but not received from the insurance carrier. Typically, the Company receives commission payments as the insurance carriers receive payments from the underlying policyholders. As these can be on various payment terms such as monthly or quarterly, a receivable is recorded to account for the commission payments yet to be received from the insurance carriers. Accounts receivable, net also includes trade receivables from Healthcare Services primarily due to pharmacy sales to customers who are covered by third-party payers (e.g., pharmacy benefit managers, insurance companies, and governmental agencies), and are stated net of allowance for uncollectability. The Company recorded an allowance for uncollectability as of June 30, 2022 and 2021, of $0.6 million and less than $0.1 million, respectively.

Commissions Receivable—Commissions receivable are contract assets that represent estimated variable consideration for performance obligations that have been satisfied but payment is not due as the underlying policy has not renewed yet. The current portion of commissions receivable are future renewal commissions expected to be renewed and collected in cash within one year, while the non-current portion of commissions receivable are expected to be collected beyond one year. Contract assets are reclassified as accounts receivable, net when the rights to the renewal commissions become unconditional, which is primarily upon renewal of the underlying policy, typically on an annual basis.

Cost of Revenue—Cost of revenue represents the direct costs associated with fulfilling the Company's obligations to its customers, primarily compensation, benefits, and licensing for: sales agents, CSA's, pharmacists, pharmacy technicians, fulfillment specialists, and others directly engaged in serving customers, in addition to inventory costs for SelectRx.

Inventory—Inventory consists of SelectRx pharmaceuticals, which are carried at the lower of cost (weighted average cost) or net realizable value. Net realizable value is defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation, with a normal margin to sell. Any adjustments to reduce the cost of inventories to their net realizable value are recognized in earnings in the current period. Inventory is included in other current assets in the consolidated balance sheet.

Share-Based Compensation—The Company applies the fair value method under ASC 718, *Compensation—Stock Compensation* ("ASC 718"), in accounting for share-based compensation to employees. Under ASC 718, compensation cost is measured at the grant date based on the fair value of the equity instruments awarded and is recognized over the period during which an employee is required to provide service in exchange for the award, or the requisite service period, which is usually the vesting period. The fair value of the equity award granted is estimated on the date of the grant.

Marketing and Advertising Expenses—Direct costs related to marketing and advertising the Company's services are expensed in the period incurred. Advertising expense was $418.0 million, $329.4 million, and $162.8 million for the years ended June 30, 2022, 2021, and 2020, respectively.

Income Taxes—The Company accounts for income taxes using an asset and liability method. Deferred income tax assets and liabilities result from temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements that will result in taxable or deductible amounts in future years. Valuation allowances are provided when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company applies ASC 740, *Income Taxes* ("ASC 740"), in accounting for uncertainty in income taxes recognized in the Company's consolidated financial statements. ASC 740 requires a more-likely-than-not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company records a liability for the difference between the benefit recognized and measured pursuant to ASC 740 and the tax position taken or expected to be taken on the Company's tax return. To the extent that the assessment of such tax positions changes, the change in estimate is recorded in the period in which the determination is made.

Comprehensive Income—Comprehensive income is comprised of net income and the effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges, less amounts reclassified into earnings.

Recent Accounting Pronouncements Not Yet Adopted—In October 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires that an acquirer recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606 as if the acquirer had originated the contracts. Prior to this ASU, an acquirer generally recognizes contract assets acquired and contract liabilities assumed that arose from contracts with customers at fair value on the acquisition date. The ASU is effective for fiscal years beginning after December 15, 2022, with early adoption permitted. The ASU is to be applied prospectively to business combinations occurring on or after the effective date of the amendment (or if adopted early as of an interim period, as of the beginning of the fiscal year that includes the interim period of early application). The Company does not expect the adoption of this standard to have a material impact on its consolidated financial statements.

Recent Accounting Pronouncements Adopted—In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which simplifies and changes the accounting for certain income tax transactions, among other minor improvements. This standard was effective for the Company on July 1, 2021, and did not have a material impact on the consolidated financial statements and related disclosures.

Immaterial Correction of Prior Period Financial Statements—Subsequent to the issuance of the Company's financial statements as of and for the year ended June 30, 2021, the Company determined that the provision for first year commission revenue for certain final expense policies offered by certain of its insurance carrier partners should have been accrued based on a higher lapse rate. This misstatement was initially thought to be isolated to an error in the lapse rate for one of its insurance carrier partners, as disclosed in the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2021. However, during the three months ended June 30, 2022, it was determined that the lapse rate for other insurance carrier partners were also incorrect, resulting in an additional misstatement being identified. The cumulative effect of the error in the lapse rates resulted in commission revenues being misstated by $7.8 million and $2.2 million for the years ended June 30, 2021 and 2020, respectively, and $3.8 million, $0.7 million, and $0.8 million for the three months ended September 30, 2021, December 31, 2021, and March 31, 2022, respectively. Accounts receivable was misstated by $10.0 million and $2.2 million as of June 30, 2021 and 2020, respectively. The impact of the cumulative misstatements on net income for the years ended June 30, 2021 and 2020, were decreases of $6.2 million and $1.7 million, respectively. Management evaluated the cumulative misstatements and concluded they were not material to prior periods, individually or in

aggregate. However, correcting the cumulative effect of the misstatements during any three month period within the year ended June 30, 2022, would have had a significant effect on the results of operations for these respective reporting periods. Therefore, the Company is correcting the relevant prior period consolidated financial statements and related footnotes for this error for comparative purposes. The Company will also correct previously reported financial information for such immaterial errors in future filings, as applicable (see "Part II, Item 9B. Other Information" below for additional information).

The following tables reflect the effects of the correction on all affected line items of the Company's previously reported consolidated financial statements that are presented as comparative in the consolidated financial statements included in this Annual Report on Form 10-K for the year ended June 30, 2022:

CORRECTED CONSOLIDATED BALANCE SHEET

	June 30, 2021		
(in thousands)	**As Previously Reported**	**Adjustment**	**As Corrected**
Accounts receivable	$ 113,375	$ (10,011)	$ 103,364
Total current assets	493,435	(10,011)	483,424
Total assets	1,433,872	(10,011)	1,423,861
Deferred income taxes	140,988	(2,161)	138,827
Total liabilities	758,983	(2,161)	756,822
Retained earnings (accumulated deficit)	128,254	(7,850)	120,404
Total shareholders' equity	674,889	(7,850)	667,039
Total liabilities and shareholders' equity	$ 1,433,872	$ (10,011)	$ 1,423,861

CORRECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

	Year Ended June 30, 2021		
(in thousands)	**As Previously Reported**	**Adjustment**	**As Corrected**
Commission revenue	$ 826,606	$ (7,834)	$ 818,772
Total revenue	937,815	(7,834)	929,981
Income (loss) from operations	200,072	(7,834)	192,238
Income (loss) before income tax expense (benefit)	165,849	(7,834)	158,015
Income tax expense (benefit)	34,803	(1,647)	33,156
Net income (loss)	131,046	(6,187)	124,859
Net income (loss) per share:			
Basic	0.80	(0.03)	0.77
Diluted	0.79	(0.04)	0.75
Comprehensive income (loss)	$ 132,529	(6,187)	$ 126,342

CORRECTED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended June 30, 2021	
(in thousands)	(Accumulated Deficit)/Retained Earnings	Total Shareholders' Equity
As Previously Reported		
BALANCES-June 30, 2020	$ (2,792)	$ 545,689
Net income	131,046	131,046
BALANCES-June 30, 2021	128,254	674,889
Adjustments		
BALANCES-June 30, 2020	(1,663)	(1,663)
Net loss	(6,187)	(6,187)
BALANCES-June 30, 2021	(7,850)	(7,850)
As Corrected		
BALANCES-June 30, 2020	(4,455)	544,026
Net income	124,859	124,859
BALANCES-June 30, 2021	$ 120,404	$ 667,039

CORRECTED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended June 30, 2021		
(in thousands)	As Previously Reported	Adjustment	As Corrected
Net income (loss)	$ 131,046	(6,187)	$ 124,859
Deferred income taxes	34,654	(1,647)	33,007
Accounts receivable	(27,827)	7,834	(19,993)
Net cash used in operating activities	$ (115,442)	$ —	$ (115,442)

CORRECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

	Year Ended June 30, 2020		
(in thousands)	As Previously Reported	Adjustment	As Corrected
Commission revenue	$ 476,606	$ (2,177)	$ 474,429
Total revenue	531,515	(2,177)	529,338
Income (loss) from operations	132,329	(2,177)	130,152
Income (loss) before income tax expense (benefit)	106,163	(2,177)	103,986
Income tax expense (benefit)	25,016	(514)	24,502
Net income (loss)	81,147	(1,663)	79,484
Net income (loss) per share:			
Basic	(0.16)	(0.02)	(0.18)
Diluted	(0.16)	(0.02)	(0.18)
Comprehensive income (loss)	$ 79,893	$ (1,663)	$ 78,230

CORRECTED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended June 30, 2020	
(in thousands)	**Retained Earnings**	**Total Shareholders' Equity**
As Previously Reported		
BALANCES-June 30, 2019	$ 200,446	$ 262,455
Net Income	81,147	81,147
BALANCES-June 30, 2020	(2,792)	545,689
Adjustments		
BALANCES-June 30, 2019	—	—
Net Loss	(1,663)	(1,663)
BALANCES-June 30, 2020	(1,663)	(1,663)
As Corrected		
BALANCES-June 30, 2019	200,446	262,455
Net Income	79,484	79,484
BALANCES-June 30, 2020	$ (4,455)	$ 544,026

CORRECTED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended June 30, 2020		
(in thousands)	**As Previously Reported**	**Adjustment**	**As Corrected**
Net income (loss)	$ 81,147	(1,663)	$ 79,484
Deferred income taxes	25,007	(514)	24,493
Accounts receivable	(15,585)	2,177	(13,408)
Net cash used in operating activities	$ (61,776)	$ —	$ (61,776)

2. ACQUISITIONS

In accordance with ASC 805, the Company allocates the fair value of purchase consideration to the tangible assets, liabilities, and intangible assets acquired based on fair values. Any excess purchase price over those fair values is recorded as goodwill. The fair value assigned to intangible assets acquired is supported by valuations using estimates and assumptions provided by management. Based on the valuation inputs, the Company has recorded assets acquired and liabilities assumed according to the following fair value hierarchy:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2	Unadjusted quoted prices in active markets for similar assets or liabilities; or unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs other than quoted prices that are observable for the asset or liability.
Level 3	Unobservable inputs for the asset or liability

InsideResponse, LLC—On May 1, 2020, the Company acquired 100% of the outstanding membership units of InsideResponse, an online marketing consulting firm the Company previously purchased leads from, for an aggregate purchase price of up to $65.0 million (subject to customary adjustments), as set forth in the Agreement and Plan of Merger, as amended on May 1, 2020 (the “Merger Agreement”). The purchase price was comprised of $32.7 million, which was paid in cash at the closing of the transaction and an earnout of up to $32.3 million, which

was paid in full in cash during the year ended June 30, 2021, as InsideResponse achieved the applicable earnout target for calendar year 2020, as set forth in the Merger Agreement. Additionally, during the year ended June 30, 2021, the Company recorded $1.5 million in other expense, net in the consolidated statement of comprehensive income as an adjustment to the fair market value of the earnout liability.

Under the terms of the Merger Agreement, total consideration in the acquisition consisted of the following as of the acquisition date (in thousands):

Base purchase price	$	32,700
Fair value of earnout		30,437
Net working capital true-up[(1)]		3,527
Closing cash		904
Closing indebtedness		(476)
Total purchase consideration	$	67,092

(1) The Company recorded a $0.1 million measurement period adjustment to the carrying amount of goodwill related to the net working capital true-up for the year ended June 30, 2021.

Goodwill resulting from the transaction constitutes the excess of the consideration paid over the fair values of the assets acquired and liabilities assumed and primarily represents the expected synergies in streamlining the Company's marketing and advertising process by consolidating a primary vendor into its marketing team, providing full access to a rapidly growing and scalable lead generation strategy, guaranteeing our ability to consume more leads and reducing cost. This acquired goodwill is allocated to the Senior reporting unit which is part of the Senior segment, and approximately $5.0 million is deductible for tax purposes.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the acquisition date (in thousands):

Description	Estimated Life		Amount
Cash and cash equivalents		$	955
Accounts receivable			8,220
Other current assets			459
Property and equipment, net			51
Accounts payable			(2,922)
Accrued expenses			(737)
Other current liabilities			(8)
Other liabilities			(1)
Net tangible assets acquired			6,017
Trade Name	5 years		2,680
Proprietary Software	2-5 years		1,042
Non-compete agreements	3 years		192
Customer relationships	7 years		16,069
Goodwill	Indefinite		41,092
Total intangible assets acquired			61,075
Net assets acquired		$	67,092

The Company will amortize the intangible assets acquired on a straight-line basis over their estimated remaining lives, ranging from two to seven years.

Lead distribution company—On February 1, 2021, the Company acquired substantially all of the assets of a lead distribution company for an aggregate purchase price of up to $33.5 million (subject to customary adjustments), as set forth in the Asset Purchase Agreement, dated February 1, 2021 (the "Asset Purchase Agreement"). The purchase price is comprised of $30.0 million, of which $24.0 million was paid in cash at the closing of the transaction with an additional $6.0 million of holdback for indemnification claims, net working capital adjustments, and underperformance. Additionally, the purchase price includes an earnout of up to $3.5 million. The primary purpose of the acquisition was to secure and incorporate the exclusive publisher relationships into the lead generation business of InsideResponse. The Company recorded $0.4 million of acquisition-related costs in general and administrative operating costs and expenses in the consolidated statement of comprehensive income.

During calendar year 2021, the lead distribution company did not achieve the minimum earnout target as set forth in the Asset Purchase Agreement. However, the remaining holdback was earned in full, as the lead distribution company did not fall below the underperformance thresholds as set forth in the Asset Purchase Agreement. The Company settled the remaining holdback of $5.5 million, with interest, after the net working capital true-up of $0.5 million, during the year ended June 30, 2022.

Under the terms of the Asset Purchase Agreement, the total consideration for the acquisition consisted of the following as of the acquisition date (in thousands):

Base purchase price	$	30,000
Net working capital true-up		(499)
Total Purchase Consideration	$	29,501

At the date of acquisition, the fair value of net tangible assets acquired approximated their carrying value. The non-compete agreements were valued using the income approach, and the customer relationships were valued using the multiple period excess earnings method. As such, all aforementioned intangible assets were valued using Level 3 inputs.

Goodwill resulting from the transaction constitutes the excess of the consideration paid over the fair values of the assets acquired and liabilities assumed and primarily represents the benefits of leveraging the exclusive publisher relationships in the business. This acquired goodwill is allocated to the Senior reporting unit which is part of the Senior segment, and $1.6 million will be deductible for tax purposes after adding back acquisition costs and settling the remaining holdback.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the acquisition date (in thousands):

Description	Estimated Life		Amount
Accounts receivable		$	1,301
Total tangible assets acquired			1,301
Non-compete agreements	5 years		1,000
Vendor relationships	9 years		23,700
Goodwill	Indefinite		3,500
Total intangible assets acquired			28,200
Net Assets Acquired		$	29,501

The Company will amortize the intangible assets acquired on a straight-line basis over their estimated remaining lives, ranging from five to nine years.

Express Med Pharmaceuticals—On April 30, 2021, the Company acquired 100% of the outstanding shares of Express Med Pharmaceuticals, Inc., now SelectRx, a closed-door, long term care pharmacy provider, for an aggregate purchase price of up to $24.0 million (subject to customary adjustments), as set forth in the Stock Purchase Agreement dated April 30, 2021 (the "Stock Purchase Agreement"). The aggregate purchase price of up to $24.0 million is comprised of $17.5 million in cash paid at the closing of the transaction, an additional $2.5 million of holdback for indemnification claims, if any, and an earnout of up to $4.0 million, if any. The primary purpose of the acquisition was to take advantage of the Company's technology and customer base to facilitate better patient care through coordination of strategic, value-based care partnerships. The Company recorded $0.3 million of acquisition-related costs in general and administrative operating costs and expenses in the consolidated statement of comprehensive income. In addition, as a result of the acquisition, the Company has entered into an operating lease with the former President and Chief Executive Officer of Express Med Pharmaceuticals, now our Executive Vice President of SelectRx. Refer to Note 5 in the consolidated financial statements for further details.

The earnout of up to $4.0 million is comprised of two separate provisions. The first provision provides for an earnout of up to $3.0 million and is contingent upon achievement of the following within the first 20 months following the acquisition: facility updates that would allow for processing a minimum of 75,000 active patients, the issuance of pharmacy licenses in all 50 states, and active patients of 15,000 or more. The second provision provides for an earnout of up to $1.0 million and is contingent upon achievement of the following within 36 months following the acquisition: construction of a new facility to accommodate the servicing of additional active patients or 75,000 or more active patients as of the last day of any month prior to the end of the second earnout provision period or as of the end of the second earnout provision period. As the earnout payment is contingent upon continued employment of certain individuals, the Company will recognize the earnout as compensation expense in general and administrative operating costs and expenses in the consolidated statement of comprehensive income in the period in which it is earned. As of June 30, 2022, the Company has accrued compensation expense of $1.0 million, as the second earnout provision has been achieved. Subsequent to June 30, 2022, but prior to the report date, the Company settled the remaining holdback, net of adjustments, for $2.3 million.

Under the terms of the Stock Purchase Agreement, total consideration in the acquisition consisted of the following as of the acquisition date (in thousands):

Base purchase price	$	20,000
Net working capital true-up		(483)
Closing cash		20
Total purchase consideration	$	19,537

At the date of acquisition, the fair value of net tangible assets acquired, excluding property and equipment, approximated their carrying value. The property and equipment was valued primarily using the cost and sales comparison approach to value. For the proprietary software acquired, the replacement cost method under the cost approach was used, estimating the cost to rebuild the software. The non-compete agreement was valued using the income approach, and the customer relationships were valued using the multiple period excess earnings method. As such, all aforementioned intangible assets were valued using Level 3 inputs.

Goodwill resulting from the transaction constitutes the excess of the consideration paid over the fair values of the assets acquired and liabilities assumed and primarily represents the additional value of the synergies of combining the SelectRx business with the Company's technology and existing customer base. This acquired goodwill is allocated to the Healthcare Services reporting unit which is part of the Senior segment, and $16.3 million will be deductible for tax purposes after adding back acquisition costs and excluding the holdback not yet paid.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the acquisition date (in thousands):

Description	Estimated Life	Amount
Cash and cash equivalents		$ 20
Accounts receivable		613
Other current assets		28
Property and equipment, net		287
Accounts payable		(280)
Accrued expenses, including compensation and benefits		(45)
Net tangible assets acquired		623
Proprietary Software	3 years	550
Non-compete agreements	5 years	100
Customer relationships	1 year	200
Goodwill	Indefinite	18,064
Total intangible assets acquired		18,914
Net assets acquired		$ 19,537

The Company will amortize the intangible assets acquired on a straight-line basis over their estimated remaining lives, ranging from one to five years.

Simple Meds—On August 31, 2021, SelectRx acquired 100% of the outstanding equity interests of Simple Meds, a full-service pharmaceutical distributor, for an aggregate purchase price of $7.0 million (subject to customary adjustments), as set forth in the Membership Interest Purchase Agreement dated August 31, 2021. The aggregate purchase price of $7.0 million was paid in cash at the closing of the transaction. The primary purpose of the acquisition was to accelerate the expansion of the prescription drug management business by combining the operations and existing infrastructure of Simple Meds into SelectRx.

Under the terms of the Membership Interest Purchase Agreement, total consideration in the acquisition consisted of the following as of the acquisition date (in thousands):

Base purchase price	$ 7,000
Net working capital true-up	347
Closing cash	61
Total purchase consideration	$ 7,408

At the date of acquisition, the fair value of net tangible assets acquired approximated their carrying value. The customer relationships were valued using the multiple period excess earnings method, and as such, were valued using Level 3 inputs.

Goodwill resulting from the transaction constitutes the excess of the consideration paid over the fair values of the assets acquired and liabilities assumed and primarily represents the additional value of the synergies of combining the Simple Meds business with the Company's technology and existing customer base. This acquired goodwill is allocated to the Healthcare Services reporting unit which is part of the Senior segment, and the Company expects approximately $5.6 million to be deductible for tax purposes after adding back acquisition costs.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the acquisition date (in thousands):

Description	Estimated Life	Amount
Cash and cash equivalents		$ 61
Accounts receivable		634
Other current assets		474
Property and equipment, net		415
Accounts payable		(259)
Net tangible assets acquired		1,325
Customer relationships	1 year	370
Goodwill	Indefinite	5,713
Total intangible assets acquired		6,083
Net assets acquired		$ 7,408

From the date of acquisition, August 31, 2021 through June 30, 2022, Simple Meds generated $14.6 million of pharmaceutical sales revenue recorded in other revenue in the consolidated statement of comprehensive income.

3. PROPERTY AND EQUIPMENT—NET

Property and equipment—net consisted of the following as of June 30:

(in thousands)	2022	2021
Computer hardware	$ 23,303	$ 13,351
Machinery and equipment[1]	15,051	2,667
Leasehold improvements	20,269	18,525
Furniture and fixtures	4,605	5,004
Work in progress	2,810	7,220
Total	66,038	46,767
Less accumulated depreciation	(24,234)	(17,257)
Property and equipment—net	$ 41,804	$ 29,510

(1) Includes financing lease right-of-use assets.

Work in progress primarily represents computer equipment and machinery not yet put into service and not yet being depreciated. Depreciation expense for the years ended June 30, 2022, 2021, and 2020, was $11.8 million, $7.7 million, and $5.2 million, respectively.

4. SOFTWARE—NET

Software—net consisted of the following as of June 30:

(in thousands)	2022	2021
Software	$ 26,049	$ 16,530
Work in progress	4,162	3,826
Total	30,211	20,356
Less accumulated amortization	(13,910)	(7,745)
Software—net	$ 16,301	$ 12,611

Work in progress primarily represents costs incurred for software not yet put into service and not yet being amortized. For the years ended June 30, 2022, 2021, and 2020, the Company capitalized internal-use software and website development costs of $8.4 million, $7.6 million, and $5.8 million, respectively, and recorded amortization expense of $6.3 million, $3.9 million, and $2.2 million, respectively.

5. LEASES

The majority of the Company's leases are operating leases related to office space for which the Company recognizes lease expense on a straight-line basis over the respective lease term. The Company leases office facilities in the United States in San Diego, California; Centennial, Colorado; Overland Park, Kansas; Des Moines, Iowa; Oakland, California; Indianapolis, Indiana; and Monaca, Pennsylvania (note that SelectRx leases the Monaca facility from an Executive Vice President of SelectRx. The Company expects to incur $3.6 million in total rental payments over the initial ten-year term plus an additional five-year extension option that it is reasonably certain to exercise). The Company's operating leases have remaining lease terms of less than one year up to thirteen years.

The Company executed noncancelable subleases for portions of its office facilities in Overland Park, Kansas and Centennial, Colorado. These subleases commenced or are expected to commence March 23, 2022; June 9, 2022; July 1, 2022; and September 2, 2022, run through the remaining terms of the primary leases, and are expected to generate a combined $14.3 million in sublease income. Sublease income is recorded on a straight-line basis as a reduction of lease expense in the consolidated statements of comprehensive income. The Company may consider entering into additional sublease arrangements in the future. In addition, during the three months ended March 31, 2022, the Company exercised an early termination option for the Des Moines, Iowa office lease, with a new termination date of September 30, 2022, resulting in an early termination penalty of $0.3 million, which was recorded as part of the remeasurement of the operating lease liability and will result in accelerated amortization of the right-of-use asset over the shortened remaining term of the lease. Subsequent to the year ended June 30, 2022, the Company has exercised an early termination option for a portion of its office facilities in Overland Park, Kansas, with a new termination date of July 31, 2023, resulting in an early termination penalty of $0.9 million. The early termination penalty, which will be paid in two separate installments, will be recorded as part of the remeasurement of the operating lease liability, and will result in accelerated amortization of the right-of-use asset over the shortened remaining term of the lease.

Right-of-Use Asset and Lease Liability—The right-of-use assets and lease liabilities were as follows as of June 30, 2022:

(in thousands)	Balance Sheet Classification	2022	2021
Assets			
Operating leases	Operating lease right-of-use assets	$ 28,016	$ 31,414
Finance leases	Property and equipment - net	261	181
Total lease right-of-use assets		28,277	31,595
Liabilities			
Current			
Operating leases	Operating lease liabilities - current	5,261	5,289
Finance leases	Other current liabilities	136	188
Non-current			
Operating leases	Operating lease liabilities	33,946	38,392
Finance leases	Other liabilities	129	27
Total lease liabilities		$ 39,472	$ 43,896

Lease Costs—The components of lease costs were as follows for the periods presented:

	Year Ended June 30,	Year Ended June 30,
(in thousands)	2022	2021
Finance lease costs[(1)]	$ 181	$ 245
Operating lease costs[(2)]	7,996	7,843
Short-term lease costs	108	172
Variable lease costs[(3)]	842	1,195
Sublease income	(690)	(975)
Total net lease costs	$ 8,437	$ 8,480

(1) Primarily consists of amortization of finance lease right-of-use assets and an immaterial amount of interest on finance lease liabilities recorded in operating costs and expenses and interest expense, net in the consolidated statements of comprehensive income.
(2) Recorded in operating costs and expenses in the consolidated statements of comprehensive income.
(3) Variable lease costs are not included in the measurement of the lease liability or right-of-use asset as they are not based on an index or rate and primarily represents common area maintenance charges and real estate taxes recorded in operating costs and expenses in the consolidated statements of comprehensive income.

Supplemental Information—Supplemental information related to leases was as follows as of and for the periods presented:

(in thousands)	Year Ended June 30, 2022 Operating leases	Year Ended June 30, 2022 Finance leases	Year Ended June 30, 2022 Total	Year Ended June 30, 2021 Operating leases	Year Ended June 30, 2021 Finance leases	Year Ended June 30, 2021 Total
Cash paid for amounts included in measurement of liabilities:						
Operating cash flows from leases	$ 9,561	$ 12	$ 9,573	$ 7,228	$ 11	$ 7,239
Financing cash flows from leases	—	199	199	—	262	262
Right-of-use assets obtained in exchange for new lease liabilities	$ 654	$ 249	$ 903	$ 5,618	$ 194	$ 5,812

	Year Ended June 30, 2022 Operating leases	Year Ended June 30, 2022 Finance leases	Year Ended June 30, 2021 Operating leases	Year Ended June 30, 2021 Finance leases
Weighted-average remaining lease term (in years)	6.56	3.20	7.20	1.14
Weighted-average discount rate	9.55 %	5.64 %	9.58 %	6.44 %

Maturities of Lease Liabilities—As of June 30, 2022, remaining maturities of lease liabilities for each of the next five fiscal years and thereafter are as follows:

(in thousands)	Operating leases	Finance leases	Total
2023	8,710	146	8,856
2024	9,032	38	9,070
2025	9,203	38	9,241
2026	7,040	38	7,078
2027	5,666	32	5,698
Thereafter	12,885	—	12,885
Total undiscounted lease payments	52,536	292	52,828
Less: interest	13,329	27	13,356
Present value of lease liabilities	$ 39,207	$ 265	$ 39,472

Sublease income—As of June 30, 2022, the future minimum fixed sublease receipts under non-cancelable operating lease agreements are as follows:

(in thousands)	Total
2023	873
2024	2,515
2025	2,736
2026	2,121
2027	1,970
Thereafter	4,024
Total sublease income	$ 14,239

As of June 30, 2022, the Company had $3.5 million of undiscounted future payments for operating leases expected to commence during the first quarter of fiscal 2023, with lease terms ranging from seven to ten years. These amounts are excluded from the tables above and not yet recognized in the consolidated balance sheets.

6. SUPPLEMENTAL FINANCIAL STATEMENT INFORMATION

Cash and cash equivalents—As of June 30, 2022 and 2021, cash equivalents included a money market account primarily invested in cash, U.S. Government securities, and repurchase agreements that are collateralized fully. Cash and cash equivalents consisted of the following as of June 30:

(in thousands)	2022	2021
Cash	$ 140,248	$ 25,713
Money market funds	749	260,741
Total cash and cash equivalents	$ 140,997	$ 286,454

Other current assets—Other current assets consisted of the following as of June 30:

(in thousands)	2022	2021
Prepaid expenses[1]	$ 7,943	$ 2,327
Inventory[2]	5,754	176
Other receivables[3]	2,054	1,983
Total other current assets	$ 15,751	$ 4,486

(1) Prepaid expenses primarily consists of amounts prepaid for future services and other contractual arrangements for which we have yet to receive benefit.
(2) Inventory consists of SelectRx pharmaceuticals.
(3) Other receivables primarily consists of tax incentive payments and lead monetization not yet received.

Other current liabilities—Other current liabilities consisted of the following as of June 30:

(in thousands)	2022	2021
Commission advances[1]	$ 8,029	$ 5,080
Unrealized loss on interest rate swap contract	—	236
Financing lease liabilities-short term	136	188
Total other current liabilities	$ 8,165	$ 5,504

(1) Commission advances as of June 30, 2022 and 2021, includes a $3.4 million and $5.1 million contract liability related to advance payments of future commission revenue and marketing development funds for which the performance obligation has not yet been met. Additionally, as of June 30, 2022, there was a $4.6 million refund liability related to certain final expense policies where the upfront payments exceeded accounts receivable owed from certain Life insurance carrier customers due to anticipated lapsed policies.

Other liabilities**—**Other liabilities consisted of the following as of June 30:

(in thousands)	2022	2021
Payroll tax liabilities-long term	—	4,332
Acquisition holdback	—	5,730
Financing lease liabilities-long term	129	27
Third-party commission liabilities	1,824	1,286
Other[(1)]	1,032	368
Total other liabilities	$ 2,985	$ 11,743

(1) Other noncurrent liabilities consists of revenue sharing obligations expected to settle beyond one year from the balance sheet date as well as security deposits related to our subleases.

7. INTANGIBLE ASSETS AND GOODWILL

Intangible assets**—**The carrying amounts, accumulated amortization, net carrying value, and weighted average remaining life of our definite-lived amortizable intangible assets are presented in the tables below as of June 30 (dollars in thousands, useful life in years):

	2022				2021		
	Gross Carrying Amount	Impairment Charges	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	$ 17,492	$ —	$ (6,232)	$ 11,260	$ 17,122	$ (3,448)	$ 13,674
Trade name	2,680	—	(1,161)	1,519	2,680	(625)	2,055
Proprietary software	1,592	(336)	(816)	440	1,592	(382)	1,210
Non-compete agreements	1,292	—	(445)	847	1,292	(163)	1,129
Vendor relationships	23,700	(2,811)	(3,700)	17,189	23,700	(1,098)	22,602
Total intangible assets	$ 46,756	$ (3,147)	$ (12,354)	$ 31,255	$ 46,386	$ (5,716)	$ 40,670

The Company's intangible assets include those long-lived intangible assets acquired as part of the acquisitions discussed in Note 2 to the consolidated financial statements. The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. As impairment triggers existed during the three months ended June 30, 2022, the Company performed a recoverability analysis as discussed below. There were no impairment triggers identified with respect to the Company's long-lived assets during the years ended June 30, 2021 and 2020.

During the three months ended June 30, 2022, the Company determined that impairment triggers existed for one of the vendor relationships recognized through the acquisition of substantially all of the assets of a lead distribution company (refer to Note 2 to the consolidated financial statements for further details), in part due to concern over lead quality and ultimately as a result of restructuring efforts undertaken by the vendor which led to their withdrawal from the insurance space. As such, the Company compared the carrying amount of the asset group, which is included in the Senior segment, to its expected future undiscounted cash flows and determined that the asset group as a whole is recoverable. However, because the Company does not expect any future economic benefit to be derived from this relationship, the Company recorded an impairment charge to the Senior segment for the remaining net book value of $2.8 million for the year ended June 30, 2022, in general and administrative expense in the consolidated statement of comprehensive income.

In addition, during the three months ended June 30, 2022, the Company determined that impairment triggers existed for the proprietary software acquired through the Express Med acquisition (refer to Note 2 to the consolidated financial statements for further details), as the software is to be phased out prior to the end of its remaining expected useful life. As the Company does not expect to receive future economic benefit from the use of

the software after June 30, 2022, the Company recorded an impairment charge to the Senior segment for the remaining net book value of $0.3 million during the year ended June 30, 2022, in general and administrative expense in the consolidated statement of comprehensive income.

For the years ended June 30, 2022, 2021, and 2020, amortization expense related to intangible assets totaled $6.6 million, $4.6 million, $0.5 million, respectively, recorded in general and administrative expense in the consolidated statements of comprehensive income. The weighted-average remaining useful life of intangible assets was 6.2 and 7.1 years as of June 30, 2022 and 2021, respectively.

As of June 30, 2022, expected amortization expense in future fiscal periods were as follows (in thousands):

	Trade Name	Proprietary Software	Non-compete agreements	Vendor Relationships	Customer relationships	Total
2023	$ 536	$ 156	$ 273	$ 2,267	$ 2,385	$ 5,617
2024	536	156	220	2,267	2,319	5,498
2025	447	128	220	2,267	2,316	5,378
2026	—	—	134	2,267	2,313	4,714
2027	—	—	—	2,267	1,927	4,194
Thereafter	—	—	—	5,854	—	5,854
Total	$ 1,519	$ 440	$ 847	$ 17,189	$ 11,260	$ 31,255

Goodwill—Goodwill consisted of the following as of June 30:

	Balance, June 30, 2021	Goodwill from the acquisition of Simple Meds	Goodwill re-allocation	Goodwill impairment	Balance, June 30, 2022
Goodwill-Auto & Home	$ 5,364	$ —	$ —	$ (5,364)	$ —
Goodwill-Senior	62,655	5,713	(29,136)	(39,232)	—
Goodwill- Healthcare Services	—	—	29,136	—	29,136
Total goodwill	$ 68,019	$ 5,713	$ —	$ (44,596)	$ 29,136

The Company recorded as goodwill the excess of the purchase price over the estimated fair values of identifiable assets and liabilities acquired as part of the acquisitions discussed in Note 2 to the consolidated financial statements. Goodwill is assigned to reporting units that are expected to benefit from the synergies of the business combination as of the acquisition date and becomes identified with that reporting unit in its entirety. As such, the reporting unit as a whole supports the recovery of its goodwill. The table below shows the Company's goodwill and related reporting units and reportable segments:

Acquisition	Reporting Unit	Reportable Segment
Auto & Home-controlling interest	Auto & Home	Auto & Home
InsideResponse	Senior	Senior
Lead distribution company	Senior	Senior
Express Med Pharmaceuticals	Healthcare Services	Senior
Simple Meds	Healthcare Services	Senior

The Company performed its annual goodwill impairment testing as of April 1 and for each reporting unit a quantitative analysis was conducted utilizing the discounted cash flow method under the income approach and the peer-based guideline public company method under the market approach with a weighting of 75% and 25%,

respectively, and incorporating the use of significant unobservable inputs, or Level 3 inputs, as defined by the fair value hierarchy of ASC 820. For the discounted cash flow method, discount rates (ranging from 10.1% to 14.3%) were determined using the weighted average cost of capital which considers market and industry data as well as company-specific risk factors for each reporting unit in determining the appropriate discount rate to be used. For the peer-based guideline public company method, the reporting unit's fair value was determined through review of published multiples of earnings of comparable entities with similar operations and economic characteristics and applying the multiples to various financial data of the reporting unit.

Based on the quantitative analysis, the Company determined that the fair value of the Auto & Home reporting unit was less than its carrying value. Accordingly, the Company recorded a goodwill impairment charge of $5.4 million to goodwill impairment in the consolidated statement of comprehensive income for the year ended June 30, 2022, representing the entirety of the goodwill assigned to the Auto & Home reporting unit.

In addition, as part of the Company's annual goodwill impairment testing of Senior as of April 1, the Company determined that a reassessment of the reporting units was appropriate, as the Company no longer views the components within Senior as a single reporting unit due to their growing divergence from what were previously similar economic characteristics. Accordingly, the Company separated the Healthcare Services business from the Senior reporting unit and into its own reporting unit. Using the relative fair value approach, goodwill of $39.2 million and $29.1 million were re-allocated to Senior and Healthcare Services, respectively.

The Company tested the Senior goodwill for impairment and determined that the fair value of the Senior reporting unit was less than its carrying value. Accordingly, the Company recorded impairment charges of $39.2 million to goodwill impairment in the consolidated statement of comprehensive income for the year ended June 30, 2022. The impairment was primarily driven by the Company's change in strategic direction for fiscal year 2023, including reducing the growth in the Senior MA distribution business while increasing the focus on Healthcare Services and its growing SelectRx membership. Goodwill for the Healthcare Services reporting unit was not impaired based on the analysis performed, as the reporting unit's fair value substantially exceeded its carrying amount.

There were no goodwill impairment charges recorded during the years ended June 30, 2021 and 2020.

8. EMPLOYEE BENEFIT PLANS

The Company has a pretax savings plan covering nearly all of its employees that is intended to qualify under Section 401(k) of the Internal Revenue Code. The Company matches each employee's contributions up to 2% per plan year. Additionally, the Company may make a discretionary profit-sharing contribution based on achieving certain financial metrics to individuals who've participated in the plan during the year. The Company's contributions were $3.0 million, $3.6 million, $2.1 million for the years ended June 30, 2022, 2021, and 2020, respectively.

In addition, the Company offers an employee stock purchase plan (the "ESPP"), which was amended and restated effective as of April 1, 2022. The purpose of the ESPP is to provide the Company's eligible employees with an opportunity to purchase shares on the exercise date at a price equal to 85% of the fair market value of the Company's common stock as of either the exercise date or the first day of the relevant offering period, whichever is lesser. Refer to note 12 to the consolidated financial statements for further detail.

The Company maintains self-insured medical benefit plans for its employees. The accrued liabilities associated with this program are based on the Company's estimate of the ultimate costs to settle known claims as well as claims incurred but not yet reported as of the balance sheet date. The accrued liability for our self-insured benefit plans, which is included in accrued compensation and benefits on the consolidated balance sheets, was $2.5 million and $1.8 million as of June 30, 2022, and 2021, respectively.

9. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company uses derivative financial instruments to hedge against its exposure to fluctuations in interest rates associated with the Term Loans (as defined in Note 10 to the consolidated financial statements). To accomplish this hedging strategy, the Company enters into interest rate swaps designated as cash flow hedges that are designed to be highly correlated to the underlying terms of the debt instruments to which their forecasted, variable-rate payments are tied. To qualify for hedge accounting, the Company documents and assesses effectiveness at inception and in subsequent reporting periods. The fair value of interest rate swaps are recorded on the consolidated balance sheets as an asset or liability with the related gains or losses reported as a component of accumulated other comprehensive income. The changes in fair value are reclassified from accumulated other comprehensive income into earnings as an offset to interest expense, net in the same period that the hedged items affect earnings. The Company does not engage in the use of derivative instruments for speculative or trading purposes.

As of June 30, 2022, the Company had an outstanding receive-variable, pay-fixed interest rate swap on the notional amount of $325.0 million of the Company's total outstanding Term Loans balance with a fixed rate of 5.00% plus 1.03% (the "Amended Interest Rate Swap"), which terminates on November 5, 2024. As of June 30, 2022, the Amended Interest Rate Swap had a fair value of $15.2 million and was recorded in other assets in the consolidated balance sheet. The Company classifies its Amended Interest Rate Swap as a Level 2 on the fair value hierarchy as the majority of the inputs used to value it primarily includes other than quoted prices that are observable and it uses standard calculations and models that use readily observable market data as their basis. As of June 30, 2022, the Company estimates that $6.8 million will be reclassified into interest expense during the next twelve months.

The following table presents the fair value of the Company's derivative financial instrument on a gross basis, as well as its classification on the Company's consolidated balance sheets as of June 30:

(in thousands)	2022		2021	
Derivatives Designated as Hedging Instruments	**Balance Sheet Location**	**Fair Value**	**Balance Sheet Location**	**Fair Value**
Cash flow hedge	Other assets	$ 15,219	Other current liabilities	$ (236)

The following table presents the unrealized gains (losses) deferred to accumulated other comprehensive income (loss) resulting from the Company's derivative instruments designated as cash flow hedging instruments as of June 30:

(in thousands)	2022	2021
Unrealized gain (loss), before taxes	$ 14,621	$ 1,251
Income tax (expense) benefit	(3,752)	(310)
Unrealized gain (loss), net of taxes	$ 10,869	$ 941

The following table presents information about the reclassification of gains and losses from accumulated other comprehensive income (loss) into earnings resulting from the Company's derivative instruments designated as cash flow hedging instruments as of June 30:

(in thousands)	2022	2021
Interest expense, net	$ 835	$ 721
Income tax benefit	(217)	(179)
Net reclassification into earnings	$ 618	$ 542

Amounts included in accumulated other comprehensive income (loss) are recorded net of the related income tax effects. The following table details the changes in accumulated other comprehensive income (loss):

(in thousands)		Derivative Instruments
Balance at June 30, 2021	$	229
Unrealized gains, net of related tax expense of $3.8 million		10,869
Amount reclassified into earnings, net of related taxes of $0.2 millions		618
Balance at June 30, 2022	$	11,716

10. DEBT

Debt consisted of the following as of June 30:

(in thousands)		2022		2021
Term Loans	$	469,552	$	471,912
DDTL Facility		243,775		—
Unamortized debt issuance costs		(2,857)		(4,081)
Unamortized debt discount		(4,878)		(6,428)
Total debt		705,592		461,403
Less current portion of long-term debt:		(7,169)		(2,360)
Long-term debt	$	698,423	$	459,043

Senior Secured Credit Facility— On November 5, 2019, the Company entered into a credit agreement with UMB Bank N.A. (“UMB”) as a lender and revolving agent and Morgan Stanley Capital Administrators, Inc. as a lender and the administrative agent for a syndicate of lenders party to the agreement (replaced by Wilmington Trust as administrative agent effective February 24, 2022). On February 24, 2021, November 2, 2021, and December 23, 2021, the Company entered into amendments to the credit agreement (individually, the “First Amendment”, “Second Amendment”, and “Third Amendment”, together with the original credit agreement and any subsequent amendments, the “Senior Secured Credit Facility”) with certain of its existing lenders and new lenders. The First Amendment provided for an additional $231.0 million in term loans (together with the initial $425.0 million, the “Term Loans”) and added a $145.0 million senior secured delayed draw term loan facility (the "DDTL Facility"). The Company recognized a $3.3 million loss on debt extinguishment in the consolidated statement of comprehensive income for the year ended June 30, 2021, as part of the First Amendment. The Second Amendment provided for additional commitments of $25.0 million, in addition to the initial $75.0 million, for the secured revolving loan facility (the “Revolving Credit Facility”) and an additional $200.0 million under the DDTL Facility. The Third Amendment provided for additional commitments of $35.0 million under the Revolving Credit Facility. After giving effect to the amendments, in aggregate, the Senior Secured Credit Facility provides for (1) an aggregate principal amount of up to $135.0 million under the Revolving Credit Facility (2) Term Loans in an aggregate principal amount of $656.0 million, of which $469.6 million is outstanding as of June 30, 2022, and (3) a $345.0 million DDTL Facility, of which $243.8 million is outstanding as of June 30, 2022.

The Revolving Credit Facility accrues interest on amounts drawn at a rate per annum equal to either (a) LIBOR plus 4.0% or (b) a base rate plus 3.0%, at the Company’s option, and the Company pays an unused commitment fee of 0.15% in respect of the unutilized commitments under the Revolving Credit Facility. The Term Loans and the DDTL Facility bear interest on the outstanding principal amounts thereof at a rate per annum equal to either (a) LIBOR (subject to a floor of 0.75%) plus 5.00% or (b) a base rate plus 4.00%, at the Company’s option, and the Company pays a ticking fee based on the average daily balance of the unused amount of the aggregate DDTL Facility commitments during the preceding fiscal quarter, multiplied by 1% per annum. The Senior Secured Credit Facility has a maturity date of November 5, 2024, and the Term Loans became mandatorily repayable beginning March 31, 2022, in equal quarterly installments in an aggregate annual amount equal to 1% of the original principal amount of the Term Loans, with the remaining balance payable on the maturity date. The DDTL Facility

also became mandatorily repayable beginning March 31, 2022, in equal quarterly installments equal to 0.25% of all DDTL Facility loans that have been outstanding for a full fiscal quarter prior to each such repayment date, with the remaining balance payable on the maturity date. As of June 30, 2022, the Company has made principal payments of $2.4 million and $1.2 million on the Term Loans and DDTL Facility, respectively.

The Senior Secured Credit Facility contains customary affirmative and negative covenants and events of default and a financial covenant requiring the Company and certain of its subsidiaries to maintain a minimum asset coverage ratio. As of June 30, 2022, the Company was in compliance with all of the required covenants. The obligations of the Company are guaranteed by certain of the Company's subsidiaries and secured by a security interest in all assets of the Company, subject to certain exceptions.

The Company has incurred a total of $27.1 million in debt issuance costs and debt discounts related to the Senior Secured Credit Facility, of which $22.9 million was capitalized and is being amortized on a straight-line basis over the remaining life of the Senior Secured Credit Facility. Total amortization of debt issuance costs was $5.5 million, $3.3 million, and $2.3 million, for the years ended June 30, 2022, 2021 and 2020, respectively, which was included in interest expense, net in the Company's consolidated statements of comprehensive income.

On August 26, 2022, the Company entered into the Fourth Amendment to the Senior Secured Credit Facility (the "Fourth Amendment") with certain of its existing lenders. The Fourth Amendment amends the Senior Secured Credit Facility to, among other things, (1) amend the Company's existing financial covenant to better align with its business plan and add an additional minimum liquidity covenant, (2) terminate certain DDTL commitments and reduce the Revolving Credit Facility from $135.0 million to $100.0 million, (3) introduce a minimum asset coverage ratio for any borrowing on the Revolving Credit Facility that would result in a total revolving exposure of more than $50.0 million, and (4) provide certain lenders with the right to appoint a representative to observe meetings of the Company's board of directors and certain of its committees. Following the Fourth Amendment, the Revolving Credit Facility will accrue interest on amounts drawn at a rate per annum equal to either (a) SOFR (subject to a floor of 1.0%) plus 5.0% or (b) a base rate plus 4.0%, at the Company's option. The Term Loans will bear interest on the outstanding principal amount thereof at a rate per annum equal to either (a) SOFR (subject to a floor of 0.75%) plus 6.00% in cash plus 2.00% payable in kind or (b) a base rate plus 5.00% in cash plus 2.00% payable in kind, at the Company's option. From and after October 1, 2023, the cash and paid in kind interest rate with respect to the Term Loans will rise 0.50% and 1.00% respectively. Pursuant to the terms of the Fourth Amendment, each consenting lender received an amendment fee equal to 1.00% of the Term Loans held by such consenting lender and 0.50% of the Revolving Credit Facility commitments held by such consenting lender, in each case immediately after giving effect to the Fourth Amendment. In addition, the Fourth Amendment provides for the Company to pay a revolving credit termination fee of $0.5 million for the ratable account of each revolving lender upon the termination of all revolving loan commitments. The obligations of the Company under the Senior Secured Credit Facility continue to be guaranteed by certain of the Company's subsidiaries, and secured by a security interest in all assets of the Company, subject to certain exceptions detailed in the Fourth Amendment and related ancillary documentation. In connection with the Fourth Amendment, two of the Company's subsidiaries, SelectQuote Ventures, Inc., and Population Health, Inc., became guarantors of the Senior Secured Credit Facility. As of August 29, 2022, the available borrowing capacity under the Revolving Credit Facility was $100.0 million.

Non-Recourse Debt—On December 14, 2018, the Company entered into a senior secured delayed draw credit facility (as amended, the "Receivables Financing Agreement"). Pursuant to the Receivables Financing Agreement, the Company had access to a senior secured delayed draw credit facility consisting of up to $30.0 million aggregate principal amount of commitments (the "Commitment"). Over the life of the Receivables Financing Agreement, we received $32.8 million in proceeds from seven draws on the facility and made principal payments of $4.5 million. On June 8, 2020, the Company repaid in full all of its and its subsidiaries' indebtedness and other obligations totaling $29.3 million under the Receivables Financing Agreement. The Company repaid the outstanding debt using proceeds from the IPO. Concurrently with the repayment, all security interests and liens held by the Collateral Agent (as defined in the Receivables Financing Agreement) were terminated and released and the Receivables Financing Agreement was terminated. As a result of the repayment, the Company recorded a $1.2 million loss on debt extinguishment in the consolidated statement of comprehensive income for the year ended June 30, 2020.

11. COMMITMENTS AND CONTINGENCIES

Lease Obligations—Refer to Note 5 to the consolidated financial statements for commitments related to our operating leases.

Legal Contingencies and Obligations—From time to time, the Company is subject to legal proceedings and governmental inquiries in the ordinary course of business. Such matters may include insurance regulatory claims; commercial, tax, employment, or intellectual property disputes; matters relating to competition and sales practices; claims for damages arising out of the use of the Company's services. The Company may also become subject to lawsuits related to past or future acquisitions, divestitures, or other transactions, including matters related to representations and warranties, indemnities, and assumed or retained liabilities. The Company is not currently aware of any legal proceedings or claims that it believes will have, individually or in the aggregate, a material adverse effect on its business, financial condition, operating results, or cash flows; however, in the event of unexpected developments, it is possible that the ultimate resolution of certain ongoing matters, if unfavorable, could be materially adverse to our business, prospects, financial condition, liquidity, results of operation, cash flows, or capital levels.

Securities Class Actions and Stockholder Derivative Suit

On August 17, 2021, a putative securities class action lawsuit captioned *Hartel* v. *SelectQuote, Inc., et al.*, Case No. 1:21-cv-06903 ("the *Hartel* Action") was filed against the Company and two of its executive officers in the U.S. District Court for the Southern District of New York. The complaint asserts securities fraud claims on behalf of a putative class of plaintiffs who purchased or otherwise acquired shares of the Company's common stock between February 8, 2021 and May 11, 2021 (the "Hartel Relevant Period"). Specifically, the complaint alleges the defendants violated Sections 10(b) and 20(a) and Rule 10b-5 of the Exchange Act by making materially false and misleading statements and failing to disclose material adverse facts about the Company's business, operations, and prospects, allegedly causing the Company's common stock to trade at artificially inflated prices during the Hartel Relevant Period. The plaintiffs seek unspecified damages and reimbursement of attorneys' fees and certain other costs.

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

On March 25, 2022, a stockholder derivative action captioned *Jadlow* v. *Danker, et al.*, Case No. 1:22-cv-00391 ("the *Jadlow* Action") was filed in the U.S. District Court for the District of Delaware by an alleged stockholder of the Company, purportedly on the Company's behalf. The lawsuit was brought against certain of the Company's current and former directors and officers, and against the Company, as nominal defendant. The complaint alleges that certain of the defendants violated Section 14(a) of the Exchange Act by making materially false and misleading statements and failing to disclose material adverse facts about the Company's business,

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

We currently believe that these matters will not have a material adverse effect on any of our results of operations, financial condition or liquidity; however, depending on how the matters progress, they could be costly to defend and could divert the attention of management and other resources from operations. The Company has not concluded that a loss related to these matters is probable and, therefore, has not accrued a liability related to these matters.

12. SHAREHOLDERS' EQUITY

Common Stock—As of June 30, 2022, the Company has reserved the following authorized, but unissued, shares of common stock:

ESPP	877,092
Stock awards outstanding under 2020 Plan	4,604,004
Stock awards available for grant under 2020 Plan	9,669,190
Options outstanding under 2003 Plan	1,701,240
Total	16,851,526

Secondary Offering—On March 8, 2021, the Company completed a secondary public offering ("Secondary Offering") of 10,600,000 shares of the Company's common stock, par value $0.01 per share, by certain shareholders of the Company. The Company did not sell any shares of common stock and did not receive any proceeds from the Secondary Offering. Therefore, the offering did not increase the number of shares of common stock that are currently outstanding.

Preferred Stock—Upon the closing of the Company's IPO, all outstanding shares of preferred stock converted on an 8:1 basis into common stock. The conversion resulted in an impact to additional paid-in capital in the consolidated balance sheet of $0.2 million as of June 30, 2020.

On April 17, 2020 and May 6, 2020, the Company issued and sold an aggregate of 100,000 shares and 35,000 shares, respectively, of its Series E preferred stock to certain "accredited investors" (as defined in Regulation D promulgated under the Securities Act), at a purchase price of $1,000 per share, for aggregate proceeds of $135.0 million and net proceeds to the Company of $129.4 million after deducting commissions and expenses. In connection with the sale of these shares, the Company entered into Investor Rights Letters with the purchasers of the Series E preferred stock which granted them certain rights, including but not limited to certain preemptive rights and information rights. Upon the closing of the Company's IPO, the foregoing rights terminated, and all outstanding shares of Series E preferred stock automatically converted into 7.5 million shares of common stock at a fixed discount to the initial offering price. The conversion resulted in an impact to additional paid-in capital in the consolidated balance sheet of $0.1 million as of June 30, 2020.

Initial Public Offering—On May 26, 2020, the Company completed its IPO whereby 18,000,000 shares of common stock were sold to the public at $20.00 per share (in addition to shares sold by selling stockholders). Net

proceeds to the Company from the offering, after deducting underwriting discounts and commissions and offering expenses, were $333.1 million.

Treasury Share Retirement—On March 30, 2020, the Company retired 4.0 million shares of its common stock and preferred stock held in treasury. The shares were returned to the status of authorized but unissued shares. As a result, the treasury stock balance was reduced to zero, and the common stock, preferred stock, and retained earnings balances in the consolidated balance sheet were reduced by $0.1 million, $0.2 million, and $77.0 million, respectively, as of June 30, 2020.

Stock Split—On February 28, 2020, the Board of Directors of the Company resolved via unanimous written consent to: i) approve an eight-for-one forward stock split pursuant to which each outstanding share of the Company's common stock would become eight shares of the Company's common stock (the "Forward Stock Split"), ii) approve an amendment to the Company's Fifth Amended and Restated Certificate of Incorporation, increasing the number of authorized shares of the Company's common stock from 23.0 million shares to 700.0 million shares (the "Amendment"), and iii) submit the Amendment to the Company's stockholders for approval. On February 28, 2020, the holders of more than 50% of the outstanding shares of voting stock of the Company approved the Amendment and the Amendment was filed with the Secretary of State of the State of Delaware. The par value of each share of the Company's common stock was not adjusted in connection with the aforementioned Forward Stock Split. As per the series A-D preferred stock agreements, shares of preferred stock were precluded from a stock split and thus, the number of shares of preferred stock before and after the split did not change. However, the conversion ratio was split effected. Therefore, the conversion ratio of series A-D preferred stock converting into common stock went from 1:1 to 8:1.

Distribution—On November 15, 2019, the Company declared a distribution of $188.7 million on all outstanding common stock and stock options (regardless of vesting status) ($1.96 per share) and $86.3 million on all outstanding preferred stock ($15.66 per share) which was paid on November 20, 2019 (the "Distribution"). Of the Distribution, $265.8 million was paid to existing shareholders and $9.2 million was paid to stock option holders. The Distribution to shareholders was characterized as ordinary dividends up to accumulated earnings at the time of Distribution, with the excess over earnings of $58.4 million treated as a return of capital and recorded as a reduction to additional paid-in capital in the consolidated balance sheet as of June 30, 2020. The Distribution to stock option holders was characterized as an equity restructuring where a one-time large cash payment is made in lieu of modifying the option award as the Company's stock options plans do not allow for dividends to be distributed to holders of stock options and do not provide any dividend protections. Although no other terms of the option awards were modified, this Distribution resulted in a modification to the outstanding awards and incremental share-based compensation expense was recorded in the consolidated statement of comprehensive income during the year ended June 30, 2020, for the increase in fair value over the original awards of $9.2 million.

Share-Based Compensation Plans

The Company has awards outstanding from two share-based compensation plans: the 2003 Stock Incentive Plan (the "2003 Stock Plan") and the 2020 Omnibus Incentive Plan (the "2020 Stock Plan" and, collectively with the 2003 Stock Plan, the "Stock Plans"). However, no further awards will be made under the 2003 Stock Plan. The Company's Board of Directors adopted, and shareholders approved, the 2020 Stock Plan in connection with the IPO, which provides for the grant of incentive stock options ("ISO's"), nonstatutory stock options ("NSO's"), stock appreciation rights, restricted stock awards, restricted stock unit awards ("RSU's"), performance-based restricted stock units ("PSU's"), and other forms of equity compensation (collectively, "stock awards"). All awards (other than ISOs, which may be granted only to current employees of the Company) may be granted to employees, non-employee directors, and consultants of the Company and its subsidiaries and affiliates.

The number of shares of common stock available for issuance as of June 30, 2022, pursuant to future awards under the Company's 2020 Stock Plan is 9,669,190. The number of shares of the Company's common stock reserved under the 2020 Stock Plan is subject to an annual increase on the first day of each fiscal year beginning on July 1, 2021, equal to 3% of the total outstanding shares of common stock as of the last day of the immediately preceding fiscal year. The maximum number of shares of common stock that may be issued upon the exercise of

ISO's will be 4,000,000. The shares of common stock covered by any award (including any award granted pursuant to the 2003 Stock Plan) that is forfeited, terminated, expired, or lapsed without being exercised or settled for cash will again become available for issuance under the 2020 Stock Plan. With respect to any award, if the exercise price and/or tax withholding obligations are satisfied by delivering shares to the Company (by actual delivery or attestation), or if the exercise price and/or tax withholding obligations are satisfied by withholding shares otherwise issuable pursuant to the award, the share reserve shall nonetheless be reduced by the gross number of shares subject to the award.

The Company accounts for its share-based compensation awards in accordance with ASC 718, *Compensation—Stock Compensation* ("ASC 718") which requires all share-based compensation to be recognized in the income statement based on fair value and applies to all awards granted, modified, canceled, or repurchased after the effective date.

Total share-based compensation for stock awards included in general and administrative expense in our consolidated statements of comprehensive income was as follows for the periods presented:

	Year Ended June 30,		
(in thousands)	**2022**	**2021**	**2020**
Share-based compensation related to:			
Equity classified stock options	$ 3,145	$ 1,732	$ 9,383
Equity classified RSU's	3,948	2,274	115
Equity classified PSU's	(578)	705	—
Total	$ 6,515	$ 4,711	$ 9,498

Stock Options—The stock options outstanding under the 2003 Stock Plan vest as to one-third after the vesting commencement date and as to 1/24 of the remaining shares subject to the stock option monthly thereafter, subject to the award recipient's continued employment through the applicable vesting date. Upon a termination of employment for any reason other than for "Cause" (as defined in the 2003 Stock Plan), any unvested and outstanding stock options would generally be forfeited for no consideration, and any vested and outstanding stock options would remain exercisable for 90 days following the date of termination (and, in the case of a termination of employment due to death or disability, for 12 months following the date of termination). Stock options expire 10 years from the date of grant. The terms for ISO's and NSO's awarded in the 2020 Stock Plan are the same as in the 2003 Stock Plan with the exception that the options generally shall vest and become exercisable in four equal installments on each of the first four anniversaries of the grant date, subject to the award recipient's continued employment through the applicable vesting date. Stock options are granted with an exercise price that is no less than 100% of the fair market value of the underlying shares on the date of the grant.

The fair value of each option (for purposes of calculation of share-based compensation expense) is estimated using the Black-Scholes-Merton option pricing model that uses assumptions determined as of the date of the grant. Use of this option pricing model requires the input of subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them ("expected term"), the estimated volatility of the Company's common stock price over the expected term ("volatility"), the number of options that will ultimately not complete their vesting requirements ("assumed forfeitures"), the risk-free interest rate that reflects the interest rate at grant date on zero-coupon United States governmental bonds that have a remaining life similar to the expected term ("risk-free interest rate"), and the dividend yield assumption which is based on the Company's dividend payment history and management's expectations of future dividend payments ("dividend yield"). Changes in the subjective assumptions can materially affect the estimate of the fair value of share-based compensation and, consequently, the related amount recognized in the consolidated statements of comprehensive income.

The Company used the following weighted-average assumptions for the stock options granted during the periods presented:

	Year Ended June 30,		
	2022	2021	2020
Volatility	36.0%	25.0%	25.1%
Risk-free interest rate	1.4%	0.4%	0.7%
Dividend yield	—%	—%	—%
Assumed forfeitures	—%	—%	—%
Expected term (in years)	6.25	6.24	5.94
Weighted-average fair value (per share)	$3.36	$4.90	$3.79

The following table summarizes stock option activity under the Stock Plans for the year ended June 30, 2022:

	Number of Options	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (in Years)	Aggregate Intrinsic Value (in Thousands)
Outstanding—June 30, 2021	3,398,513	$ 8.60		
Options granted	2,466,801	10.21		
Options exercised	(350,406)	3.74		
Options forfeited/expired/cancelled	(303,323)	17.88		
Outstanding—June 30, 2022	5,211,585	$ 9.14	6.97	$ 2,636
Vested and exercisable—June 30, 2022	2,111,443	$ 4.67	3.90	$ 2,636

As of June 30, 2022, there was $8.8 million in unrecognized compensation cost related to unvested stock options granted, which is expected to be recognized over a weighted-average period of 2.79 years.

The Company received cash of $3.2 million, $1.9 million, and $5.5 million in connection with stock options exercised during the years ended June 30, 2022, 2021, and 2020.

Restricted Stock—The following table summarizes restricted stock unit activity under the 2020 Stock Plan for the year ended June 30, 2022:

	Number of Restricted Stock Units	Weighted-Average Grant Date Fair Value
Unvested as of June 30, 2021	356,285	$ 19.12
Granted	668,413	12.28
Vested	(134,940)	19.86
Forfeited	(79,448)	17.72
Unvested as of June 30, 2022	810,310	$ 13.50

As of June 30, 2022, there was $8.3 million of unrecognized compensation cost related to unvested restricted stock units granted, which is expected to be recognized over a weighted-average period of 2.16 years.

Performance Stock—The following table summarizes performance stock unit activity under the 2020 Stock Plan for the year ended June 30, 2022:

	Number of Performance Stock Units	Weighted-Average Grant Date Fair Value
Unvested as of June 30, 2021	132,921	$ 17.97
Granted[(1)]	196,080	17.80
Vested	—	—
Forfeited	(45,652)	17.84
Performance adjustment[(2)]	(270,056)	
Unvested as of June 30, 2022	13,293	$ 17.88

(1) Reflects PSU's at 100% achievement of predefined financial performance targets. If performance metrics are met, PSU's will vest at the end of a three-year performance period. The number of shares that could be earned for the fiscal year 2021 tranche will range from 0% to 150% of the target, and the number of shares that could be earned for the fiscal year 2022 tranche will range from 0% to 200% of the target.
(2) Represents adjustments to previously granted PSU's to reflect changes in estimates of future financial performance against targets.

As of June 30, 2022, there was $0.1 million of unrecognized compensation cost related to unvested performance stock units granted, which is expected to be recognized over a weighted-average period of 1.17 years.

ESPP—The purpose of the ESPP is to provide the Company's eligible employees with an opportunity to purchase shares on the exercise date at a price equal to 85% of the fair market value of the Company's common stock as of either the exercise date or the first day of the relevant offering period, whichever is lesser. For the year ended June 30, 2022, the Company issued 466,468 shares to its employees and as of June 30, 2022, there are 877,092 shares reserved for future issuance under the plan. The Company recorded share-based compensation expense of $0.5 million and $0.4 million for the years ended June 30, 2022, and 2021, respectively and recorded no share-based compensation expense with respect to the ESPP for the year ended June 30, 2020.

13. REVENUES FROM CONTRACTS WITH CUSTOMERS

Disaggregation of Revenue from Contracts with Customers—The disaggregation of revenue by segment and product is depicted for the periods presented below, and is consistent with how the Company evaluates its financial performance:

	Year Ended June 30,		
(in thousands)	2022	2021	2020
Senior:			
Commission revenue:			
Medicare advantage	$ 409,090	$ 595,132	$ 285,957
Medicare supplement	5,224	23,431	34,301
Prescription drug plan	(170)	1,652	2,867
Dental, vision, and health	15,056	15,969	7,758
Other commission revenue	5,257	2,156	362
Total commission revenue	434,457	638,340	331,245
Total production bonus revenue	66,888	44,507	25,047
Total other revenue	94,030	45,854	5,381
Total Senior revenue	595,375	728,701	361,673
Life:			
Commission revenue:			
Term	65,539	80,588	76,564
Final expense	68,295	74,227	29,123
Total commission revenue	133,834	154,815	105,687
Total production bonus revenue	20,139	22,854	22,103
Total other revenue	—	—	—
Total Life revenue	153,973	177,669	127,790
Auto & Home:			
Total commission revenue	25,851	27,621	38,031
Total production bonus revenue	2,030	3,292	3,158
Total other revenue	—	—	—
Total Auto & Home revenue	27,881	30,913	41,189
Eliminations:			
Total commission revenue	(6,624)	(2,004)	(534)
Total production bonus revenue	—	—	—
Total other revenue	(6,560)	(5,298)	(780)
Total Elimination revenue	(13,184)	(7,302)	(1,314)
Total commission revenue	587,518	818,772	474,429
Total production bonus revenue	89,057	70,653	50,308
Total other revenue	87,470	40,556	4,601
Total revenue	$ 764,045	$ 929,981	$ 529,338

Contract Balances—During the year ended June 30, 2020, there was no activity in the contract asset balances other than the movement over time between long-term and short-term commissions receivable and

accounts receivable, net as the policy is renewed, as shown on the balance sheet. A rollforward of commissions receivable (current and long term) for the years ended June 30, 2022 and 2021 is shown below:

(in thousands)		
Balance as of June 30, 2020	$	512,961
Commission revenue from revenue recognized		451,086
Net commission revenue adjustment from change in estimate		(6,968)
Amounts recognized as accounts receivable, net		(111,182)
Balance as of June 30, 2021		845,897
Commission revenue from revenue recognized		386,625
Net commission revenue adjustment from change in estimate		(212,220)
Amounts recognized as accounts receivable, net		(181,676)
Balance as of June 30, 2022	$	838,626

For the year ended June 30, 2022, the $212.2 million net commission revenue adjustment from change in estimate includes adjustments from the Company's reassessment of each of its cohorts' transaction prices. $193.3 million of the total adjustment were from Senior MA policies, due to the increase in actual lapse rates for MA policies during calendar year 2021, and cohort and tail adjustments due to overall lower persistency. Approximately 63%, 28%, and 9% of the $193.3 million cohort and tail adjustment were from approved policies sold in fiscal years 2021, 2020, and 2019, respectively. $4.4 million of the total adjustment were from Life policies, related to cohort and tail adjustments due to overall lower persistency.

For the year ended June 30, 2021, the $7.0 million net commission revenue adjustment from change in estimate includes increases for contract modifications that occurred during fiscal year 2021, decreases for the reassessment of our transaction prices on each of our cohorts, and increases related to the change in estimate, which modified the method in which we calculate persistency to use policy level persistency to calculate renewal commission revenue.

The Company does have contract liabilities related to upfront payments received for commissions and marketing development funds for which the performance obligations have not yet been met. The performance obligation is typically met within the same reporting period the cash is received; thus, there is no material activity within the contract liability rollforward (see notes 1 and 6 to the consolidated financial statements for further discussion regarding the Company's revenue recognition policies).

14. INCOME TAXES

Income tax expense consists of the following for the periods presented:

(in thousands)	Year Ended June 30, 2022	2021	2020
Current income taxes:			
Federal	$ —	$ —	$ —
State	479	149	63
Total	479	149	63
Deferred income taxes:			
Federal	(77,242)	27,860	20,586
State	(15,539)	5,147	3,853
Total	(92,781)	33,007	24,439
Income tax expense (benefit)	$ (92,302)	$ 33,156	$ 24,502

The Company’s statutory federal tax rate was 21% for each of the years ended June 30, 2022, 2021, and 2020, respectively. The Company’s current state tax rate (net of federal benefit) was 4.98%, 3.22%, and 3.85% for the years ended June 30, 2022, 2021, and 2020, respectively.

The differences from the Company’s statutory tax rate to the effective tax rates shown below for the year ended June 30, 2022, were primarily due to the net effects of state income taxes, and for the years ended June 30, 2021, and 2020, were primarily due to the net effects of state income taxes partially offset by HPIP tax credits and the exercise of non-qualified stock options.

The following reconciles the statutory federal income tax rate to the effective income tax rate for the periods presented:

	Year Ended June 30, 2022	2021	2020
Federal statutory rate	21.0%	21.0%	21.0%
Differences in income tax expense resulting from:			
State income taxes	5.0	3.2	3.9
Change in state tax rate	(1.9)	(0.3)	0.1
Kansas HPIP credit	—	(0.5)	(0.9)
Non-qualified stock option exercises	—	(3.6)	(0.5)
Other	(0.4)	1.2	—
Effective income tax rate	23.7%	21.0%	23.6%

Significant components of the deferred tax assets and liabilities were as follows as of June 30:

(in thousands)	2022	2021
Deferred tax assets:		
Accruals and other	$ 11,903	$ 15,592
Lease liability	10,616	11,300
Interest expense limitation	25,691	14,517
Net operating losses	168,105	76,281
Credit carryforward	6,262	6,486
Basis difference in fixed and amortizable assets	1,397	—
Total deferred tax assets	223,974	124,176
Deferred tax liabilities:		
Commissions receivable	(266,449)	(250,020)
Lease right-of-use asset	(7,605)	(8,133)
Basis difference in fixed and amortizable assets	—	(4,850)
Total deferred tax liabilities	(274,054)	(263,003)
Net long-term deferred tax liabilities	$ (50,080)	$ (138,827)

For tax purposes, pursuant to Treasury Regulation §1.451-3(b)(4)(viii), the Company defers revenue relating to certain commissions receivables into subsequent years until it is collected, which gives rise to a significant deferred tax liability. Assessing the realizability of the Company's deferred tax assets is dependent upon several factors, including the likelihood, timing, jurisdictional location, and amount of any future taxable income that the Company is projecting in its financial forecasts. The Company prepares its forecast by considering all available positive and negative evidence, including historical data and future plans and estimates. These assumptions require significant judgment, and the amount of deferred tax assets considered realizable is subject to adjustment in future periods if actual results or the estimate of future taxable income changes. While the company has cumulative pre-tax losses for the past three fiscal years, after scheduling out its deferred tax assets and liabilities, the Company continues to recognize its deferred tax assets as of June 30, 2022, as it believes it is more likely than not that the net deferred tax assets will be realized. As such, the Company does not believe a valuation allowance is necessary as of June 30, 2022, and will continue to evaluate in the future as circumstances may change.

As of June 30, 2022, the Company has NOL carryforwards for federal and state income tax purposes of $637.0 million and $692.8 million, respectively. Other than the federal NOLs generated for the tax years ended June 30, 2022 and 2021, which have an indefinite carryforward period, the federal carryforwards will expire during tax years 2035 through 2039. The state carryforwards will expire during tax years 2025 through 2043.

The Company is subject to income taxes in the US federal and various state jurisdictions. Tax regulations within each jurisdiction are subject to interpretation of the related tax laws and regulations and require the application of significant judgment. The federal tax returns from tax years 2018 through 2020 and state tax returns from tax years 2017 through 2020 remain open to examination by significant domestic taxing jurisdictions to which the Company is subject. NOLs generated by the Company are open to examination until the expiration of the statutes of limitations for the years when the NOLs are utilized.

15. NET INCOME (LOSS) PER SHARE

The Company calculates net income (loss) per share as defined by ASC Topic 260, "*Earnings per Share*". Basic net income (loss) per share ("Basic EPS") is computed by dividing net income (loss) attributable to common shareholders by the weighted-average common stock outstanding during the respective period. Net income attributable to common shareholders is computed by deducting both the dividends declared in the period on preferred stock and the dividends accumulated for the period on cumulative preferred stock from net income. Diluted net income (loss) per share ("Diluted EPS") is computed by dividing net income (loss) attributable to common and common equivalent shareholders by the total of the weighted-average common stock outstanding and common equivalent shares outstanding during the respective period. For the purpose of calculating the Company's Diluted EPS, common equivalent shares outstanding include the conversion of the preferred stock on an 8:1 ratio, as the rights and privileges dictate as such, common shares issuable upon the exercise of outstanding employee stock options, unvested RSU's, PSU's assuming the performance conditions are satisfied as of the end of the reporting period, and common shares issuable upon the conclusion of each ESPP offering period. The number of common equivalent shares outstanding has been determined in accordance with the if-converted method for the preferred stock and the treasury stock method for employee stock options, RSU's, PSU's, and common stock issuable pursuant to the ESPP to the extent they are dilutive. Under the treasury stock method, the exercise price paid by the option holder and future share-based compensation expense that the Company has not yet recognized are assumed to be used to repurchase shares.

The following table sets forth the computation of net income (loss) per share for the periods presented:

(in thousands, except per share amounts)	Year Ended June 30, 2022	2021	2020
Basic:			
Numerator:			
Net income (loss)	$ (297,504)	$ 124,859	$ 79,484
Less: dividends declared on Series A, B, C & D preferred stock	—	—	(86,302)
Less: cumulative dividends on Series D preferred stock	—	—	(10,849)
Net income (loss) attributable to common shareholders	(297,504)	124,859	(17,667)
Denominator:			
Weighted-average common stock outstanding	164,042	162,889	97,496
Net income (loss) per share—basic:	$ (1.81)	$ 0.77	$ (0.18)
Diluted:			
Numerator:			
Net income (loss) attributable to common shareholders	$ (297,504)	$ 124,859	$ (17,667)
Add: dividends declared on Series A, B & C preferred stock[2]	—	—	—
Add: dividends declared on Series D preferred stock[2]	—	—	—
Add: cumulative dividends on Series D preferred stock[2]	—	—	—
Net income (loss) attributable to common and common equivalent shareholders	(297,504)	124,859	(17,667)
Denominator:			
Weighted-average common stock outstanding	164,042	162,889	97,496
Series A, B & C preferred stock outstanding[2]	—	—	—
Series D preferred stock outstanding[2]	—	—	—
Stock options outstanding to purchase shares of common stock including unvested RSU's and from the ESPP[1][2]	—	2,655	—
Total common and common equivalent shares outstanding	164,042	165,544	97,496
Net income (loss) per share—diluted:	$ (1.81)	$ 0.75	$ (0.18)

(1) Excluded from the computation of net loss per share-diluted for the year ended June 30, 2022, because the effect would have been anti-dilutive.
(2) Excluded from the computation of net loss per share-diluted for the year ended June 30, 2020, because the effect would have been anti-dilutive.

The weighted average potential shares of common stock that were excluded from the calculation of net income (loss) per share-diluted for the periods presented because including them would have been anti-dilutive consisted of the following as of June 30:

(in thousands)	2022	2021	2020
Series A, B & C preferred stock outstanding	—	—	10,871
Series D preferred stock outstanding	—	—	28,817
Series E preferred stock outstanding	—	—	694
Stock options outstanding to purchase shares of common stock including unvested RSU's and from the ESPP	5,382	784	4,161
Shares subject to outstanding PSU's[1]	168	121	—
Total	5,550	905	44,543

(1) The weighted-average number of shares excluded from the computation of net income (loss) per share-diluted because the performance conditions associated with these awards were not met.

16. SEGMENT INFORMATION

The Company's operating and reportable segments have been determined in accordance with ASC 280, *Segment Reporting* ("ASC 280"). The Company currently has three reportable segments: i) Senior, ii) Life, and iii) Auto & Home. Senior primarily sells senior Medicare-related health insurance products and also includes Population Health, SelectRx, and InsideResponse. Life primarily sells term life and final expense products, and Auto & Home primarily sells individual automobile and homeowners' insurance. In addition, the Company accounts for non-operating activity, share-based compensation expense, certain intersegment eliminations, and the costs of providing corporate and other administrative services in its administrative division, Corporate & Eliminations. These services are not directly identifiable with the Company's reportable segments and are shown in the tables below to reconcile the reportable segments to the consolidated financial statements. The Company has not aggregated any operating segments together to represent a reportable segment.

The Company reports segment information based on how its chief operating decision maker ("CODM") regularly reviews its operating results, allocates resources, and makes decisions regarding business operations. The performance measures of the segments include total revenue and Adjusted EBITDA because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Costs of revenue, marketing and advertising, and technical development operating expenses that are directly attributable to a segment are reported within the applicable segment. Indirect costs of revenue, marketing and advertising, and technical development operating expenses are allocated to each segment based on varying metrics such as headcount. Adjusted EBITDA is calculated as total revenue for the applicable segment less direct and allocated costs of revenue, marketing and advertising, technical development, and general and administrative operating costs and expenses, excluding depreciation and amortization expense; gain or loss on disposal of property, equipment, and software; share-based compensation expense; restructuring expenses; and non-recurring expenses such as severance payments and transaction costs. Our CODM does not separately evaluate assets by segment; therefore, assets by segment are not presented.

The following tables present information about the reportable segments for the periods presented:

Year Ended June 30, 2022

(in thousands)	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Revenue	$ 595,375	$ 153,973	$ 27,881	$ (13,184)	$ 764,045
Operating expenses	(789,174)	(154,102)	(22,448)	(58,625) [1]	(1,024,349)
Other expenses, net	—	—	—	(202)	(202)
Adjusted EBITDA	$ (193,799)	$ (129)	$ 5,433	$ (72,011)	(260,506)
Share-based compensation expense					(7,052)
Non-recurring expenses [2]					(4,730)
Depreciation and amortization					(24,724)
Loss on disposal of property, equipment, and software, net					(1,456)
Goodwill impairment					(44,596)
Impairment of long-lived assets					(3,147)
Interest expense, net					(43,595)
Income tax benefit					92,302
Net loss					$ (297,504)

(1) Operating expenses in the Corp & Elims division primarily include $44.2 million in salaries and benefits for certain general, administrative, and IT related departments, and $18.2 million in professional services fees.

(2)These expenses primarily consist of costs incurred for amendments to the Senior Secured Credit Facility, costs related to acquisitions, and severance expenses.

Year Ended June 30, 2021

	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Revenue	$ 728,701	$ 177,669	$ 30,913	$ (7,302)	$ 929,981
Operating expenses	(484,924)	(155,127)	(22,735)	(46,899) [1]	(709,685)
Other expenses, net	—	—	—	(100)	(100)
Adjusted EBITDA	$ 243,777	$ 22,542	$ 8,178	$ (54,301)	220,196
Share-based compensation expense					(5,165)
Non-recurring expenses [2]					(6,065)
Fair value adjustments to contingent earnout obligations					(1,488)
Depreciation and amortization					(16,142)
Loss on disposal of property, equipment, and software					(686)
Interest expense, net					(29,320)
Loss on extinguishment of debt					(3,315)
Income tax expense					(33,156)
Net income					$ 124,859

(1) Operating expenses in the Corp & Elims division primarily include $34.0 million in salaries and benefits for certain general, administrative, and IT related departments, and $13.4 million in professional services fees.

(2) These expenses primarily consist of costs incurred for the First Amendment to the Senior Secured Credit Facility, recent acquisitions, re-designation of the hedge, and the Secondary Offering.

Year Ended June 30, 2020

	Senior	Life	Auto & Home	Corp & Elims	Consolidated
Revenue	$ 361,673	$ 127,790	$ 41,189	$ (1,314)	$ 529,338
Operating expenses	(215,935)	(102,155)	(32,490)	(26,881) [1]	(377,461)
Other expenses, net	—	—	—	(30)	(30)
Adjusted EBITDA	$ 145,738	$ 25,635	$ 8,699	$ (28,225)	151,847
Share-based compensation expense					(9,498)
Non-recurring expenses [2]					(3,721)
Fair value adjustments to contingent earnout obligations					(375)
Depreciation and amortization					(7,993)
Loss on disposal of property, equipment and software					(360)
Restructuring expenses					(153)
Interest expense, net					(24,595)
Loss on extinguishment of debt					(1,166)
Income tax expense					(24,502)
Net income					$ 79,484

(1) Operating expenses in the Corp & Elims division primarily include $17.2 million in salaries and benefits for certain general, administrative, and IT related departments, and $8.7 million in professional services fees.

(2) These expenses consist of one-time consulting expenses associated with adopting ASC 606, non-recurring compensation to certain former board members, non-restructuring severance expenses, employer payroll taxes on the one-time Distribution to stock option holders, costs related to our IPO, cost related to the acquisition of InsideResponse, and expenses related to business continuity in response to the COVID-19 pandemic.

Revenues from each of the reportable segments are earned from transactions in the United States and follow the same accounting policies used for the Company's consolidated financial statements. All of the Company's long-lived assets are located in the United States. For the year ended June 30, 2022, three insurance carrier customers, all from the Senior Segment, accounted for 18%, 17%, and 12% of total revenue. For the year ended June 30, 2021, three insurance carrier customers, all from the Senior Segment, accounted for 24%, 19%, and 15% of total revenue. For the year ended June 30, 2020, three insurance carrier customers, all from the Senior Segment, accounted for 26%, 18%, and 11% of total revenue.

Effective July 1, 2022, the Company will realign its reportable segments as a result of the change in strategic direction established for fiscal year 2023. This realignment will separate the Healthcare Services business, which includes SelectRx and Population Health, out of the Senior reportable segment and into its own operating and reportable segment. The CODM will review discrete financial information for Healthcare Services, separate from Senior, to make operational and financial decisions and allocate resources beginning July 1, 2022. The tables presented above have not been adjusted to reflect this change in reportable segments. All prior-period comparative segment information will be recast in the Company's first quarter of fiscal 2023 Quarterly Report on Form 10-Q to reflect the change in reportable segments.

17. RELATED-PARTY TRANSACTIONS

The Company purchases leads from InsideResponse, which was previously owned in part by individuals who are related to one of the Company's shareholders or are members of the Company's management. On May 1, 2020, the Company acquired 100% of the outstanding membership units of InsideResponse for an aggregate purchase price of up to $65.0 million (subject to customary adjustments) as set forth in the Merger Agreement. Refer

to Note 2 to the consolidated financial statements for further details. Prior to the acquisition, the Company incurred $16.1 million in lead costs with InsideResponse for the year ended June 30, 2020, which were recorded in marketing and advertising expense in the consolidated statements of comprehensive income.

InsideResponse sells leads to a senior healthcare distribution platform that is owned in part by individuals related to one of the Company's shareholders or who are members of the Company's management. The Company earned $0.4 million and $1.9 million in lead generation revenue, which is recorded in other revenue in the consolidated statements of comprehensive income, as a result of this relationship for the years ended June 30, 2022 and 2021, respectively, and had less than $0.1 million of outstanding accounts receivable as of June 30, 2022 and 2021, respectively.

The Company has also purchased leads from this senior healthcare distribution platform. Lead costs incurred with this firm for the years ended June 30, 2022 and 2021, were not material, and the Company incurred $0.5 million in lead costs for the year ended June 30, 2020, which were recorded in marketing and advertising expense in the consolidated statements of comprehensive income. The Company did not have any outstanding payables with this firm as of June 30, 2022, and June 30, 2021. In addition, the Company has acted as the Field Marketing Organization on behalf of this firm. The net financial impact of this relationship to the Company was not material for each of the years ended June 30, 2022, 2021, and 2020.

The Company leases operating facilities for SelectRx from a related party as this individual has entered into an employment contract with the Company as part of the acquisition. Refer to Note 5 for a discussion of our related party lease.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Our Disclosure Controls and Procedures

As of June 30, 2022, an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) was carried out by our management, with the participation of our chief executive officer (principal executive officer), chief financial officer (principal financial officer), and chief accounting officer (principal accounting officer). Based upon this evaluation, our management concluded that as of the end of the period covered by this report, our disclosure controls and procedures were not effective, as a result of the material weakness in our internal control over financial reporting described below.

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, and chief accounting officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only a reasonable level of assurance of achieving their desired control objectives, and our management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. 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, controls may become inadequate because of changes in conditions, or the degree of compliance with 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.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting includes policies and procedures that provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of June 30, 2022, utilizing the framework in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Based on this assessment, management concluded that its internal control over financial reporting was not effective as of June 30, 2022, due to the material weakness as described below.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management identified a design deficiency in internal control over financial reporting that resulted in a material weakness. The Company obtains and uses relevant information from third party carriers related to final expense policyholder lapses and did not evaluate it on a timely basis to ensure the carrier and policy information utilized to determine the first year commission revenue provision was complete and accurate, which could have resulted in a material misstatement of the Company's consolidated financial statements. The material weakness did

contribute to an actual error related to Life first year commission revenue provision for certain final expense policies that was not material to the consolidated financial statements for the year ended June 30, 2021, and for the three months ended September 30, 2021, December 31, 2021, and March 31, 2022.

The Company's independent registered public accounting firm, Deloitte & Touche LLP, has audited the effectiveness of the Company's internal control over financial reporting as of June 30, 2022. Its report is included below.

As a result of this material weakness, we are in the process of designing and implementing controls as part of our remediation measures which include:

- designing a control to review final expense aged receivables on a timely basis
- designing a control to evaluate the completeness and accuracy of the final expense third party carrier information received, including verification of lapse status
- designing a control to evaluate the completeness and accuracy of the information used in the retrospective review of provision rates

The planned remediation measures outlined above are subject to continued management review, as well as audit committee oversight. Management is in the process of designing and implementing the above controls which will then need to operate for a sufficient period of time so that management can conclude, through testing, that the Company's controls are operating effectively. As such, management can give no assurance that the measures taken have remediated the risk of material misstatement. Additionally, we cannot be certain that the measures taken or may continue to take ensure adequate controls over our financial processes and reporting are established and maintained in the future.

Notwithstanding the material weakness, our management has concluded that the financial statements included elsewhere in this Annual Report on Form 10-K present fairly, in all material respects, our financial position, results of operations and cash flows in conformity with GAAP.

Changes in Internal Control over Financial Reporting

Except for the material weakness described above, there was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fourth quarter of fiscal 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of SelectQuote, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of SelectQuote, Inc. and subsidiaries (the "Company") as of June 30, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, because of the effect of the material weakness identified below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of June 30, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended June 30, 2022, of the Company and our report dated August 29, 2022, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

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

Definition and Limitations of Internal Control over Financial Reporting

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

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

Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment: The Company obtains and uses relevant information from third party carriers related to final expense policyholder lapses and did not evaluate it on a timely basis to ensure the carrier and policy information utilized to determine the first year commission revenue provision was complete and accurate. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended June 30, 2022, of the Company, and this report does not affect our report on such financial statements.

/s/ Deloitte & Touche LLP

Kansas City, MO
August 29, 2022

ITEM 9B. OTHER INFORMATION

Immaterial Correction of Prior Period Financial Statements

As discussed in Note 1 to the consolidated financial statements, during the second quarter of fiscal year ended June 30, 2022, the Company determined that the provision for first year commission revenue for certain final expense policies offered by certain of its insurance carrier partners should have been accrued based on a higher lapse rate. This misstatement was initially thought to be isolated to an error in the lapse rate for one of its insurance carrier partners, as disclosed in the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2021. However, during the three months ended June 30, 2022, it was determined that the lapse rate for other insurance carrier partners were also incorrect, resulting in an additional misstatement being identified. The cumulative effect of the error in the lapse rates resulted in commission revenues being misstated by $7.8 million for the year ended June 30, 2021, and $3.8 million, $0.7 million, and $0.8 million for the three months ended September 30, 2021, December 31, 2021, and March 31, 2022, respectively. Management evaluated the cumulative misstatements and concluded they were not material to prior periods, individually or in aggregate. However, correcting the cumulative effect of the misstatements during any three month period within the year ended June 30, 2022, would have had a significant effect on the results of operations for these respective reporting periods. Therefore, the Company plans to prospectively correct the relevant prior period condensed consolidated financial statements and related footnotes for these misstatements.

The following tables reflect the effects of the correction on all affected line items of the Company's previously reported condensed consolidated financial statements to be presented as comparative in the Form 10-Q for the three and nine months ended March 31, 2023:

CORRECTED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (unaudited)

	Three Months Ended March 31, 2022			Nine Months Ended March 31, 2022		
(in thousands)	As Previously Reported	Adjustment	As Corrected	As Previously Reported	Adjustment	As Corrected
Commission revenue	$ 222,538	$ (774)	$ 221,764	$ 495,494	$ (2,966)	$ 492,528
Total revenue	275,113	(774)	274,339	627,621	(2,966)	624,655
Income (loss) from operations	3,105	(774)	2,331	(224,361)	(2,966)	(227,327)
Loss before income tax benefit	(9,097)	(774)	(9,871)	(255,838)	(2,966)	(258,804)
Income tax benefit	(2,649)	(197)	(2,846)	(65,229)	(755)	(65,984)
Net loss	(6,448)	(577)	(7,025)	(190,609)	(2,211)	(192,820)
Net loss per share:						
Basic	(0.04)	—	(0.04)	(1.16)	(0.01)	(1.17)
Diluted	(0.04)	—	(0.04)	(1.16)	(0.01)	(1.17)
Comprehensive income (loss)	$ 1,141	$ (577)	$ 564	$ (181,251)	$ (2,211)	$ (183,462)

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

	Three Months Ended March 31, 2022	
(in thousands)	**Accumulated Deficit**	**Total Shareholders' Equity**
As Previously Reported		
BALANCES-December 31, 2021	$ (62,236)	$ 492,404
Net loss	(6,448)	(6,448)
BALANCES-March 31, 2022	(68,684)	496,592
Adjustments		
BALANCES-December 31, 2021	(3,155)	(3,155)
Net loss	(577)	(577)
BALANCES-March 31, 2022	(3,732)	(3,732)
As Corrected		
BALANCES-December 31, 2021	(65,391)	489,249
Net loss	(7,025)	(7,025)
BALANCES-March 31, 2022	$ (72,416)	$ 492,860

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

	Nine Months Ended March 31, 2022	
(in thousands)	**(Accumulated Deficit)/Retained Earnings**	**Total Shareholders' Equity**
As Previously Reported		
BALANCES-June 30, 2021	$ 121,925	$ 668,560
Net loss	(190,609)	(190,609)
BALANCES-March 31, 2022	(68,684)	496,592
Adjustments		
BALANCES-June 30, 2021	(1,521)	(1,521)
Net Loss	(2,211)	(2,211)
BALANCES-March 31, 2022	(3,732)	(3,732)
As Corrected		
BALANCES-June 30, 2021	120,404	667,039
Net Income	(192,820)	(192,820)
BALANCES-March 31, 2022	$ (72,416)	$ 492,860

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

	Nine Months Ended March 31, 2022		
(in thousands)	As Previously Reported	Adjustment	As Corrected
Net loss	$ (190,609)	(2,211)	$ (192,820)
Deferred income taxes	(65,623)	(755)	(66,378)
Accounts receivable	(62,803)	2,966	(59,837)
Net cash used in operating activities	$ (284,362)	$ —	$ (284,362)

The following tables reflect the effects of the correction on all affected line items of the Company's previously reported condensed consolidated financial statements to be presented as comparative in the Form 10-Q for the three and six months ended December 31, 2022:

CORRECTED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (unaudited)

	Three Months Ended December 31, 2021			Six Months Ended December 31, 2021		
(in thousands)	As Previously Reported	Adjustment	As Corrected	As Previously Reported	Adjustment	As Corrected
Commission revenue	$ 140,701	$ (744)	$ 139,957	$ 272,956	$ (2,192)	$ 270,764
Total revenue	194,981	(744)	194,237	352,508	(2,192)	350,316
Loss from operations	(172,906)	(744)	(173,650)	(227,466)	(2,192)	(229,658)
Loss before income tax benefit	(183,544)	(744)	(184,288)	(246,741)	(2,192)	(248,933)
Income tax benefit	(46,536)	(189)	(46,725)	(62,580)	(558)	(63,138)
Net loss	(137,008)	(555)	(137,563)	(184,161)	(1,634)	(185,795)
Net loss per share:						
Basic	(0.84)	—	(0.84)	(1.12)	(0.01)	(1.13)
Diluted	(0.84)	—	(0.84)	(1.12)	(0.01)	(1.13)
Comprehensive loss	$ (135,233)	$ (555)	$ (135,788)	$ (182,392)	$ (1,634)	$ (184,026)

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

	Three Months Ended December 31, 2021	
(in thousands)	**Accumulated Deficit**	**Total Shareholders' Equity**
As Previously Reported		
BALANCES-September 30, 2021	$ 74,772	$ 625,668
Net loss	(137,008)	(137,008)
BALANCES-December 31, 2021	(62,236)	492,404
Adjustments		
BALANCES-September 30, 2021	(2,600)	(2,600)
Net loss	(555)	(555)
BALANCES-December 31, 2021	(3,155)	(3,155)
As Corrected		
BALANCES-September 30, 2021	72,172	623,068
Net loss	(137,563)	(137,563)
BALANCES-December 31, 2021	$ (65,391)	$ 489,249

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

	Six Months Ended December 31, 2021	
(in thousands)	**(Accumulated Deficit)/Retained Earnings**	**Total Shareholders' Equity**
As Previously Reported		
BALANCES-June 30, 2021	$ 121,925	$ 668,560
Net loss	(184,161)	(184,161)
BALANCES-December 31, 2021	(62,236)	492,404
Adjustments		
BALANCES-June 30, 2021	(1,521)	(1,521)
Net loss	(1,634)	(1,634)
BALANCES-December 31, 2021	(3,155)	(3,155)
As Corrected		
BALANCES-June 30, 2021	120,404	667,039
Net Income	(185,795)	(185,795)
BALANCES-December 31, 2021	$ (65,391)	$ 489,249

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

	Six Months Ended December 31, 2021		
(in thousands)	**As Previously Reported**	**Adjustment**	**As Corrected**
Net loss	$ (184,161)	(1,634)	$ (185,795)
Deferred income taxes	(62,940)	(558)	(63,498)
Accounts receivable	(43,429)	2,192	(41,237)
Net cash used in operating activities	$ (305,741)	$ —	$ (305,741)

The following tables reflect the effects of the correction on all affected line items of the Company's previously reported condensed consolidated financial statements to be presented as comparative in the Form 10-Q for the three months ended September 30, 2022:

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS) (unaudited)

	Three Months Ended September 30, 2021		
(in thousands)	**As Previously Reported**	**Adjustment**	**As Corrected**
Commission revenue	$ 134,651	(3,844)	$ 130,807
Total revenue	159,923	(3,844)	156,079
Loss from operations	(52,164)	(3,844)	(56,008)
Loss before income tax benefit	(60,801)	(3,844)	(64,645)
Income tax benefit	(15,436)	(977)	(16,413)
Net loss	(45,365)	(2,867)	(48,232)
Net loss per share:			
Basic	(0.28)	(0.01)	(0.29)
Diluted	(0.28)	(0.01)	(0.29)
Comprehensive loss	$ (45,371)	$ (2,867)	$ (48,238)

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

	Three Months Ended September 30, 2021	
(in thousands)	(Accumulated Deficit)/Retained Earnings	Total Shareholders' Equity
As Previously Reported		
BALANCES-June 30, 2021	$ 128,254	$ 674,889
Net loss	(45,365)	(45,365)
BALANCES-September 30, 2021	82,889	633,785
Adjustments		
BALANCES-June 30, 2021	(7,850)	(7,850)
Net loss	(2,867)	(2,867)
BALANCES-September 30, 2021	(10,717)	(10,717)
As Corrected		
BALANCES-June 30, 2021	120,404	667,039
Net loss	(48,232)	(48,232)
BALANCES-September 30, 2021	$ 72,172	$ 623,068

CORRECTED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

	Three Months Ended September 30, 2021		
(in thousands)	As Previously Reported	Adjustment	As Corrected
Net loss	$ (45,365)	(2,867)	$ (48,232)
Deferred income taxes	(15,807)	(977)	(16,784)
Accounts receivable	17,336	3,844	21,180
Net cash used in operating activities	$ (87,075)	$ —	$ (87,075)

Employment Agreements

On August 25, 2022, the Company entered into a new employment agreement (the “Agreement”) with Daniel A. Boulware, the Company’s General Counsel and Secretary. The Agreement provides for a three-year employment period, with automatic annual renewal for additional one-year periods unless either party provides notice of non-renewal at least 90 days before the expiration of the then-current term. The Agreement sets forth the Mr. Boulware’s annual minimum base salary and annual bonus opportunity, as well as eligibility to participate in the Company’s employee benefit arrangements generally available to other senior executives of the Company.

The Agreement also provides for certain severance benefits in the event of Mr. Boulware’s termination without cause or resignation for good reason. Specifically, he is entitled to receive, subject to the execution and non-revocation of a release of claims, (i) a prorated bonus for the fiscal year during which the termination occurs; (ii) a lump sum cash severance payment in an amount equal to the sum of his annual base salary and target annual bonus; and (iii) COBRA reimbursement for the excess of the monthly cost of premiums associated with medical and dental coverage over the monthly premiums for such coverage payable by a similarly situated active employee during the applicable severance period.

In the event Mr. Boulware is terminated (i) within 90 days prior to a change in control (as defined in the Agreement or (ii) within two years following the date of a change in control, he will be entitled to a lump sum cash severance payment equal to 1.5 times the sum his annual base salary and target annual bonus. Pursuant to the terms of the Agreement, the lump sum cash severance payment payable to Mr. Boulware in the event of a change in control is "double-trigger," meaning that he will be entitled to received such payment only if his employment with the Company or any successor entity is terminated within two years of the date of the change in control.

The Agreement also contains various standard restrictive covenants, including those related to assignment of inventions, confidentiality of Company information, and non-competition and non-solicitation following the termination of the executive's employment.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by the full text of the Agreement, which is attached as Exhibits 10.5 to this Annual Report on Form 10-K and incorporated herein by reference.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item with respect to the Company's Directors is contained in the 2022 Proxy Statement, to be filed with the SEC, under the heading "Proposal One: Election of Directors" and is incorporated by reference in this Annual Report on Form 10-K.

The information required by this item with respect to the Company's executive officers is contained in the 2022 Proxy Statement under the heading "Executive Officers" and is incorporated by reference in this Annual Report on Form 10-K.

To the extent applicable, the information required by this item with respect to compliance with Section 16(a) of the Exchange Act is contained in the 2022 Proxy Statement under the heading "Delinquent Section 16(a) Reports" and is incorporated by reference in this Annual Report on Form 10-K.

The information required by this item with respect to the procedures by which stockholders may recommend nominees to the Board of Directors is contained in the 2022 Proxy Statement under the heading "Corporate Governance—Stockholder Recommendations and Nominations to the Board" and is incorporated by reference in this Annual Report on Form 10-K.

The information required by this item with respect to the Company's Audit Committee, including the Audit Committee's members and its financial expert, is contained in the 2022 Proxy Statement under the heading "Corporate Governance —Audit Committee" and is incorporated by reference in this Annual Report on Form 10-K.

We have adopted a written Code of Business Conduct and Ethics (our "Code of Business Conduct"), which applies to all our directors, officers, and other employees, including our principal executive officer and principal financial officer. A copy of our Code of Business Conduct is available on our corporate website, www.selectquote.com, under "Investor Relations—Governance—Governance Documents." The information contained on our website does not constitute a part of this Annual Report on Form 10-K. We will provide any person, without charge, upon request, a copy of our Code of Business Conduct. Such requests should be made in writing to the attention of our General Counsel at the following address: SelectQuote, Inc., 6800 West 115th Street, Suite 2511, Overland Park, Kansas 66211. We intend to make all required disclosure regarding any amendments to, or waivers from, any provisions of our Code of Business Conduct at the same location of our website, www.selectquote.com.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item with respect to the compensation of our directors and executive officers is contained in the 2022 Proxy Statement under the headings "Executive Compensation—Compensation Discussion and Analysis," and "Corporate Governance—Non-Employee Director Compensation," respectively, and is incorporated by reference in this Annual Report on Form 10-K.

To the extent applicable, the information required by this item with respect to compensation committee interlocks and insider participation is contained in the 2022 Proxy Statement under the heading "Compensation Committee Interlocks and Insider Participation" and is incorporated by reference in this Annual Report on Form 10-K.

The compensation committee report required by this item is contained in the 2022 Proxy Statement under the heading "Report of the Compensation Committee" and is incorporated by reference in this Annual Report on Form 10-K.

The information required by this item with respect to compensation policies and practices as they relate to the Company's risk management is contained in the 2022 Proxy Statement under the heading "Executive Compensation—Compensation and Risk" and is incorporated by reference in this Annual Report on Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item with respect to securities authorized for issuance under the Company's equity compensation plans is contained in the 2022 Proxy Statement under the heading "Equity Compensation Plan Information" and is incorporated by reference in this Annual Report on Form 10-K.

The information required by this item with respect to the security ownership of certain beneficial owners and management is contained in the 2022 Proxy Statement under the heading "Security Ownership of Certain Beneficial Ownership and Management" and is incorporated by reference in this Annual Report on Form 10-K.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item with respect to transactions with related persons is contained in the 2022 Proxy Statement under the heading "Certain Relationships and Related Party Transactions" and is incorporated by reference in this Annual Report on Form 10-K.

The information required by this item with respect to director independence is contained in the 2021 Proxy Statement under the headings "Corporate Governance—Director Independence" and "Corporate Governance Matters—Board Meetings and Committees" and is incorporated by reference in this Annual Report on Form 10-K.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is contained in the 2022 Proxy Statement under the heading "Proposal Two: Ratification of Appointment of Independent Registered Public Accounting Firm" and is incorporated by reference in this Annual Report on Form 10-K.

PART IV

ITEM 15. EXHIBIT AND FINANCIAL STATEMENT SCHEDULES

(a) We have filed the following documents as part of this Annual Report on Form 10-K:

1. Consolidated Financial Statements

Information in response to this Item is included in Item 8 of Part II of this Annual Report on Form 10-K.

2. Financial Statement Schedules

All financial statement schedules have been omitted because they are not applicable, not material or because the required information is included in Item 8 of Part II of this Annual Report on Form 10-K.

3. Exhibits

The following documents listed below in the Exhibit Index of the Annual Report on Form 10-K are incorporated by reference or are furnished or filed (as applicable) with this Annual Report on Form 10-K, in each case as indicated therein.

(b) None.

(c) None.

Exhibit Number	Exhibit Description
3.1	Sixth Amended and Restated Certificate of Incorporation of SelectQuote, Inc. (incorporated by reference to Exhibit 3.1 to SelectQuote, Inc.'s Current Report on Form 8-K (File No. 001-39295) filed with the SEC on May 26, 2020)
3.2	Amended and Restated Bylaws of SelectQuote, Inc. (incorporated by reference to Exhibit 3.2 to SelectQuote, Inc.'s Current Report on Form 8-K (File No. 001-39295) filed with the SEC on May 26, 2020)
4.1	Form of Common Stock Certificate of SelectQuote, Inc. (incorporated by reference to Exhibit 4.1 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on May 15, 2020)
4.2	Amended and Restated Series D Preferred Stock Investors' Rights and Stockholders Agreement, dated November 4, 2019, by and among the Company and certain of its investors (incorporated by reference to Exhibit 4.2 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)
4.3	Amendment No. 1 to the Amended and Restated Series D Preferred Stock Investors' Rights and Stockholders Agreement, dated April 17, 2020, by and among SelectQuote, Inc. and certain of its investors (incorporated by reference to Exhibit 4.3 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on May 8, 2020)
4.4	Description of Capital Stock
10.1#	Employment Agreement, dated as of May 21, 2019, by and between the Company and Tim Danker (incorporated by reference to Exhibit 10.1 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)
10.2#	Employment Agreement, dated as of May 21, 2019, by and between the Company and Raffaele D. Sadun (incorporated by reference to Exhibit 10.2 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)
10.3#	Employment Agreement, dated as of May 21, 2019, by and between the Company and William Grant III (incorporated by reference to Exhibit 10.3 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)

10.4#	Employment Agreement, dated as of May 21, 2019, by and between the Company and Robert Grant (incorporated by reference to Exhibit 10.4 to SelectQuote, Inc.'s Annual Report on Form 10-K (File No. 001-39295) filed with the SEC on August 26, 2021)
10.5#	Employment Agreement, dated as of August 25, 2022, by and between the Company and Daniel "Al" Boulware
10.6#	Employment Agreement, dated as of January 5, 2022, by and between the Company and Ryan M. Clement
10.7#	SelectQuote, Inc. 2003 Stock Incentive Plan, as amended on January 26, 2012 and May 5, 2020 (incorporated by reference to Exhibit 10.5 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on May 8, 2020)
10.8#	Form of Notice of Stock Option Award under the Company's 2003 Stock Incentive Plan (incorporated by reference to Exhibit 10.7 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)
10.9#	SelectQuote, Inc. 2020 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.8 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on March 5, 2020)
10.10#	SelectQuote, Inc. 2020 Employee Stock Purchase Plan (as Amended and Restated Effective as of April 1, 2022) (incorporated by reference to Exhibit 10.1 to SelectQuote, Inc.'s Quarterly Report on Form 10-Q (File No. 001-39295) filed with the SEC on May 5, 2022)
10.11#	Form of Restricted Stock Unit Agreement for Employees under SelectQuote, Inc.'s 2020 Omnibus Stock Incentive Plan
10.12#	Form of Restricted Stock Unit Agreement for Non-Employee Directors under SelectQuote, Inc.'s 2020 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.11 to SelectQuote, Inc.'s Annual Report on Form 10-K (File No. 001-39295) filed with the SEC on August 26, 2021)
10.13#	Form of Stock Option Agreement for Employees under SelectQuote, Inc.'s 2020 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.12 to SelectQuote, Inc.'s Annual Report on Form 10-K (File No. 001-39295) filed with the SEC on August 26, 2021)
10.14#	Form of Stock Option Agreement for Non-Employee Directors under SelectQuote, Inc.'s 2020 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.13 to SelectQuote, Inc.'s Annual Report on Form 10-K (File No. 001-39295) filed with the SEC on August 26, 2021)
10.15#	Form of Performance Stock Unit Agreement under SelectQuote, Inc.'s 2020 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.14 to SelectQuote, Inc.'s Annual Report on Form 10-K (File No. 001-39295) filed with the SEC on August 26, 2021)
10.16#	Form of Price-Vested Unit Agreement for Employees under SelectQuote, Inc.'s 2020 Omnibus Stock Incentive Plan
10.17#	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.10 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)
10.18	Credit Agreement, dated as of November 5, 2019, by and among the Company, certain subsidiaries of the Company, the lenders party thereto, Morgan Stanley Capital Administrators, Inc., as Administrative Agent, and UMB Bank, N.A., as Revolver Agent (incorporated by reference to Exhibit 10.4 to SelectQuote, Inc.'s Registration Statement on Form S-1 (File No. 333-236555) filed with the SEC on February 21, 2020)
10.18.1	First Amendment to Credit Agreement, dated as of February 24, 2021, by and among SelectQuote, Inc., the lenders and other parties party thereto and Morgan Stanley Capital Administrators, Inc., as administrative agent (incorporated by reference to Exhibit 10.1 of SelectQuote, Inc.'s Current Report on Form 8-K (File No. 001-39295) filed with the SEC on February 24, 2021)
10.18.2	Second Amendment to Credit Agreement, dated as of November 2, 2021, by and among SelectQuote, Inc., the lenders and other parties thereto, and Morgan Stanley Capital Administrators, Inc., as administrative agent (incorporated by reference to Exhibit 10.1 to SelectQuote, Inc.'s Current Report on Form 8-K (File No. 001-39295) filed with the SEC on November 4, 2021)

10.18.3	Third Amendment to Credit Agreement, dated as of December 23, 2021, by and among SelectQuote, Inc., the lenders and other parties thereto, Morgan Stanley Capital Administrators, Inc., as administrative agent and UMB Bank, N.A., as Revolver Agent for itself and the Revolving Lenders (incorporated by reference to Exhibit 10.1 to SelectQuote, Inc.'s Current Report on Form 8-K (File No. 001-39295) filed with the SEC on December 27, 2021)
10.18.4	Fourth Amendment to Credit Agreement, dated as of August 26, 2022, by and among SelectQuote, Inc., the lenders and other parties thereto, Wilmington Trust, National Association, as administrative agent and UMB Bank, N.A., as Revolver Agent for itself and the Revolving Lenders (incorporated by reference to Exhibit 10.1 to SelectQuote, Inc.'s Current Report on Form 8-K (File No. 001-39295) filed with the SEC on August 29, 2022)*
21.1	Subsidiaries of SelectQuote, Inc.
23.1	Consent of Deloitte & Touche LLP
31.1	Certification of Chief Executive Officer of SelectQuote, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer of SelectQuote, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†	Certification of Chief Executive Officer of SelectQuote, Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2†	Certification of Chief Financial Officer of SelectQuote, Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
104.1	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

# Indicates management contract or compensation plan.

† The certifications attached as Exhibits 32.1 and 32.2 that accompany this Annual Report on Form 10-K, are not deemed filed with the SEC and are not to be incorporated by reference into any filing of SelectQuote, Inc. under
the Securities Act or the Exchange Act whether made before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

* Certain schedules have been omitted from this exhibit in accordance with Item 601(a)(5) of Regulation S-K. The Company agrees to furnish a copy of any omitted schedules to the Securities and Exchange Commission upon request.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

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

SELECTQUOTE, INC.

By:	/s/ Tim Danker
Name:	Tim Danker
Title:	Chief Executive Officer
Date:	August 29, 2022

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on August 29, 2022.

	Signature	Title
By:	/s/ Tim Danker Tim Danker	Chief Executive Officer and Director (Principal Executive Officer)
By:	/s/ Ryan Clement Ryan Clement	Interim Chief Financial Officer (Principal Financial Officer)
By:	/s/ Stephanie Fisher Stephanie Fisher	Chief Accounting Officer (Principal Accounting Officer)
By:	/s/ Donald Hawks III Donald Hawks III	Chairman of the Board of Directors
By:	/s/ Tom Grant Tom Grant	Vice Chairman of the Board of Directors
By:	/s/ Earl Devanny III Earl Devanny III	Director
By:	/s/ Denise Devine Denise Devine	Director
By:	/s/ Dr. Kavita Patel Dr. Kavita Patel	Director
By:	/s/ Raymond Weldon Raymond Weldon	Director

Exhibit 4.4

DESCRIPTION OF CAPITAL STOCK

General

Our authorized capital stock consists of 700,000,000 shares of common stock, par value $0.01 per share, and 70,000,000 shares of preferred stock, par value $0.01 per share.

Common Stock

Each holder of our common stock is entitled to one vote for each share on all matters to be voted upon by the common stockholders. There are no cumulative voting rights. Subject to any preferential rights of any outstanding preferred stock, holders of our common stock are entitled to receive ratably the dividends, if any, as may be declared from time to time by our Board of Directors out of funds legally available for that purpose. If there is a liquidation, dissolution, or winding up of our Company, holders of our common stock would be entitled to ratable distribution of our assets remaining after the payment in full of liabilities and any preferential rights of any outstanding preferred stock.

Holders of our common stock do not have any preemptive or conversion rights or other subscription rights, and there are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of our common stock are fully paid and non-assessable. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Preferred Stock

Under the terms of our Sixth Amended and Restated Certificate of Incorporation (our "Certificate of Incorporation"), our Board of Directors is authorized, subject to limitations prescribed by the Delaware General Corporation Law (the "DGCL") and by our Certificate of Incorporation, to issue up to 70,000,000 shares of preferred stock in one or more series without further action by the holders of our common stock. Our Board of Directors has the discretion, subject to limitations prescribed by the DGCL and by our Certificate of Incorporation, to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock. We have no current plans to issue any shares of preferred stock.

Anti-Takeover Effects of Various Provisions of Delaware Law and Our Sixth Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Provisions of the DGCL and our Certificate of Incorporation and amended and restated bylaws (our "Bylaws") could make it more difficult to acquire SelectQuote by means of a tender offer, proxy contest, or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, may discourage certain types of coercive takeover practices and takeover bids that our Board of Directors may consider inadequate and may encourage persons seeking to acquire control of the Company to first negotiate with our Board of Directors. SelectQuote believes that the benefits of increased protection of its ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure it outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

Delaware Anti-Takeover Statute

As a Delaware corporation, SelectQuote is subject to Section 203 of the DGCL regarding corporate takeovers. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the time the person became an interested stockholder, unless:

- prior to the date of the transaction, our Board of Directors has approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock outstanding at the time such transaction commenced, excluding, for purposes of determining the number of shares outstanding, (a) shares owned by persons who are directors and also officers and (b) shares owned by employee stock plans in which employee participants do not have the right to

determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- on or subsequent to such time the business combination is approved by our Board of Directors and authorized at a meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

In this context, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status owned, 15% or more of our outstanding voting stock. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by our Board of Directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by our stockholders.

A Delaware corporation may "opt out" of Section 203 with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from amendments approved by holders of at least a majority of our outstanding voting shares. We have not elected to "opt out" of Section 203. However, subject to certain restrictions, we may elect to "opt out" of Section 203 by an amendment to our Certificate of Incorporation or Bylaws.

Classified Board

Our Certificate of Incorporation and Bylaws provide that our Board of Directors be divided into three classes, each of which is composed initially of two or three directors. The directors designated as Class I directors have terms expiring at the annual meeting of stockholders to be held in 2023. The directors designated as Class II directors have terms expiring at the annual meeting of stockholders to be held in 2024, and the directors designated as Class III directors have terms expiring at the annual meeting of stockholders to be held in 2022. Directors for each class are elected at the annual meeting of stockholders held in the year in which the term for that class expires and, thereafter, will serve for an additional term of three years, subject to their earlier resignation or removal. At any meeting of stockholders for the election of directors at which a quorum is present, the election will be determined by a plurality of the votes cast by the stockholders entitled to vote in the election. Under the classified board provisions, it may take two elections of directors for any individual or group to gain control of our Board of Directors. Accordingly, these provisions could discourage a third party from initiating a proxy contest, making a tender offer, or otherwise attempting to gain control of SelectQuote.

Removal of Directors

Our Certificate of Incorporation provides that our stockholders may remove our directors only for cause, by an affirmative vote of holders of at least a majority of the voting power of the then-outstanding shares of voting stock.

Amendments to Certificate of Incorporation and Bylaws

Our Certificate of Incorporation provides that it may be amended or altered in any manner provided by the DGCL. Our Bylaws may be adopted, amended, altered, or repealed by stockholders upon the approval of at least two-thirds of the voting power of all of the then-outstanding shares of stock entitled to vote at an election of directors. Additionally, our Certificate of Incorporation and Bylaws provide that our Bylaws may be adopted, amended, altered, or repealed by the Board of Directors.

Size of Board and Vacancies

Our Certificate of Incorporation and Bylaws provide that the number of directors on our Board of Directors is fixed exclusively by our Board of Directors. Any vacancies on our Board of Directors resulting from any increase in the authorized number of directors or the death, resignation, retirement, disqualification, removal from office, or other cause will be filled by a majority of the Board of Directors then in office, whether or not less than a quorum. Our Certificate of Incorporation and Bylaws provide that any director appointed to fill a vacancy on our Board of Directors will hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which he or she been appointed expires and until such director's successor shall have been duly elected and qualified.

Special Stockholder Meetings

Our Bylaws provide that only the chairman of the Board of Directors, the chief executive officer, or an officer acting at the request of a majority of the members of the Board of Directors pursuant to a resolution approved by the Board of the Directors may call special meetings of SelectQuote stockholders. Stockholders may not call special stockholder meetings.

Stockholder Action by Written Consent

Our Certificate of Incorporation prohibits the right of our stockholders to act by written consent. From and after the effectiveness of our Certificate of Incorporation, stockholder action must take place at the annual or a special meeting of SelectQuote stockholders.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our Bylaws establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors, as well as minimum qualification requirements for stockholders making the proposals or nominations. Additionally, our Bylaws require that candidates nominated by stockholders for election as director disclose their qualifications and make certain representations, including that (a) they are not a party to any undisclosed voting commitment, any voting commitment that could interfere with their ability to fulfill their fiduciary duties as a director of SelectQuote, should they be elected, or any undisclosed agreement pursuant to which they would receive compensation, reimbursement or indemnification in connection with their service as a director of SelectQuote, (b) they will be in compliance, should they be elected, with the Company's corporate governance guidelines and the Company's conflict of interest, confidentiality, and stock ownership and trading policies, and (c) they will abide by the procedures for the election of directors in our Bylaws.

No Cumulative Voting

The DGCL provides that stockholders do not have the right to cumulate votes in the election of directors unless the company's certificate of incorporation provides otherwise. Our Certificate of Incorporation does not provide for cumulative voting.

Undesignated Preferred Stock

The authority our Board of Directors possesses to issue preferred stock could potentially be used to discourage attempts by third parties to obtain control of SelectQuote through a merger, tender offer, proxy contest, or otherwise by making such attempts costlier or more difficult. Our Board of Directors may be able to issue preferred stock with voting rights or conversion rights that, if exercised, could adversely affect the voting power of the holders of common stock.

Corporate Opportunities

Our Certificate of Incorporation provides that, to the fullest extent permitted by law, we have, on behalf of ourselves, our stockholders, and any of our and their respective affiliates, renounced any interest or expectancy in, or in being notified of or offered an opportunity to participate in, any business opportunity that may be presented to our directors that are not our employees or to any of their affiliates, partners, or other representatives, and that no such person has any duty to communicate or offer such business opportunity to us or any of our affiliates or stockholders or shall be liable to us or any of our affiliates or stockholders for breach of any duty, as a director or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person, or fails to present such business opportunity, or information regarding such business opportunity, to us or any of our affiliates or stockholders, unless, in the case of any such person who is a director of the Company, such business opportunity is expressly offered to such director solely in his or her capacity as a director of the Company.

Limitations on Liability, Indemnification of Officers and Directors and Insurance

Elimination of Liability of Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors, and our Certificate of Incorporation includes such an exculpation provision. Our Certificate of Incorporation provides that, to the fullest extent permitted by the DGCL, no director will be personally liable to us or to our stockholders for monetary damages for breach of fiduciary duty as a director. While our Certificate of Incorporation provides directors with protection from awards for monetary damages for breaches of their duty of care, it does not eliminate this duty. Accordingly, our Certificate of Incorporation has no effect on the availability of equitable remedies such as an injunction or rescission based on a director's breach of his or her duty of care. The provisions of our Certificate

of Incorporation described above apply to an officer of SelectQuote only if he or she is a director of SelectQuote and is acting in his or her capacity as director, and does not apply to officers of SelectQuote who are not directors.

Indemnification of Directors, Officers and Employees

Our Certificate of Incorporation and Bylaws require us to indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a director or officer of SelectQuote, or is or was serving at the request of SelectQuote as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by SelectQuote, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) incurred or suffered by such person in connection with such proceeding if the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of SelectQuote, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

We are authorized under our Certificate of Incorporation and Bylaws to purchase and maintain insurance to protect SelectQuote and any current or former director, officer, employee or agent of SelectQuote or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not SelectQuote would have the power to indemnify such person against such expense, liability or loss under the DGCL.

We have entered into indemnification agreements with each of our directors and officers. The indemnification agreements provide that we will indemnify each indemnitee to the fullest extent permitted by the DGCL from and against all loss and liability suffered and expenses, judgments, fines and amounts paid in settlement incurred in connection with defending, investigating or settling any threatened, pending, or completed action, suit or proceeding related to the indemnitee's service with the Company. Additionally, we agree to advance to the indemnitee expenses incurred in connection therewith.

The limitation of liability and indemnification provisions in these indemnification agreements and our Certificate of Incorporation and Bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of fiduciary duty. These provisions also may reduce the likelihood of derivative litigation against our directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment in our common stock may be adversely affected to the extent we pay the costs of settlement and damage awards under these indemnification provisions.

Exclusive Forum

Our Certificate of Incorporation provides that, unless the Board of Directors otherwise determines, the state courts located within the State of Delaware or, if no state court located in the State of Delaware has jurisdiction, the federal court for the District of Delaware, will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of SelectQuote, any action asserting a claim of breach of a fiduciary duty owed by any director or officer of SelectQuote to SelectQuote or our stockholders, any action asserting a claim against SelectQuote or any director or officer of SelectQuote arising pursuant to any provision of the DGCL or Certificate of Incorporation or Bylaws, or any action asserting a claim against SelectQuote or any director or officer of SelectQuote governed by the internal affairs doctrine. Under our Certificate of Incorporation, to the fullest extent permitted by law, this exclusive forum provision will apply to all actions asserting covered Delaware state law claims, including any other claims, such as federal securities law claims, that a stockholder chooses to bring in the same action. This exclusive forum provision does not apply to actions that do not assert any covered Delaware state law claims, such as, for example, any action asserting solely federal securities law claims.

Authorized but Unissued Shares

Our authorized but unissued shares of common stock and preferred stock will be available for future issuance without stockholder approval. We may use additional shares for a variety of purposes, including future public offerings to raise additional capital, to fund acquisitions, and as employee compensation. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of SelectQuote by means of a proxy contest, tender offer, merger, or otherwise.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Listing

Our shares of common stock are listed on the New York Stock Exchange under the symbol “SLQT”.

Exhibit 10.5

EXECUTIVE EMPLOYMENT AGREEMENT

EXECUTIVE EMPLOYMENT AGREEMENT (the "Agreement") by and between SelectQuote Insurance Services (the "Company") and Daniel A. Boulware (the "Executive"), dated as of August 25, 2022.

1) Employment Period. The Company hereby agrees to employ the Executive, and the Executive hereby agrees to serve the Company, subject to the terms and conditions of this Agreement, for the period commencing on the date hereof and ending on the third anniversary thereof (the "Employment Period"); provided, that as of the expiration date of each of the initial Employment Period and any Renewal Period (as defined below), the Employment Period will automatically be extended for an additional year (each such one-year period, a "Renewal Period"), unless either party gives at least 90 days written notice prior to such expiration date of its intention not to renew the Employment Period; but, provided, further, that the Company may not give a notice of non-renewal during the two-year period following a Change of Control (as defined below) or in anticipation of a specific potential Change of Control. Notwithstanding the foregoing, the Employment Period shall immediately terminate upon any termination of the Executive's employment with the Company and its subsidiaries pursuant to Section 3.

2) Terms of Employment.

(a) Title. During the Employment Period, the Executive shall serve as General Counsel and Corporate Secretary and such other position(s) and title(s) as bestowed during the Employment Period, shall devote the Executive's full business attention and time to the business and affairs of the Company, and shall use the Executive's best efforts to perform faithfully and efficiently such responsibilities.

(b) Compensation and Employee Benefits.

(i) Annual Base Salary. During the Employment Period, the Executive shall receive an annual base salary (the "Annual Base Salary") of no less than Three Hundred Ninety-Five Thousand and NO/100 Dollars ($395,000), less applicable withholding and payroll deductions, payable in accordance with the Company's regular payroll practices. The Annual Base Salary will be reviewed at least annually by the Company's Compensation Committee of the Board (the "Compensation Committee") for increase but not decrease, provided that there is no guarantee that any annual review will result in an increase.

(ii) Annual Bonus Opportunity. During the Employment Period, the Executive shall participate in the Company's annual bonus program for executives as in effect from time to time, pursuant to which the Executive will have the opportunity to earn, for each fiscal year of the Company, an annual bonus (the "Annual Bonus"), with a target Annual Bonus opportunity equal to Fifty Percent (50%) of the Annual Base Salary (the "Target Bonus"). The actual amount of the Annual Bonus paid for each applicable fiscal year, if any, shall be determined by the Company in its discretion. Payment of any Annual Bonus shall be subject to the Executive's continued employment through the applicable payment date, except as provided herein. Further, the Annual Bonus will be reviewed at least annually by the Compensation Committee for increase but not decrease, provided that there is no guarantee that any annual review will result in an increase.

(iii) Employee Benefits. During the Employment Period, the Executive shall be entitled to participate in the employee benefit plans, practices, policies and programs generally applicable to other senior executives of the Company.

3) Termination of Employment.

(a) Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Employment Period. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period (pursuant to the definition of Disability set forth below), it may provide the Executive with written notice in accordance with Section 8(c) of its intention to terminate the Executive's employment. In such event, the Executive's employment

with the Company shall terminate effective on the 30th day after the Executive's receipt of such notice (the "Disability Effective Date"); provided that, within the 30 days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, "Disability" shall mean a condition that has resulted, or is reasonably expected to result, in the absence of the Executive from the Executive's duties with the Company for 60 days within a 365-day period as a result of incapacity due to mental or physical illness.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period either with or without Cause. For purposes of this Agreement, "Cause" shall mean the Executive's:

(i) willful refusal to perform in any material respect the Executive's duties or responsibilities for the Company and its affiliates or to comply in any material respect with material policies and procedures of the Company and its affiliates;

(ii) conviction of or entry of a plea of guilty or *nolo contendere* to a crime (other than a vehicular misdemeanor);

(iii) materials breach of this Agreement; or

(iv) fraud or other illegal conduct in the performance of the Executive's duties for the Company and its affiliates.

provided, however, that the Executive's termination of employment shall not be deemed to be for Cause unless (A) the Company has delivered to the Executive written notice describing the occurrence of one or more Cause events, (B) the Executive has, to the extent such event or events are curable, failed to cure such event or events within 10 days after his/her receipt of such written notice and (C) the Company has delivered to the Executive a Notice of Termination within 30 days after the expiration of the 10-day cure period.

(a) Good Reason. The Executive's employment may be terminated by the Executive either with or without Good Reason. For purposes of this Agreement, "Good Reason" shall mean the Executive's voluntary resignation after any of the following actions are taken by the Company without the Executive's consent:

(v) a material breach by the Company of this Agreement;

(vi) a relocation of the Executive's principal place of employment of more than 50 miles;

(vii) a reduction of the Annual Base Salary or a material reduction in the Target Bonus;

(viii) a material diminution of the Executive's position, duties, and responsibilities; or

(ix) a notice of non-renewal of the Employment Period given by the Company pursuant to Section 1.

(c) Notice of Termination. Any termination by the Company with or without Cause, or by the Executive with or without Good Reason, shall be communicated by a Notice of Termination to the other party hereto given in accordance with Section 8(c). For purposes of this Agreement, a "Notice of Termination" means a written notice that (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) specifies the Date of Termination, which date shall be not more than 30 days after the delivery of such notice.

(d) Date of Termination. "Date of Termination" means (i) if the Executive's employment is terminated by the Company with or without Cause, or by the Executive with or without Good Reason, the date of receipt of the Notice of Termination or any later date specified therein that is within 30 days following the date of notice, as the case may be (except that in the case of a termination by the Executive, the Company may in its sole discretion change any such later date to a date of its choosing between the date of such receipt and such later date, and such acceleration shall for the avoidance of doubt not constitute a Termination by the Company), or (ii) if the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of the Executive or the Disability Effective Date, as applicable. Effective as of the Date of Termination, the Executive shall resign from all offices and positions he may hold with the Company and its affiliates. The Executive agrees to execute any documentation necessary to effectuate the provisions of the foregoing sentence.

4) Obligations of the Company upon Termination.

(b) Good Reason; Other Than for Cause, Death or Disability. If, during the Employment Period, the Company terminates the Executive's employment without Cause (other than due to death or Disability) or the Executive terminates his employment for Good Reason, then, subject, in the case of clauses (ii), and (iv) below, to the Executive executing a release of claims in a form to be provided by the Company that is consistent in all material respects with the form of release set forth as Exhibit A hereto (as such form may be reasonably updated by the Company to reflect changes in law or in customary market practice), and such release becoming irrevocable in accordance with its terms prior to the 60th day following the Date of Termination (the "Release Date"), the Company shall pay or provide to the Executive the following:

(i) the portion of the Executive's Annual Base Salary due for the period through the Date of Termination, reimbursement for business expenses incurred, (together, the "Accrued Obligations"), and any Annual Bonus earned for a fiscal year that concluded prior to the Date of Termination, in all cases, to the extent not theretofore paid, which obligations shall be paid in a lump sum in cash within 60 days following the Date of Termination or as otherwise required by law;

(ii) a prorated bonus for the year during which occurs the Date of Termination, payable on the same date that bonuses are paid to Company executives generally (but in no event later than September 15 of the year that follows the year during which the Date of Termination occurs), equal to the product of (A) the Target Bonus multiplied by (B) a fraction, the numerator of which is the number of days elapsed during such year through the Date of Termination, and the denominator of which is 365 (366, if such year is a leap year);

(iii) cash severance payment, payable within ten days of the Release Date, in an amount equal to one (1.5, if the Date of Termination occurs during the 90-day period prior to a Change of Control or during the two-year period commencing on a Change of Control (any such termination, a "Change of Control Termination")) (as applicable, the "Severance Multiple") times the sum of (A) the Annual Base Salary and (B) the Target Bonus (the "Severance Payment"); and

(iv) in the event the Executive elects continued medical and dental benefit coverage pursuant to Section 4980B(f) of the Internal Revenue Code of 1986, as amended (the "Code") and complies with all terms and conditions of the applicable plans, then until the earliest of (A) the end of the Severance Period (as defined below), (B) the 18-month anniversary of the Date of Termination, and (C) such time as the Executive becomes eligible to receive medical and dental benefits under another employer-provided plan, the Company shall reimburse the Executive for the excess of the monthly cost of premiums associated with such coverage over the portion of the monthly premiums for such coverage payable by a similarly situated active employee, with each reimbursement paid on or prior to the 10th day of the month to which the applicable premium relates; provided, however, that all such reimbursements that would otherwise be provided during the period between the Date of Termination and the Release Date shall be accumulated and paid within 10 days following the Release Date.

In addition, to the extent not theretofore paid or provided, the Company shall timely pay or provide to the Executive, in accordance with the terms of the applicable plan, program, policy, practice or contract, any other amounts or benefits required to be paid or provided or that the Executive is eligible to receive under any plan, program, policy, practice or contract of the Company (including, without limitation, any

vacation policy) through the Date of Termination (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits"). Other than as set forth in this Section 4(a), in the event of a termination of the Executive's employment by the Company without Cause (other than due to death or Disability) or by the Executive for Good Reason, the Company shall have no further obligation to the Executive under this Agreement. For the avoidance of doubt, if the Executive does not execute a release of claims in a form to be provided by the Company that is consistent in all material respects with the form of release set forth as Exhibit A hereto (as such form may be reasonably updated by the Company to reflect changes in law) or such release does not become irrevocable in accordance with its terms prior to the Release Date, then the Company shall have no obligation to pay or provide the payment and benefits set forth in Section 4(a)(ii-iv).

(e) Other Termination. If the Executive's employment is terminated during the Employment Period for a reason other than those governed by Section 4(a), the Employment Period shall terminate without further obligations to the Executive under this Agreement, other than for payment of the Accrued Obligations within 60 days following the Date of Termination and the timely payment or provision of Other Benefits.

(f) Certain Definitions and Rules. For purposes hereof, (i) the "Severance Period" shall be a period of months commencing on the Date of Termination equal to the product of the applicable Severance Multiple multiplied by 12, (ii) a "Change of Control" shall mean either of (A) any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) becoming the beneficial owner of 50% or more of the combined voting power of the then-outstanding voting securities of the Company (the "Outstanding Company Voting Securities"); provided, that the following acquisitions shall not constitute a Change of Control: (1) any acquisition directly from the Company, (2) any acquisition by the Company, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its affiliates, or (4) any acquisition pursuant to a Non-Control Transaction (as defined below), or (B) the consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or securities of another entity by the Company or any of its subsidiaries (each, a "Business Combination"), in each case unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then-outstanding voting securities of the ultimate parent entity resulting from such Business Combination in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Voting Securities, as the case may be (a Business Combination satisfying this exception, a "Non-Control Transaction"), (iii) if a termination described in Section 4(a) occurs during the 90- day period preceding a Change of Control but the Severance Payment is made prior to consummation of such Change of Control, the Company shall make the initial Severance Payment (based on the Severance Multiple that would apply for a Date of Termination not proximate to a Change of Control) and shall thereafter make an additional payment (no later than the earlier of the 91st day following the Date of Termination and the 74th day after such consummation) equal to the excess of the amount that would have been payable had the enhanced Severance Multiple been utilized for the initial Severance Payment over the amount actually paid pursuant to the Initial Severance Payment.

5) No Mitigation. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of any amounts payable to the Executive under Section 4(a) and such amounts shall not be reduced whether or not the Executive obtains other employment.

6) Exclusive Service and Duty of Loyalty.

(a) Devotion of Time. While employed with the Company, Executive will provide Executive's full working time exclusively to the service of the Company, and agrees not to provide services to another employer for compensation without advance notice and written approval from the Company to do so because same would create a conflict of interest with Executive's obligations of exclusive service under this Agreement. Notwithstanding the foregoing, nothing herein shall prohibit Executive from engaging in nonprofit volunteer service activities, or serving on civic or community

boards in a volunteer capacity so long as such activities do not create a conflict of interest or adversely affect the performance of Executive's duties to the Company.

(b) Duty of Loyalty. While employed by the Company, Executive will have a duty of loyalty to the Company that includes the obligation to: (a) devote Executive's best efforts to Executive's employment duties and to further the interests of the Company, (b) to promptly notify the Company of business opportunities related to the Company's line of business and not to pursue them independently for personal gain without the written authorization of the Company, (c) to avoid conflicts of interest, with the understanding that among other things it will be a conflict of interest for Executive to engage in competition with the Company or assist any party in efforts to pursue business activities that would compete with the business of the Company, or to hold a material or controlling interest in any business that is engaged in competition with the Company, without prior written approval of the Company, and (d) an obligation not to interfere with the business relationships between the Company and the customers, employees, suppliers and vendors the Company has ongoing business relationships with for the benefit of any person or entity who is engaged in, or preparing to engage in a competing business enterprise. The forgoing is referred to as my "Duty of Loyalty."

7) Restrictive Covenants. In consideration of the Company's commitments and promises hereunder, and the provision of trade secrets and other Confidential Information to Executive, the Executive agrees to the obligations and agreements set forth in Exhibit B (Restrictive Covenants) (the "Restrictive Covenants"), which are incorporated herein by reference in full. The Restrictive Covenants have been negotiated by sophisticated commercial parties. The Executive acknowledges and agrees that the Restrictive Covenants are reasonable in light of all of the circumstances, are sufficiently limited to protect the legitimate interests of the Company and its affiliates, impose no undue hardship on the Executive, and are not injurious to the public. In light of the foregoing acknowledgements, the Executive agrees not to challenge or contest the reasonableness, validity or enforceability of the Restrictive Covenants or of any other limitations and obligations contained in this Agreement.

8) Successors. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive other than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets which assumes and agrees to perform this Agreement by operation of law, or otherwise.

9) Miscellaneous.

(g) Governing Law and Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws.

(h) Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR OTHER PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT.

(i) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party, by email or facsimile (with confirmation of receipt) or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: To the most recent address, email or facsimile number on file with the Company.

If to the Company:

SelectQuote Insurance Services
6800 W. 115th St., Suite 2511
Overland Park, KS 66211
Attention: Legal Department

Email Address: legal.notices@selectquote.com

or to such other address, email address or facsimile number as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(j) Invalidity. If any term or provision of this Agreement or the Employee Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the Employee Agreement or the application of such term or provision to persons or circumstances other than those to which it is invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement and of the Employee Agreement shall be valid and be enforced to the fullest extent permitted by law.

(k) Survivability. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either the Executive's employment or this Agreement (including the terms of Section 6 and of the Employee Agreement) shall so survive such termination.

(l) Section Headings; Construction. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation hereof. For purposes of this Agreement, the term “including” shall mean “including, without limitation.”

(m) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

(n) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(o) Section 409A.

(i) General. It is intended that payments and benefits made or provided under this Agreement shall not result in penalty taxes or accelerated taxation pursuant to Section 409A of the Code (“Section 409A”). Any payments that qualify for the “short-term deferral” exception, the separation pay exception or another exception under Section 409A shall be paid under the applicable exception. Each payment of compensation under this Agreement shall be treated as a separate payment of compensation for purposes of applying the exclusion under Section 409A for short-term deferral amounts, the separation pay exception or any other exception or exclusion under Section 409A. All payments of nonqualified deferred compensation to be made upon a termination of employment under this Agreement may only be made upon a "separation from service" under Section 409A to the extent necessary in order to avoid the imposition of penalty taxes on the Executive pursuant to Section 409A. In no event may the Executive, directly or indirectly, designate the calendar year of any payment under this Agreement.

(ii) Reimbursements and In-Kind Benefits. Notwithstanding anything to the contrary in this Agreement, all reimbursements and in-kind benefits provided under this Agreement that are subject to Section 409A shall be made in accordance with the requirements of Section 409A, including, where applicable, the requirement that (A) any reimbursement is for expenses incurred during the Executive's lifetime (or during a shorter period of time specified in this Agreement); (B) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in kind benefits to be provided, in any other calendar year; (C) the reimbursement of an eligible expense shall be made no later than the last day of the calendar year following the year in which the expense is incurred; and (D) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(iii) Delay of Payments. Notwithstanding anything to the contrary in this Agreement, if the Executive is considered a “specified employee” for purposes of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the Date of Termination), any payment on account of the Executive’s separation from service that constitutes nonqualified deferred compensation within the meaning of Section 409A and that is otherwise due to the

Executive under this Agreement during the six-month period immediately following the Executive’s separation from service (as determined in accordance with Section 409A) shall be accumulated and paid to the Executive on the first business day of the seventh month following the Executive's separation from service (the “Delayed Payment Date”). If the Executive dies during the postponement period, the amounts and entitlements delayed on account of Section 409A shall be paid to the personal representative of the Executive’s estate on the first to occur of the Delayed Payment Date or 30 days after the date of the Executive’s death.

(c) Parachute Payments. In the event that any payments or benefits received or to be received by the Executive pursuant to this Agreement or otherwise (i) constitute “parachute payments” within the meaning of Section 280G of the Code, as determined by the accounting firm that audited the Company prior to the relevant “change in ownership or control” within the meaning of Section 280G of the Code or another nationally known accounting or employee benefits consulting firm selected by the Company prior to such change in ownership or control (the “Accounting Firm”) and (ii) but for this Section 9(j), would, in the judgment of the Accounting Firm, be subject to the excise tax imposed by Section 4999 of the Code by reason of Section 280G of the Code, then the Executive's benefits under this Agreement shall be payable either: (A) in full, or (B) as to such lesser amount which would result in no portion of such payments or benefits being subject to the excise tax under Section 4999 of the Code, as determined by the Accounting Firm, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive, on an after-tax basis, of the greatest amount of payments and benefits under this Agreement, as determined by the Accounting Firm, notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. In the event that a lesser amount is paid under clause (ii)(B) above, then the elements of Executive’s payments hereunder shall be reduced in such order (1) as the Company determines, in its sole discretion, has the least economic detriment to the Executive and (2) which does not result in the imposition of any tax penalties under Section 409A on the Executive. To the extent the economic impact of reducing payments from one or more elements is equivalent, and subject to clause (2) of the preceding sentence, the reduction may be made pro rata by the Company in its sole discretion. In connection with making determinations hereunder, the Accounting Firm shall take into account the value of any reasonable compensation for services to be rendered by the Executive before or after the 280G CIC, including any noncompetition provisions that may apply to the Executive (whether set forth in this Agreement or otherwise), and the Company shall cooperate in the valuation of any such services, including any noncompetition provisions.

(d) Amendments. No provision of this Agreement shall be modified or amended except by an instrument in writing duly executed by the parties hereto. No custom, act, payment, favor or indulgence shall grant any additional right to the Executive or be deemed a waiver by the Company of any of the Executive’s obligations hereunder or release the Executive therefrom or impose any additional obligation upon the Company. No waiver by any party of any breach by the other party of any term or provision hereof shall be deemed to be an assent or waiver by any party to or of any succeeding breach of the same or any other term or provision.

(e) Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto on the subject matter hereof and supersedes and cancels in their entirety all prior understandings, agreements and commitments, whether written or oral, relating to the terms and conditions of employment between the Executive and the Company (but not, for the avoidance of doubt, the Employee Agreement).

[*signature page follows*]

IN WITNESS WHEREOF, the Executive and the Company have executed this Agreement as of the date first above written.

EXECUTIVE:

/s/ Daniel A. Boulware
Daniel A. Boulware

SELECTQUOTE INSURANCE SERVICES:

By:	/s/ Tim Danker
Name:	Tim Danker
Title:	Chief Executive Officer

Signature Page to Executive Employment Agreement

EXHIBIT A
FORM OF RELEASE

SEPARATION AGREEMENT AND RELEASE OF CLAIMS

I [will be leaving] [ceased] employment with Select Quote, Inc. (together with its parent and affiliated organizations, and its past and present officers, directors, agents, and employees, the "Company"') on __________________. In conjunction with my departure from the Company and as required by the Executive Employment Agreement between SelectQuote Insurance Services and me, dated __________, 20__ (the "Employment Agreement") as a condition of my receipt of severance benefits pursuant to Section 4(a) thereof, I would like to resolve any differences I may have with the Company. Accordingly, I voluntarily enter into this separation agreement (this "Agreement").

I understand that, whether or not I sign this Agreement, the Company will pay me the benefits described in Section 4(a)(i) of the Employment Agreement. In addition and only in exchange for signing this Agreement, the Company will provide me the benefits set forth in Sections 4(a)(ii iv) of the Employment Agreement (the "Additional Consideration"). I realize that I am not otherwise entitled to the Additional Consideration, but am receiving it only because I am entering into this Agreement. I also understand that I will receive the Additional Consideration only if I do not revoke this Agreement (as described below) and remain in compliance with this Agreement. I further understand that this Agreement is not an admission of liability or wrongdoing on behalf of either the Company or me.

In exchange for the Additional Consideration from the Company, I, on behalf of myself, my heirs, executors, administrators, trustees, legal representatives, and assigns (collectively, the "Releasors") hereby waive, release, and forever discharge SelectQuote, Inc. and its subsidiaries and affiliates (which includes SelectQuote Insurance Services), and its and their respective divisions, branches, predecessors, successors, assigns, and past or present directors, officers, employees, agents, partners, members, stockholders, representatives, attorneys, consultants, independent contractors, trustees, administrators, insurers, and fiduciaries, in their individual and representative capacities (collectively, the "Releasees") from any actions, causes of action, complaints, charges, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands (including attorneys' fees, costs, and disbursements actually incurred), whether known or unknown, at law or in equity, suspected or unsuspected, of every kind and nature whatsoever, that any Releasor may have against any Releasee. I understand that among the claims hereby released are any claims under the Age Discrimination in Employment Act, 29 U.S.C. section 621 et. Seq ("ADEA'"). I also understand that the Releasors are releasing all claims of any kind against the Releasees, including, but not limited to, claims (x) arising under any federal, state or local constitution, law, statute, regulation or ordinance, including, without limitation, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; ADEA; the National Labor Relations Act; the Fair Labor Standards Act; the Americans With Disabilities Act; the Family Medical Leave Act; the Employee Retirement Income Security Act; the Reconstruction Era Civil Rights Act, each as amended, and any other claim of discrimination, harassment, or retaliation in employment (whether based on federal, state, or local law, statutory or decisional), (y) claims that the restrictions set forth in my Executive Employment Agreement (inclusive of those in Exhibit B (Restrictive Covenants) are not reasonable, necessary and enforceable as written (which are claims I also covenant not to assert in any legal proceeding), and (z) claims based on the law of contracts, torts or intentional torts. Notwithstanding the foregoing, this paragraph shall not release any Releasee from any claim that may not lawfully be waived.

I understand that, although I am releasing any claims I may now have against the Releasees, nothing in this Agreement will prevent me from filing a charge or complaint with, reporting possible violations of any law or regulation to, providing information or documents to, or participating in any investigation or proceeding conducted by, the National Labor Relations Board, Equal Employment Opportunity Commission, the Securities and Exchange Commission, or any other governmental authority charged with the enforcement of any laws, and nothing in this Agreement prevents me from exercising my right to engage in protected concerted activity with other employees under the National Labor Relations Act. However, to the extent permitted by applicable law, by signing this Agreement I am waiving any right to individual relief based on claims asserted in such a charge or complaint, or asserted

by any third-party on my behalf, except for any right I may have to receive payment from a government agency (and not from the Company) for information provided to the government agency.

I acknowledge that I have: (i) reported to the Company any and all work-related injuries or occupational disease incurred during employment by the Company; (ii) been properly provided any leave requested under the FMLA or similar state/local laws and have not been subjected to any improper treatment, conduct or actions due to a request for or taking such leave; (iii) had the opportunity to provide the Company with written notice of any and all concerns regarding suspected ethical and compliance issues or violations on the part of the Company or any other released person or entity; and (iv) reported any pending judicial and administrative complaints, claims, or actions filed against the Company or any other released person or entity.

I agree not to disclose the terms of this Agreement to anyone except my spouse, attorney, or tax advisor, or as otherwise provided in this Agreement. I also agree that I will not make disparaging statements about the Company and the Company will instruct its directors and officers not to make disparaging statements about me.

I reaffirm my obligations under Section 6 of the Employment Agreement and under the Employee Agreement (as defined in the Employment Agreement).

I understand that I may take up to 21 days to decide whether to sign this Agreement. I also understand that, by way of this Agreement, the Company has advised me to consult with an attorney before signing this Agreement.

I understand that, even if I sign this Agreement, I can change my mind and revoke this Agreement within 7 days after I sign it by notifying the Company in writing of my decision to revoke. I realize that, if I do not revoke this Agreement during that 7-day period, the Agreement will become enforceable on the eighth day after I sign it (the "Effective Date"), and the Company will pay the Additional Consideration described above on the terms, and at the times, set forth in the Employment Agreement.

My signature below indicates that I have carefully considered the terms of this Agreement, and have signed it voluntarily.

____
[Name of Executive]

Acknowledged and Agreed on Behalf of SelectQuote Insurance Services:

By: ____________________________________
Name: ____________________________________
Title: ____________________________________

<u>EXHIBIT B</u>
RESTRICTIVE COVENANTS

References in this Exhibit B to “this Agreement” are a reference to the Executive Employment Agreement to which this Exhibit B is attached, and any agreements incorporated therein. In this Exhibit B, “I” and “me” refer to the Executive identified in the Executive Employment Agreement.

I acknowledge and agree that SelectQuote Insurance Services, inclusive of its Affiliates (defined below), collectively referred to herein as the “Company”, have invested significant time, money, and human resources in developing confidential information (inclusive of trade secrets), products, services, business relationships and related goodwill, innovative business methods and other intellectual property that are of special value to it. They are a critical factor in the Company’s success, and are of immeasurable and irreplaceable value.

The Company wishes to retain me as an employee in a position of special trust and confidence with a Company business where I will be entrusted with one or more of the following: (a) Confidential Information (defined below) related to my position, (b) special access to suppliers, customers, and other valuable business relationships of the Company, and/or (c) specialized training, and I wish to be retained in such a position. I agree that the foregoing investment in me by the Company would give me an unfair competitive advantage if my activities were not restricted as provided for in this Agreement during my employment and for a reasonable time after the date my employment ends (my “**Termination Date**”). Accordingly, I agree as follows:

1. Confidential Information.

1.1. Nondisclosure Obligation. I agree that during my employment and for so long thereafter as the information qualifies as “Confidential Information” under the terms of this Agreement, I will not engage in any use or disclosure of Confidential Information except where it is authorized and necessary in the performance of my job duties for the Company. I will comply with all Company policies and directives concerning my use, storage, and transfer of Confidential Information. Within the Company, I will not disclose Confidential Information to anyone who does not have a need to know it to perform their work duties. I will retain no records of Confidential Information after my employment ends. I will not disclose Confidential Information to the public or persons outside the Company without written approval of an authorized member of Company management. However, my nondisclosure obligations under this Agreement shall not prohibit any Protected Conduct (defined below).

1.2. Definition of Confidential Information. In this Agreement “**Confidential Information**” means an item or compilation of information in any form (tangible or intangible) related to the Company’s business and of value to it that I first gained access to and/or gain knowledge of as a consequence of my employment with the Company if (a) the Company has not authorized public disclosure of it and (b) it is not readily available through lawful and proper means to the public or other persons outside the Company who can lawfully use it. Confidential shall be presumed to include (but is not limited to) nonpublic: information concerning the Company’s innovative business methods, and business plans; financial data; customer and prospective customer information (including customer lists and contract proposals); source code and computer programs; technical data and specifications; marketing research and planning; pricing and cost information and variables; supplier and vendor terms and agreements; data analytics, research, and compilations; research and development information regarding Company products and services; notes and internal records related to intellectual property developed by the Company; and trade secrets. An item of Confidential Information need not be marked “confidential” or otherwise labeled in a particular way to qualify as Confidential Information. Due to its special value and utility as a compilation, a confidential compilation (like a customer list) will remain protected as Confidential Information even if some items in it are public. Private disclosure of otherwise Confidential Information to parties the Company is doing business with for business purposes shall not cause the information to lose its protected status under this Agreement. Information that is entrusted to Company by third parties in confidence (“Third Party Confidential Information”) will also be handled by me in confidence, and in careful compliance with terms under which it is entrusted to the Company and any applicable laws and regulations related to such information (such as the Health Insurance Portability and Accountability Act (HIPAA), and other regulations concerning personal identifying information and nonpublic personal information). Irrespective of whether this information is Company property, I will

handle Third Party Confidential Information as a form of Confidential Information protected by this Agreement.

2. Company Records & Property. I will handle all Company property in compliance with Company policies regarding such property. All records related to the Company's business received or created by me in the course of employment (such as but not limited to, email, notes, files, contact lists, drawings, maps, specifications, and calendars) will be the property of the Company. My authorization to access the Company's computer systems is limited and use of such systems to compete or prepare to compete is not authorized use. A violation of this limitation may result in criminal or civil penalties. When my employment with the Company ends, or at the earlier request of the Company, I will return to the Company all Company property and records (including anything containing Confidential Information), without retaining any copies that I am not expressly authorized by the Company in writing to retain. Upon request, I will provide the Company reasonable means to access and verify that no Company records or other property has been retained by me on personal computers, cell phones, email, or cloud storage accounts, or in any other place that is subject to my ownership or control. Upon Company's request, I will identify the steps taken by me to ensure that I have not retained any Confidential Information and will provide a sworn verification that all such information has been removed from my personal computers, accounts, and other places of storage where it might be located in accordance with the Company's instructions.

3. Restrictive Covenants. To avoid activities that are likely to result in interference with the Company's business relationships, improper conversion of goodwill, probable use and/or disclosure of trade secrets and other Confidential Information, and the irreparable harm to the Company such events would cause, I agree to the following "Restrictive Covenants":

3.1 Noncompete. During my employment and for a period of twelve (12) months after my Termination Date, I will not provide services to a Competitor in any role or position (as an employee, consultant or otherwise) within or related to the Restricted Area that would involve Competitive Activity. This is my "Noncompete" covenant.

3.2. Customer Nonsolicit. During my employment and for a period of eighteen (18) months after my Termination Date, I will not, directly or through assistance to others, solicit a Covered Customer for the benefit of a Competitor, or for the purpose of causing or encouraging the Covered Customer to cease or reduce the extent to which the customer does business with the Company. This paragraph as my "Customer Nonsolicit" covenant.

3.3 Employee Nonsolicit. During my employment and for a period of eighteen (18) months after my Termination Date, I will not, (a) for the benefit of a Competitor, directly or through others, solicit or assist others in their efforts to solicit or recruit participate in soliciting a Covered Employee to leave the employment of the Company or to provide services to a Competitor, or (b) assist another business in efforts to hire away a Covered Employee. This is my "Employee Nonsolicit" covenant.

3.4 Key Relationship Interference. During my employment and for a period of eighteen (18) months after my Termination Date, I will not, for the benefit of a Competitor, directly or through others, participate in soliciting a Key Relationship holder to do business with a Competitor that it was not already doing, or to end or modify to the Company's detriment an existing business relationship with the Company. This is my "Key Relationships" covenant.

3.5 Definitions & Understandings. For purposes of the foregoing Restrictive Covenants, the following definitions and understandings will apply:

a. "**Competitor**" refers to a person or entity who is engaged in providing (or is planning to provide) Competitive Products in the markets where the Company does business. By way of example, and not limitation, the following are Competitors: eHealth, GoHealth, Goosehead, Assurance, HealthIQ, ExactCare, PillPack, and DivvyDOSE. I understand that the forgoing list of Competitors is not all of the Competitors covered by this Agreement, and that other Competitors will be covered by this Agreement.

b. “**Competitive Activity**” means job duties or other business-related activities (as an employee, consultant, director, partner, owner or otherwise) that involve (i) services that are the same as or similar in function or purpose to those I performed, supervised or managed for the Company in the Look Back Period, (ii) the development or improvement of Competitive Products, (iii) interference with the Company’s customer relationships or Key Relationships, or (iv) duties or responsibilities that would otherwise be likely (whether intentional or not) to require or result in the use or disclosure of Confidential Information for the benefit of a Competitor.

c. “**Competitive Product**” refers to goods or services of the type conducted, authorized, offered, or provided by the Company within two years prior to my Termination Date that Company remains in the business of providing and that would displace business opportunities for the Company’s goods or services (existing or under development) that I had involvement with or was provided Confidential Information about in the Look Back Period. The products and services provided by the Company are currently understood to be direct-to-consumer insurance distribution business, including lines of business, but not limited to, Medicare, Life, Final Expense, Property and Casualty, as well as population health and other healthcare partnerships and activities, including, but not limited to long term care pharmaceutical services. I agree that the scope and nature of the Company’s products and services with which I have involvement is likely to evolve and change over time such that new products and services will be added to the definition of “Competitive Product.” I stipulate that through my position of employment I will naturally be informed of such changes without any need for amendment or modification of this Agreement.

d. “**Covered Customer**” means a customer of the Company that I had material contact with in the Look Back Period. Material contact will be presumed present if in the Look Back Period I (or persons under my supervision) had contact with the customer, or I was provided Confidential Information about the customer, or I received commissions or other beneficial credit for business conducted with the customer. Unless it would make the applicable restriction unenforceable, customers will be presumed to include active customer prospects as of the Termination Date that I have material contact with, and will not be limited to the end user or purchaser of the Company’s products or services, but shall also be understood to include buying groups, brokers, and comparable intermediaries who control, negotiate or have a material role in determining the purchaser’s terms for doing business with the Company.

e. “**Covered Employee**” means an employee that I worked with, gained knowledge of, or was provided Confidential Information about as a result of my employment with Company during the Look Back Period. It will be presumed that a Covered Employee remains a Covered Employee for a period of ninety (90) days after termination if the employee’s employment ends as a result of his or her resignation from the Company.

f. “**Key Relationships**” refers to strategic business relationships the loss or disruption of which would risk irreparable harm to the Company such as, but not limited to, insurance carriers, pharmacy and drug distribution contacts and resources, healthcare-related contacts and resources, brokers affiliated with the Company, suppliers the Company regularly does business with, independent contractors and sales representatives of the Company, and key technology service and product providers that the Company has an ongoing business relationship with that the Company does business with.

g. “**Look Back Period**” means the last two (2) years of my employment with the Company (including any predecessor entities) or any lesser period of my employment if employed less than two years.

h. “**Restricted Area**” is each state and county within the United States where the Company did business during the Look Back Period that I had material involvement in or was provided Confidential Information about based upon my job responsibilities and Confidential Information access as described below:

(i) if I am in a position where my responsibilities are not geographically limited to a specific geographic area (such as, by way of example but not limitation, senior management positions, engineers and software developers) or where I am provided Confidential Information that is not geographically limited (such as, by way of example but not limitation, management positions, researchers

and developers, marketers, finance employees, human resources employees and engineers), then my assigned territory is the United States and every other country the Company is doing business in and/or marketing its goods or services to that I have some involvement with or access to Confidential Information about during the Look Back Period;

(ii) if I am in a position involving responsibilities and Confidential Information that is limited to a specific geographic area during the Look Back Period, then my assigned territory shall be the specific geographic area assigned to me during the Look Back Period based on the county, state, or other geographic boundary indicators used by the Company for such assignments in the ordinary course of business; and

(iii) in the rare event that neither (i) or (ii) apply, then the my assigned territory is the county or counties (and those counties contiguous to them) that I performed services in or assisted in performing services in for the Company, during the Look Back Period, which shall be presumed to include the state where I last resided when employed with the Company and those counties that fall (in whole or in part) within a one hundred (100) mile radius of any location at which I worked for the Company on either a regular or occasional basis during the Look Back Period; so long as Company continues to do business therein. I understand that I am responsible for seeking clarification from the Company's Human Resources Leader or General Counsel if the scope of my assigned territory is unclear to me at any time. State and county references used herein include their equivalents.

i. Solicitation Understandings. It will be presumed that to "solicit" means to interact with another person or entity with the purpose or foreseeable result being to cause or induce the person or entity to engage in some responsive action, irrespective of who first initiated contact. It shall not include general advertising (such as "help wanted" ads) that are not targeted at the Company's employees or customers. My Employee, Customer Nonsolicit and Key Relationship covenants are understood to be reasonably and logically limited by geography to those places or locations where the Covered Employees, Covered Customers, and Key Relationship parties are located and available for solicitation or interference and I agree that no other geographic limitation is logical or necessary to make the restrictions reasonable.

j. **Limitations**. Nothing in this Agreement or my Duty of Loyalty will prohibit me from owning a non-controlling interest consisting of two percent (2%) or less of any class of securities in any publicly traded company or from holding a passive investment through an independently controlled fund such as a mutual fund, provided that I am not a controlling person of, or a member of a group that controls, the business I am invested in, and further provided that I do not otherwise participate in any conduct prohibited under this Agreement. In addition, nothing herein shall be construed to prohibit my employment in a non-competitive, independently operated subsidiary or business unit of a diversified company that would not be a Competitor but for common ownership with a Competitor so long as I provide written assurances regarding the non-competitive nature of my position that are satisfactory to the Company.

k. **Fairness Extension**. If I violate one of the post-employment restrictions in this Agreement that contains a time limitation, the time period for the restriction at issue shall be extended by the greater of either: (i) one day for each day I remain in violation of the restriction, or (ii) the length of the legal proceedings necessary to secure enforcement of the restriction; provided, however, that this extension of time shall be capped so that it does not exceed the length of time originally proscribed for the restriction or a maximum of two years, and if this extension would make the restriction unenforceable under applicable law it will not be enforced. extend the original expiration date for more than one year. This is referred to as the "Fairness Extension."

4. Protected Activity. Nothing in this Agreement prohibits me from opposing or reporting to the relevant law-enforcement agency (such as the Securities and Exchange Commission) an event that I reasonably and in good faith believe is a violation of law, requires notice to or approval from Company before doing so, or prohibits me from cooperating in an investigation conducted by such a government agency. I acknowledge notice that the Defend Trade Secrets Act provides that no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret that: (a) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is

made under seal so that it is not made public. It also provides that an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may in pursuing such lawsuit disclose trade secrets to his/her attorney and use trade secrets in court submissions so long as documents containing the trade secret are filed under seal and do not disclose trade secrets except as permitted by court order.

5. Severability and Application of Presumptions. If an adjudicator (court or binding arbitrator) determines that a restriction provided for herein cannot be enforced as written due to over breadth (such as time, scope of activity, or geography) within the relevant adjudicator's jurisdiction, the adjudicator will (for purposes of that jurisdiction) enforce the restrictions to such lesser extent as is allowed by law and/or reform the restriction where such is necessary to make it enforceable to protect the legitimate business interests of the Company. If, despite the foregoing, any provision in this Agreement is adjudicated to be void, illegal or unenforceable, then it shall be severed, and all other provisions contained in this Agreement shall remain in full force and effect as if the offending provision was never contained in this Agreement. A presumption provided for in this Agreement may only be overcome through clear and convincing evidence and shall not apply to a provision of the Agreement where its application would make the provision at issue unenforceable.

6. Special Remedies. A violation of this Agreement by me would cause not only actual and compensable damage, but also irreparable harm and continuing injury to the Company for which there would not be an adequate remedy at law. Accordingly, if I should breach or threaten to breach this Agreement, the Company shall be entitled to temporary and permanent injunctive relief to enforce this Agreement in addition to, and not in lieu of, any and all other legal remedies to which it would otherwise be entitled. No bond will be required if an injunction is sought to enforce any of the covenants set forth herein; provided, however, that if a bond is deemed necessary for issuance of injunctive relief, a bond of $1,000 shall be presumed sufficient. In addition to, and not in lieu of injunctive relief to prevent further violations, the Company will have the right to recover from me a sum equal to thirty percent of the annual compensation of any Covered Employee that the Company loses as a result of (in whole or in part) my breach of the Duty of Loyalty and/or Employee Nonsolicit covenants in my Agreement. Company shall be deemed the prevailing party for all purposes if any relief is granted to it, irrespective of whether some relief requested by the Company is also denied. In the event that the Company pursues legal action to enforce the terms of this Agreement due to a breach or threatened breach by me, the Company shall be entitled to recover from me all costs and expenses, including without limitation, reasonable attorneys' and paralegals' fees and costs incurred by the Company in connection with any such litigation, in addition to any and all other rights and remedies; provided, however, that if controlling law would convert this recovery of attorney's fees provision to a reciprocal obligation where either prevailing party can recover fees and costs, then the forgoing will not apply and each party will bear its own attorneys' fees and costs.

7. Beneficiaries, Successors, and Assigns. "Affiliate" refers to any entity under common ownership or control with SelectQuote, Inc., or a successor thereof, within the meaning of Rule 405 of the Securities Act of 1933. This Agreement shall automatically inure the benefit of, and may be enforced by, SelectQuote, Inc., Affiliates, and their successors, and assigns, who have a protectable interest covered by the Agreement. If my employment is transferred to an Affiliate, the Affiliate will assume the same position and rights as the original employing Company entity under this Agreement without the need for any further agreement by me. I agree to the assignment of this Agreement by Company and all rights and obligations hereunder, including, but not limited to, an assignment in connection with any merger, sale, transfer, or acquisition consummated by Company relating to all or part of their assets. I understand that my obligations under this Agreement are personal in nature and may not be assigned by me to someone else.

Exhibit 10.6

EMPLOYEE AGREEMENT

THIS EMPLOYEE AGREEMENT is made and executed as of the 5th day of January 2022 between the undersigned (the "Employee") and SelectQuote, Inc., a Delaware corporation ("SQ and, collectively with its subsidiaries and any company under its control or in which it has an ownership interest, the "Company").

R E C I T A L S:

A. Employee is or is about to become an employee or officer of the Company;

B. During the court of Employee's employment with the Company or in connection with Employee's status as an officer of the Company (collectively or separately referred to herein as the "Employment Relationship"), Employee will have access to important confidential and proprietary information and trade secrets of the Company and its suppliers and customers; and

C. Employee voluntarily enters into this Agreement for the purpose of providing for and confirming the Company's ownership of all inventions, to set forth the understanding and agreement of Employee with the Company relating to the Company's Proprietary Information (as defined herein), to set forth Employee's obligations subsequent to termination of the Employee's relationship with the Company and to set forth other terms and conditions applicable to Employee's relationship with the Company.

NOW, THEREFORE, in consideration of Employee's initial or continuing employment by the Company as an officer and/or employee and the compensation received therefore, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Employee hereby agrees with the Company as follows:

1. Employment Relationship.

Employee acknowledges that the Employment Relationship creates a relationship of confidence and trust between Employee and the Company with respect to all Proprietary Information (as defined herein) of the Company.

2. Definition of Proprietary Information.

As used herein, the term "Proprietary Information" shall refer to any and all information or material of a confidential, proprietary or secret nature which is or may be applicable to, or related in any way to: (i) the business, present or future of the Company; (ii) the research and development or investigations of the Company; or (iii) the business of any client, supplier or customer of the Company. Proprietary Information shall include, without limitation, trade secrets, processes, formulas, data, know-how, improvements, inventions, techniques, software programs (including without limitation, object code, source code, flow charts, algorithms and related documentation), listings, routines, manuals, specifications, products, concepts, customer lists, marketing plans and strategies, sales plans, strategies and techniques, personnel directories and files, and information concerning customers, employees or vendors. Information publicly known that is generally employed by the trade at or after the time Employee first learns of such information, or generic information, knowledge or skill which Employee would have learned or acquired in the course of similar employment or work elsewhere in the industry, shall not be deemed part of the Proprietary Information.

3. Proprietary Information to be Kept in Confidence; Non-Solicitation; Non-Competition.

All Proprietary Information shall be the sole property of the Company and its assigns, and the Company shall be the sole owner of all patents and other rights in connection therewith. Employee hereby assigns to the Company any rights Employee may have in the Proprietary Information. Employee acknowledges that the Proprietary Information is a special, valuable and unique asset of the Company, and Employee agrees at all times during the Employment Relationship and thereafter to keep in confidence and trust all Proprietary Information. Employee agrees that during the Employment Relationship and at all times thereafter, Employee will not directly or indirectly use the Proprietary Information other than in the course of performing Employee's duties as an employee or officer of the Company, nor will Employee directly or indirectly disclose any Proprietary Information to any person or entity, except in the course of performing such duties and with the consent of the Company. Employee will abide by the policies and regulations of the Company, as established from time to time, for the protection of Proprietary Information. At all times during and after the termination of the Employment Relationship, Employee agrees that Employee will not use any Proprietary Information to (i) engage, directly or indirectly, in any other business, commercial or professional activity that is or may be competitive with the Company, or (ii) contact or solicit employees or customers of the Company for the benefit of competing enterprises and activities. Employee further agrees that for a period of two (2) years after the termination of the employment Relationship, Employee will: (i) not directly or indirectly solicit, induce, recruit or encourage any employee of the Company to terminate his or her employment with the Company; and (ii) to the extent permitted under the laws of the state in which Employee works, not engage in, perform any work, offer any service or prepare to engage in any work or service for any entity engaged in the business of nationwide direct-to-consumer inside telephone sales of life, health, automobile or home insurance products or services, including without limitation as a director, officer, employee, representative or agent or in any ownership capacity, in any state of the United States where the Company produces, sells or markets its insurance products and services at the time of such termination.

4. Conflicts of Interest

(a) Employee agrees that during the period of Employee's employment by the Company, Employee will not, without the Company's express written consent, directly or indirectly, compete with the Company or hold a substantial investment (in relation to Employee's net worth) in any business that competes with the Company, engage in any employment, consultation, participation as a director or other activity, other than for the Company, relating to any line of business in which the Company is at such time engaged or conducting research or development work, or which would otherwise conflict with Employee's employment obligations to the Company, or hold a substantial investment (in relation to Employee's net worth) or be an employee, consultant, officer or director of any business in any business that is a vendor, supplier or contractor to the Company. In furtherance of these obligations, Employee agrees to promptly disclose to the Company any activity or investment that might create a conflict of interest as outlined herein. Employee represents and warrants that Exhibit A attached hereto constitutes a complete and accurate list of any such activity or investment in which Employee is involved or which Employee intends to pursue as of the date of this Agreement.

(b) Employee must process the sale of all insurance or other financial products solely through the Company. Employee may not process or solicit such sales on Employee's own behalf or through any other company, either during or after work hours. Notwithstanding the foregoing, Employee may receive renewal or other commissions on sales made prior to

commencement of the Employment Relationship, as long as all work on such sales was completed prior to commencement of the Employment Relationship.

5. Return of Materials.

In the event of any termination of the Employment Relationship, whether or not for cause and for whatever reason, Employee will promptly deliver to the Company, or as directed by the Company, all documents, data, records and other information pertaining to the Employment Relationship, and Employee shall not take with Employee any documents or data of any description or any reproduction, excerpt or summary of any documents or data containing or pertaining to any Proprietary Information.

6. Disclosure to Company; Inventions as Sole Property of the Company.

(c) Employee agrees to promptly disclose to the Company any and all inventions, discoveries, improvements, trade secrets, formulas, designs, layouts, circuits, techniques, software programs, processes, and know-how, whether or not patentable and whether or not reduced to practice, conceived or learned by Employee, either alone or jointly with others, during the Employment Relationship which relate in any manner to the actual or anticipated business, work, research or investigations of the Company or which result, to any extent, from the use of the Company's premises or property.

(d) Employee acknowledges and agrees that all the inventions shall be the sole property of the Company or any other entity designated by it, and Employee hereby assigns to the Company Employee's entire right and interest in and to all the inventions. The Company or any other entity designated by it shall be the sole owner of all domestic and foreign patents, patent rights, copyrights, mask work rights and other proprietary rights pertaining to the inventions. Employee further agrees, as to all the inventions, to assist the Company in every way (at the Company's expense) to obtain and, from time to time, enforce patents on the Inventions in any and all countries. To that end, by way of illustration but not limitation, Employee will testify in any suit or other proceeding involving any of the inventions, execute all documents which the Company reasonably determines to be necessary or convenient for use in applying for and obtaining patents, copyrights, mask work rights or other enforceable rights with respect thereto and enforcing same, and execute all necessary assignments thereof to the Company or persons designated by it. Employee's obligation to assist the Company in obtaining and enforcing patents, copyright, mask work rights or other enforceable rights with respect to the inventions in any and all countries shall continue beyond the termination of Employment Relationship, but the Company shall compensate Employee at a reasonable rate after such termination for time actually spent by Employee at the Company's request on such assistance.

(e) Employee acknowledges and agrees that all software developed by Employee while Employee is performing any services for the Company, and all original materials submitted or prepared by Employee as part of the software or as part of the process of creating the software, including, but not limited to, source code, object code, listings, printouts, documentation, notes, flow charts and programming aides, shall be the property of the Company or any other person who the Company has agreed shall have the ownership thereof. No rights in any such software are reserved to Employee. Employee further agrees to forebear from asserting all moral rights or comparable rights that Employee may have in such materials, including without limitation, any right to prevent modification of the materials, any rights to receive attribution of authorship, or any right to control the materials.

(f) The provisions of Subsections 6 (a)-(c) above shall not apply to any invention as to which Employee can prove the following: (i) Such invention was developed entirely on Employee's own time; (ii) No equipment, supplies, facility or Proprietary Information

of the Company was used in its development; and (iii) Such invention: (A) does not relate to the business of the Company or to the Company's actual or demonstrably anticipated research and development, and (B) does not result from any work performed by the Employee for the Company. With respect to California employees, the parties acknowledge that all such inventions are exempt from the provisions of Subsections 6 (a)-(c) pursuant to Section 2870 of the California Labor Code, a copy of which is attached hereto as Exhibit C.

(g) Employee agrees to keep and maintain adequate and current records of all inventions made, conceived, developed or perfected during the Employment Relationship and that such records shall be available to, and remain the sole property of, the Company at all times; provided, however, that if Employee believes that any Invention meets the criteria of Subsection 6 (d) above, Employee will advise the Company promptly of such invention and provide to the Company in writing evidence necessary to substantiate such belief. The Company will keep in confidence and not disclose to third parties without Employee's consent any confidential information disclosed in writing to the Company relating to inventions that qualify fully under the provisions of Section 2870 of the California Labor Code.

7. List of Prior Inventions.

All inventions, if any, which Employee made prior to commencement of the Employment Relationship are excluded from the scope of this Agreement. As a matter of record, Employee has set forth on Exhibit B attached hereto a complete list of all inventions, discoveries or improvements relating in any way to the business or proposed business of the Company which have been made by Employee, alone or jointly with others, prior to commencement of the Employment Relationship. Employee represents and warrants that such list is complete and that, to the best of Employee's knowledge, the removal of inventions listed thereon from the operation of this Agreement will not materially affect Employee's ability to perform the duties to the Company arising by reason of the Employment Relationship.

8. No Breach or Other Agreements.

Employee represents and warrants that Employee's performance of all the terms of this Agreement and Employee's performance of all duties as an employee or officer of the Company which Employee may reasonably foresee do not and will not breach any agreement to keep in confidence proprietary information acquired by Employee in confidence or in trust prior to commencement of the Employment Relationship, and Employee agrees not to enter into any agreement either written or oral in conflict with this representation and warranty.

9. Indemnification.

Employee shall indemnify the Company and hold it harmless, from and against any and all claims, losses, damages, judgments and liabilities attributable to Employee's breach of any representation, warranty or covenant of Employee under this Agreement and shall reimburse it for all of its costs, expenses and attorneys' paid or incurred in connection therewith.

10. Injunction.

Employee agrees that it would be difficult to measure damage to the Company from any breach by Employee of the covenants set forth in Sections 3, 4, 5 and 6 herein, that injury to the Company from any such breach would be impossible to calculate, and that money damages would therefore be an inadequate remedy for any such breach. Accordingly, Employee agrees that if Employee shall breach Sections 3, 4, 5 or 6 hereof, the Company shall be entitled, in addition to all other remedies it may have, to injunctions or other appropriate orders to restrain

any such breach by Employee without showing or proving any actual damage sustained by the Company.

11. Advertising.

Employee agrees that the Company may use Employee’s name or photograph to its commercial interests in advertising its products or services or in general publicity. Photographs which may be taken of Employee by the Company in the course of the Employment Relationship will remain the sole and exclusive property of the Company.

12. Effective Date; No Term of Employment

This Agreement shall be effective as of the first date of Employee’s employment by the Company; provided, however, that the provisions of Section 14 shall only be applicable to claims arising after the date of this Agreement. This Agreement does not create an employment relationship for a term or limit in any way the rights of Employee or the Company to terminate Employee’s employment at any time for any reason whatsoever, with or without cause. This Agreement is not an employment contract.

13. No Third Party Beneficiaries.

The parties hereto do not intend to create any third party beneficiaries of their agreement hereunder, and no person or entity other than such parties and their respective successors, heirs and permitted assigns, shall have any rights under this Agreement.

14. Arbitration.

(h) Employee and the Company hereby agree that, to the fullest extent permitted by law, any and all claims or controversies between them (or between Employee and any present or former officer, director, employee or agent of Company or any parent, subsidiary or other entity affiliated with the Company) relating in any way to the Employment Relationship or the termination thereof shall be resolved by final and binding arbitration (“Arbitrable Claims”), subject to the terms of this Agreement. Except as specifically provided herein, any arbitration proceeding shall be conducted in accordance with the then current JAMS Employment Arbitration Rules & Procedures (“Arbitration Rules”) to the extent not inconsistent with this Agreement. The Arbitration Rules are available for review at www.jamsadr.com/rules- employment-arbitration.

(i) Arbitrable Claims shall include, but not be limited to, contract claims, tort claims and claims relating to compensation, benefits and stock options, as well as claims based on any federal, state or local law, statute or regulation, including but not limited to any claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Fair Labor Standards Act, the Family and Medical Leave Act, and, with respect to California employees, the California Fair Employment and Housing Act, the California Labor Code, the California Unfair Competition Law and the California Wage Orders. However, Arbitrable Claims shall not include claims for unemployment benefits, workers’ compensation claims, claims under the California Private Attorneys General Act, and claims under the National Labor Relations Act. Arbitration shall be final and binding upon the parties and, except as set forth in Section 10 of this Agreement, shall be the exclusive remedy for all Arbitrable Claims.

(j) A neutral and impartial arbitrator shall be chosen by mutual agreement of the parties. If the parties are unable to agree upon an arbitrator within sixty (60) days from the date of a request for arbitration by either party, then a neutral and impartial arbitrator shall be

appointed in accordance with the Arbitration Rules. The arbitrator shall have exclusive authority to resolve all Arbitrable Claims, including but not limited to whether any particular claim is arbitrable and whether all or any part of this Agreement is void or unenforceable. The arbitrator's authority shall include the authority to rule on motions to dismiss and for summary judgment by either party and the arbitrator shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The arbitrator shall prepare a written decision containing the essential findings and conclusions on which any decision or award is based. The arbitrator shall apply the same substantive law, with the same statutes of limitations and same individual remedies, that would apply if the claims were brought in a court of law.

(k) The arbitrator shall also have the authority to award costs and fees to the prevailing party as provided by applicable law to the same extent a court is authorized to award them. Otherwise, subject to the Attorney Premium provision below, each party shall pay its own costs and attorney's fees. The Company shall pay the costs and fees of the arbitrator and reimburse Employee for any filing fees paid to initiate arbitration.

(l) The arbitrator shall not have the authority to certify or adjudicate class, collective or other representative claims, to award any class, collective or other representative relief or, without the consent all parties, to consolidate the claims of two or more individuals or otherwise preside over any form of a class, collective or other representative proceeding.

(m) The arbitrator may make rulings and resolve disputes as to the payment and reimbursement of fees, expenses, upon request by either party made within sixty (60) days of the arbitrator's ruling on the merits.

(n) Either the Company or Employee may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. Otherwise, except as provided in Section 10 of this Agreement, neither party shall initiate or prosecute any lawsuit in any way related to any Arbitrable Claim. Nothing in this Agreement, however, precludes a party from filing an administrative charge with an agency that has jurisdiction over a claim that is otherwise arbitrable.

(o) All arbitration hearings under this Agreement shall be conducted in the city where Employee works, unless otherwise agreed by the parties.

(p) This Section 14 of the Agreement shall be governed by the Federal Arbitration Act and, to the extent permitted by such Act, the laws of the state in which Employee works.

(q) EMPLOYEE AND COMPANY AGREE THAT EACH MAY MAKE CLAIMS AGAINST THE OTHER ONLY IN THEIR INDIVIDUAL CAPACITY, ANDNOT AS A PLAINTIFF OR OTHER PARTICIPANT IN ANY PURPORTED CLASS, COLLECTIVE OR OTHER REPRESENTATIVE PROCEEDING. THE PARTIES UNDERSTAND AND AGREE THAT BY ENTERING INTO THIS AGREEMENT, THEY ARE EACH WAIVING THE RIGHT TO A TRIAL BY JURY OR TO BRING OR PARTICIPATE IN A CLASS, COLLECTIVE OR OTHER REPRESENTATIVE ACTION.

15. <u>General</u>.

(r) To the extent that any of the agreements set forth herein, or any word, phrase, clause, or sentence thereof shall be found to be illegal or unenforceable for any reason, except as may be specifically provided otherwise in Section 14(f) of this Agreement, such agreement, word, clause, phrase or sentence shall be modified or deleted in such a manner so as to make the agreement as modified legal and enforceable under applicable laws, and the balance

of this Agreement or parts thereof shall not be affected thereby, the balance being construed as severable and independent.

(s) This Agreement shall be binding upon the Employee and Employee's heirs, executors, assigns, and administrators and shall insure to the benefit of the Company, its successors and assigns. Sections 2-6, 9-11, and 14-16 shall survive the termination of this Agreement.

(t) This agreement may be signed in two counterparts, each of which shall be deemed an original and which together shall constitute one instrument.

(u) This Agreement shall be governed by the laws of the state in which the Employee works without regard to any principles governing conflicts of laws.

(v) In any litigation concerning this Agreement, the prevailing party shall be entitled to receive its reasonable attorneys' fees, costs and related expenses.

(w) The Company and Employee understand and agree that, expect for Employee's Offer Letter: (i) this Agreement along with any attachments and or addendums contains a full and complete statement of any agreements and understandings regarding the Employment Relationship; (ii) this Agreement supersedes all previous agreements, whether written or oral, express or implied, relating to the subjects covered in this Agreement; and (iii) the terms of this Agreement cannot be revoked or modified except in a written document signed by both Employee and an officer of the Company.

16. Licensed Agent Addendum.

If at any point during Employee's employment with the Company, he/she takes on the role of a licensed agent, then the Employee agrees, during that portion of his/her employment with the Company, the "Agent Addendum", attached hereto, shall fully apply to the Employee in addition to the terms and conditions set forth in this Agreement. The terms and conditions set forth in the "Agent Addendum" are intended to be additive and not replace any terms and conditions set forth in this Agreement; provided, however, should any terms and conditions in the Agent Addendum be determined by a Court of competent jurisdiction to be irreconcilable, the parties acknowledge and agree that the terms of the "Agent Addendum" shall control.

17. ADVICE OF COUNSEL.

THE PARTIES ACKNOWLEDGE THAT THEY HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH THEIR LEGAL COUNSEL AND TO REVIEW THE ARBITRATION RULES SET FORTH IN SECTION 14 BEFORESIGNING THIS AGREEMENT, AND THAT THEY HAVE AVAILED THEMSELVES OF THIS OPPORTUNITY TO THE EXTENT THEY WISH TO DO SO.

[*signature page follows*]

IN WITNESS WHEREOF, this Agreement has been executed by Employee and the Company as of the date first above written.

EMPLOYEE:

/s/ Ryan M. Clement
Ryan M. Clement

CAUTION TO EMPLOYEE: This Agreement affects important rights. DO NOT sign it unless you have read it carefully and are satisfied you understand it completely.

COMPANY:

By:	/s/ Tim Danker
Name:	Tim Danker
Title:	Chief Executive Officer

EXHIBIT A

The following is a complete list of all employment relationships, consulting relationships, board of directors' participation, business ownership, investment or any other activity that might compete or conflict with the business or proposed business of the Company in which Employee is or expects to be engaged.

Please list below all relationships that applies to the statement above (if you do not have any competing or conflicting relationship, please write "NONE"):

__additional sheets attached, if necessary.

Acknowledged:

By:	/s/ Tim Danker
Name:	Tim Danker
Title:	Chief Executive Officer
Date:	05/01/2020

EXHIBIT B

The following is a complete list of all inventions, discoveries or improvements relating in any way to the Company's business or Employee's existing or proposed employment by the Company which have been made by Employee prior to Employee's employment with the Company.

Please list below all inventions, discoveries, or improvements that apply to the statement above (if none, please write "NONE"):

__additional sheets attached, if necessary.

Acknowledged:

By:	/s/ Tim Danker
Name:	Tim Danker
Title:	Chief Executive Officer
Date:	05/01/2020

EXHIBIT C

INVENTIONS MADE BY AN EMPLOYEE

§2870. Employment agreements; assignment of rights.

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(i) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(ii) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

§2871. Conditions of employment or continued employment; disclosure of inventions.

No employer shall require a provision made void and unenforceable by Section 2870 as a condition of employment or continued employment. Nothing in this article shall be construed to forbid or restrict the right of an employer to provide in contracts of employment for disclosure, provided that any such disclosures be received in confidence, of all of the employee's inventions made solely or jointly with others during the term of his or her employment, a review process by the employer to determine such issues as may arise, and for full title to certain patents and inventions to be in the United States, as required by contracts between the employer and the United States or any of its agencies.

§2872. Notice to employee; burden of proof.

If an employment agreement entered into after January 1, 1980, contains a provision requiring the employee to assign or offer to assign any of his or her rights in any invention to his or her employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention which qualifies fully under the provisions of Section 2870. In any suit or action arising thereunder, the burden of proof shall be on the employee claiming the benefits of its provisions.

Exhibit 10.11

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this "Agreement"), dated as of __________, 20__ (the "Grant Date"), is made between SelectQuote, Inc. (the "Company") and ________________ (the "Participant").

W I T N E S S E T H

The Selectquote, Inc. 2020 Omnibus Incentive Plan (the "Plan") (any and all capitalized terms used in this Agreement and not defined herein shall have the meanings ascribed to them in the Plan) provides for the grant of Restricted Stock Units. In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant and Vesting of Restricted Stock Units.

(a) Subject to the terms and conditions set forth in this Agreement and in the Plan, the Company hereby grants to the Participant, as of the Grant Date, ___ Restricted Stock Units (the "Restricted Stock Units"), each with respect to one Share. The Restricted Stock Units shall vest in accordance with Section 1(b) of this Agreement.

(b) Subject to the terms and conditions of this Agreement and the provisions of the Plan, the Restricted Stock Units shall vest and no longer be subject to any restriction (such period during which restrictions apply to a Restricted Stock Unit, the "Restriction Period" with respect to such unit) in [three] [four] ratable installments on the first [three] [four] anniversaries of the Grant Date (each such anniversary, the "Vesting Date" with respect to the applicable Restricted Stock Units); provided the Participant has not incurred a Termination of Service prior to the applicable Vesting Date.

(c) In the event that the Participant incurs a Termination of Service during the Restriction Period for any reason, all unvested Restricted Stock Units shall be forfeited by the Participant effective immediately upon such Termination of Service and shall cease to be eligible for vesting hereunder.

(d) In the event of a Change in Control, the Restricted Stock Units, to the extent unvested, shall vest in full.

(e) Notwithstanding any other provision hereof, in the event that the Participant violates any of the restrictive covenants set forth in the applicable Employee Agreement between the Participant and the Company (or in any other agreement between the Participant and the Company), (i) the Restricted Stock Units, to the extent unvested, shall be immediately forfeited, and (ii) the Company may require the Participant to repay the proceeds of any Restricted Stock Unit settlement (measured based on the Fair Market Value on the date of settlement) that occurred during the year prior to such violation.

2. Settlement of Units.

As soon as practicable after any Restricted Stock Units have vested, the Company shall, subject to Section 6 of this Agreement, issue one Share to the Participant in respect of each vested Restricted Stock Unit. The obligation of the Company to deliver Shares hereunder shall be subject to all applicable laws, rules, and regulations and such approvals by governmental agencies as may be deemed appropriate by the Committee, including such actions as Company counsel shall deem necessary or appropriate to comply with relevant securities laws and regulations. The Company may require that the Participant represent that the Participant is acquiring Shares for the Participant's own account, or such other representation as the Committee deems appropriate.

3. Nontransferability.

The Restricted Stock Units shall not be transferable by the Participant by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise.

4. Grant Subject to Plan Provisions.

This grant is made pursuant to the Plan, the terms of which are incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. This grant is subject to the provisions of the Plan and to interpretations, regulations and determinations concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (a) rights and obligations with respect to withholding taxes, (b) the registration, qualification or listing of the Shares, (c) capital or other changes of the Company and (d) other requirements of applicable law. The Committee shall have the authority to interpret and construe this Agreement pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder. In the event of any conflict between this Agreement and the terms of the Plan, the terms of the Plan shall control.

5. No Shareholder Rights.

During the Restriction Period, the Participant shall not be entitled to any rights of a stockholder with respect to the Restricted Stock Units (including, without limitation, any voting rights or rights with respect to dividends). Notwithstanding the foregoing, upon the Company's payment of an ordinary cash dividend with respect to shares of Common Stock, the number of Restricted Stock Units shall be increased by dividing the amount of dividend the Participant would have received had the Participant owned a number of shares of Common Stock equal to the number of Restricted Stock Units then credited to the Participant's account by the Fair Market Value of a share of Common Stock on the last trading day before the date of the dividend payment. The units, shares or property so credited will be subject to the same restrictions applicable to the underlying Restricted Stock Units and other terms and conditions applicable to the underlying Restricted Stock Units and will be paid out in kind at the time of vesting, if any, of the underlying Restricted Stock Units.

6. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Participant for federal, state, local or foreign income tax purposes with respect to any Restricted Stock Units, the Participant shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld with respect to such amount. The obligations of the Company under this Agreement shall be conditioned on compliance by the

Participant with this Section 6, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Participant, including deducting such amount from the delivery of shares or cash issued upon settlement of the Restricted Stock Units that gives rise to the withholding requirement.

7. Effect of Agreement.

The rights and interests of the Participant under this Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates. This Agreement may be assigned by the Company without the Participant's consent. Except as otherwise provided hereunder, this Agreement shall be binding upon and shall inure to the benefit of any successor or successors of the Company. The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Nothing in this Agreement or the Plan shall confer upon the Participant any right to continue in the employ or service of the Company or any of its affiliates or interfere in any way with the right of the Company or any such affiliates to terminate the Participant's employment or service at any time.

8. Governing Law; Captions.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

9. Signature in Counterparts.

This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. The parties hereto confirm that any facsimile copy of another party's executed counterpart of this Agreement (or its signature page thereof) will be deemed to be an executed original thereof.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Participant has hereunto set the Participant's hand.

SELECTQUOTE INC.

By: ______________________________
Name: ______________________________
Title: ______________________________

PARTICIPANT

____
[Name of Participant]

Exhibit 10.16

PRICE-VESTED UNIT AGREEMENT

This Price-Vested Unit Agreement (this "Agreement"), dated as of August 1, 2022 (the "Grant Date"), is made between SelectQuote, Inc. (the "Company") and ________________ (the "Participant").

W I T N E S S E T H

The Selectquote, Inc. 2020 Omnibus Incentive Plan (the "Plan") (any and all capitalized terms used in this Agreement and not defined herein shall have the meanings ascribed to them in the Plan) provides for the grant of Price-Vested Units. In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant and Vesting of Price-Vested Units.

(a) Subject to the terms and conditions set forth in this Agreement and in the Plan, the Company hereby grants to the Participant, as of the Grant Date, ___ restricted stock units (the "Price-Vested Units"), each with respect to one Share. The Price-Vested Units shall become vested pursuant to the vesting conditions described in Exhibit A hereto.

(b) Notwithstanding any other provision hereof, in the event that the Participant violates any of the restrictive covenants set forth in the applicable Employee Agreement between the Participant and the Company (or in any other agreement between the Participant and the Company), (i) the Price-Vested Units, to the extent unvested, shall be immediately forfeited, and (ii) the Company may require the Participant to repay the proceeds of any Price-Vested Unit settlement (measured based on the Fair Market Value on the date of settlement) that occurred during the year prior to such violation. The Participant hereby agrees to be subject to any clawback policy of the Company and acknowledges that any such policy shall apply to (but its application shall not be limited to) the Price-Vested Units granted hereunder and any Shares issued in respect thereof.

2. Settlement of Units.

As soon as practicable after any Price-Vested Units have vested, the Company shall, subject to Section 6 of this Agreement, issue one Share to the Participant in respect of each vested Price-Vested Unit. The obligation of the Company to deliver Shares hereunder shall be subject to all applicable laws, rules, and regulations and such approvals by governmental agencies as may be deemed appropriate by the Committee, including such actions as Company counsel shall deem necessary or appropriate to comply with relevant securities laws and regulations. The Company may require that the Participant represent that the Participant is acquiring Shares for the Participant's own account, or such other representation as the Committee deems appropriate.

3. Nontransferability.

The Price-Vested Units shall not be transferable by the Participant by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise.

4. Grant Subject to Plan Provisions.

This grant is made pursuant to the Plan, the terms of which are incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. This grant is subject to the provisions of the Plan and to interpretations, regulations and determinations

concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (a) rights and obligations with respect to withholding taxes, (b) the registration, qualification or listing of the Shares, (c) capital or other changes of the Company and (d) other requirements of applicable law. The Committee shall have the authority to interpret and construe this Agreement pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder. In the event of any conflict between this Agreement and the terms of the Plan, the terms of the Plan shall control.

5. No Shareholder Rights.

The Participant shall not be entitled to any rights of a stockholder with respect to the Price-Vested Units (including, without limitation, any voting rights or rights with respect to dividends). Notwithstanding the foregoing, upon the Company's payment of an ordinary cash dividend with respect to shares of Common Stock, the number of Price-Vested Units shall be increased by dividing the amount of dividend the Participant would have received had the Participant owned a number of shares of Common Stock equal to the number of Price-Vested Units then credited to the Participant's account by the Fair Market Value of a share of Common Stock on the last trading day before the date of the dividend payment. The units, shares or property so credited will be subject to the same restrictions applicable to the underlying Price-Vested Units and other terms and conditions applicable to the underlying Price-Vested Units and will be taken into account in determining the number of Shares to be delivered pursuant to Section 2 hereof.

6. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Participant for federal, state, local or foreign income tax purposes with respect to any Price-Vested Units, the Participant shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld with respect to such amount. The obligations of the Company under this Agreement shall be conditioned on compliance by the Participant with this Section 6, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Participant, including deducting such amount from the delivery of shares or cash issued upon settlement of the Price-Vested Units that gives rise to the withholding requirement.

7. Effect of Agreement.

The rights and interests of the Participant under this Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates. This Agreement may be assigned by the Company without the Participant's consent. Except as otherwise provided hereunder, this Agreement shall be binding upon and shall inure to the benefit of any successor or successors of the Company. The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Nothing in this Agreement or the Plan shall confer upon the Participant any right to continue in the employ or service of the Company or any of its affiliates or interfere in any way with the right of the Company or any such affiliates to terminate the Participant's employment or service at any time.

8. Governing Law; Captions.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

9. Signature in Counterparts.

This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. The parties hereto confirm that any facsimile copy of another party's executed counterpart of this Agreement (or its signature page thereof) will be deemed to be an executed original thereof.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Participant has hereunto set the Participant's hand.

SELECTQUOTE INC.

By: ______________________________

Name: ______________________________

Title: ______________________________

PARTICIPANT

____

[Name of Participant]

Exhibit A

PRICE-VESTED UNITS: VESTING CONDITIONS

The Price-Vested Units shall become vested solely to the extent that both the service- and performance-based vesting conditions set forth below are satisfied.

Service-Based Vesting Condition: The Price-Vested Units shall satisfy this Service-Based Vesting Condition as to 1/3 of the Price-Vested Units on each of the first, second, and third anniversaries of the Grant Date (rounded down to the nearest share, except that any fractional shall become vested on the third anniversary of the Grant Date), subject to the Participant not experiencing a Termination of Service prior to such vesting dates.

Performance-Based Vesting Condition: The Price-Vested Units shall satisfy this Performance-Based Vesting Condition to the extent that the average closing price (on the New York Stock Exchange or other principal exchange on which the shares of Company's common stock are traded) of the Company's common stock reaches the levels set forth below for a period of 60 consecutive trading days at any time prior to the fifth (5th) anniversary of the Grant Date.

Stock Price	% of PVUs Vested
$4.00	25%
$7.50	50%
$10.00	75%
$12.50	100%

In the event of a Change in Control, the Performance-Based Vesting Condition shall be deemed satisfied based on the price per share of the Company's common stock payable as a result of such Change in Control, with any in-kind consideration valued based on the fair market value of such consideration as of immediately prior to the Change in Control. To the extent that the Change in Control consideration described in the preceding sentence falls between the stock price levels set forth in the table above, the number of PVUs that are deemed to satisfy the Performance-Based Vesting Condition shall be determined by linear interpolation. The provisions of Section 10 of the Plan shall otherwise apply to the Price-Vested Units.

If the Participant incurs a Termination of Service prior the achievement of both the Service-Based Vesting Condition and the Performance-Based Vesting Condition with respect to any portion of the Price-Vested Units, such portion of the Price-Vested Units shall be forfeited by the Participant effective immediately upon such Termination of Service and shall cease to be eligible for vesting hereunder.

To the extent unvested, the Price-Vested Units shall be forfeited by the Participant on the fifth (5th) anniversary of the Grant Date.

Exhibit 21.1

Subsidiaries of the Registrant

Name of Subsidiary	**State of Organization**
SelectQuote Insurance Services	California
Tiburon Insurance Services	California
SelectQuote Auto & Home Insurance Services, LLC	Delaware
ChoiceMark Insurance Services, Inc.	Delaware
Inside Response, LLC	Kansas
SelectQuote Ventures, Inc.	Delaware
Population Health, Inc.	Delaware
Express Med Pharmaceuticals, Inc.	Pennsylvania
Simple Meds, LLC	Nebraska

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-238692 on Form S-8 of our reports dated August 29, 2022, relating to the financial statements of SelectQuote, Inc. and the effectiveness of SelectQuote, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended June 30, 2022.

/s/ Deloitte & Touche LLP

Kansas City, Missouri

August 29, 2022

Exhibit 31.1

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

I, Tim Danker, certify that:

1. I have reviewed this annual report on Form 10-K of SelectQuote, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 29, 2022

/s/ Tim Danker

Name: Tim Danker

Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Ryan Clement, certify that:

1. I have reviewed this annual report on Form 10-K of SelectQuote, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 29, 2022

/s/ Ryan Clement

Name: Ryan Clement

Title: Interim Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Tim Danker, the chief executive officer of SelectQuote, Inc. (the “Company”), certify for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

a. the Annual Report of the Company on Form 10-K for the period ended June 30, 2022 (the “Report”), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: August 29, 2022

/s/ Tim Danker

Name: Tim Danker
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Ryan Clement, the interim chief financial officer of SelectQuote, Inc. (the “Company”), certify for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

a. the Annual Report of the Company on Form 10-K for the period ended June 30, 2022 (the “Report”), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: August 29, 2022

/s/ Ryan Clement

Name: Ryan Clement
Title: Interim Chief Financial Officer
(Principal Financial Officer)