As filed with the Securities and Exchange Commission on April 2, 2018

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Goosehead Insurance, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**6411**	**82-3886022**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
(214) 838-5500

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Mark E. Jones
Chairman and Chief Executive Officer
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(214) 838-5500

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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	☒ (Do not check if a smaller reporting company)	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 7(a)(2)(B) of the Securities Act. ☐

Title of each class of securities to be registered	**Proposed maximum aggregate offering price(1)(2)**	**Amount of registration fee**
Class A Common Stock, par value $0.01 per share	$100,000,000	$12,450

(1) Includes additional shares of Class A Common Stock which the underwriters have the option to purchase to cover over-allotments.
(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated April 2, 2018

Preliminary prospectus

shares

Goosehead Insurance, Inc.

(incorporated in Delaware)

Class A common stock

Goosehead Insurance, Inc. is offering shares of its Class A common stock.

This is our initial public offering and no public market exists for our Class A common stock. We anticipate that the initial public offering price will be between $ and $ per share.

Upon completion of this offering, Goosehead Insurance, Inc. will have two classes of common stock. Both the Class A common stock offered hereby will have one vote per share and the Class B common stock will have one vote per share. Upon completion of this offering, the Pre-IPO LLC Members (as defined herein), including Mr. Mark E. Jones, our Chairman and Chief Executive Officer, and certain other members of management, will hold shares of Class B common stock that will entitle them to % (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full) of the combined voting power of our common stock and will hold at least a majority of the combined voting power of our common stock so long as the Pre-IPO LLC Members own at least 10% of the aggregate number of outstanding shares of our common stock. As a result, during this period the Pre-IPO LLC Members will be able to control any action requiring the general approval of our stockholders, including the election of our board of directors, the adoption of amendments to our certificate of incorporation and by-laws and the approval of any merger or sale of us or substantially all of our assets.

We intend to list our Class A common stock on the Nasdaq Global Market under the symbol “GSHD.”

Upon completion of this offering, we will be a “controlled company” as defined in the corporate governance rules of the Nasdaq Global Market and, therefore, we will qualify for, and intend to rely on, exemptions from certain Nasdaq corporate governance requirements. See “Management—Controlled company exception.”

Investing in our Class A common stock involves risks. See “Risk factors” beginning on page 19.

We are an “emerging growth company” as defined under the federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements for future filings. See “Prospectus summary—Implications of being an emerging growth company.”

We have reserved up to % of shares of the Class A common stock offered by this prospectus for sale, at the initial offering price, to our directors, officers, certain employees and certain other persons associated with us. See “Underwriting.”

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per share	Total
Public offering price	$	$
Underwriting discounts and commissions[1]	$	$
Proceeds to us before expenses	$	$

(1) See “Underwriting” for a description of compensation to be paid to the underwriters.

We have granted the underwriters the option to purchase an additional shares of Class A common stock to cover over-allotments.

The underwriters expect to deliver the shares against payment in New York, New York on or about , 2018 through the book-entry facilities of The Depository Trust Company.

J.P. Morgan **BofA Merrill Lynch**

Keefe, Bruyette & Woods **William Blair**

A Stifel Company

The date of this prospectus is , 2018.

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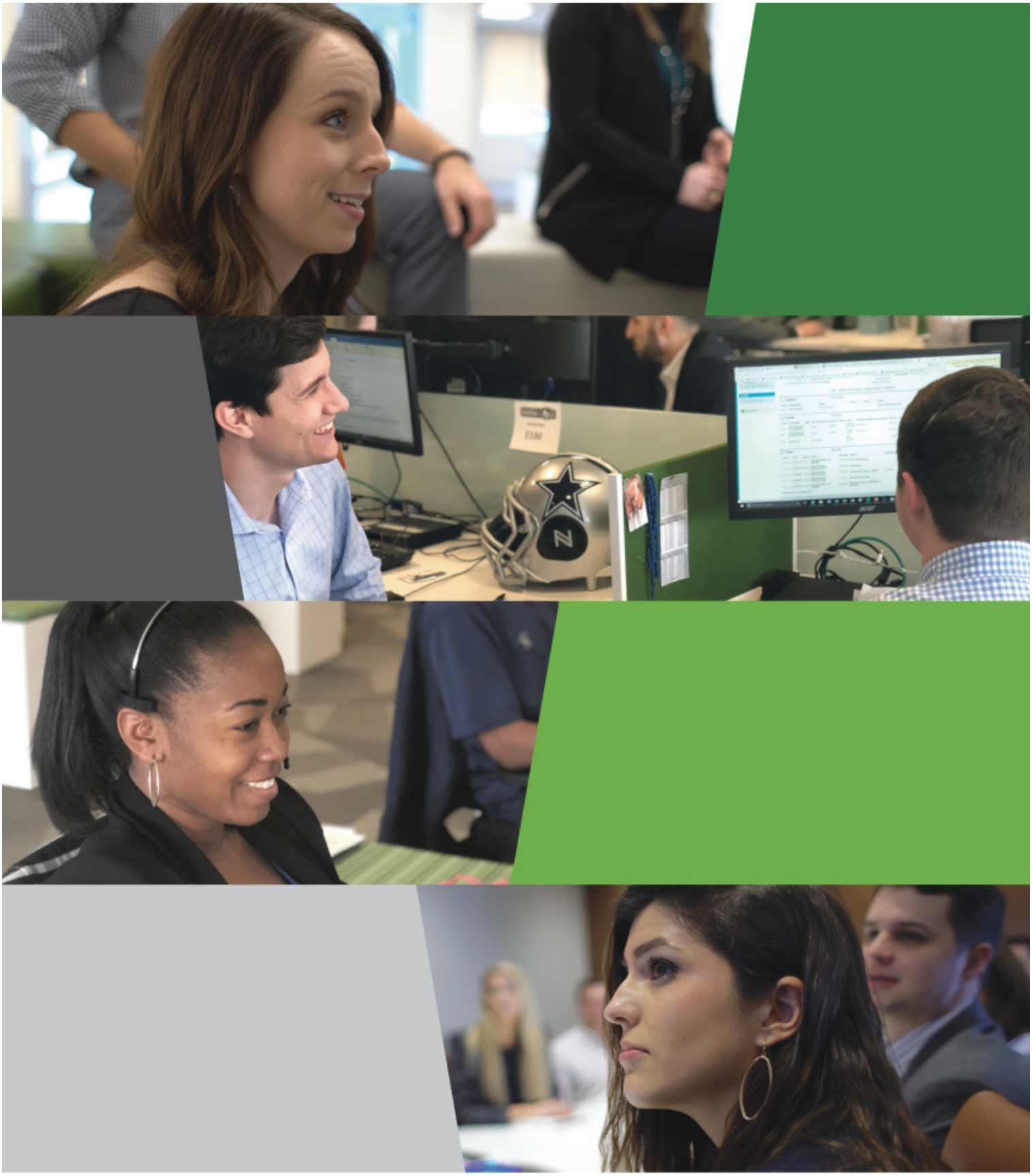

goosehead INSURANCE

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In this prospectus, "Goosehead," the "Company," "we," "us" and "our" refer (i) prior to the consummation of the reorganization transactions described under "Organizational Structure—The Reorganization Transactions," to Goosehead Financial, LLC and its consolidated subsidiaries and combined affiliates and (ii) after the reorganization transactions described under "Organizational Structure—The Reorganization Transactions," to Goosehead Insurance, Inc. and its consolidated subsidiaries, including Goosehead Financial, LLC, together.

We and the underwriters have not authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability

of, any other information that others may provide you. We are offering to sell, and seeking offers to buy, shares of Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the Class A common stock. Our business, financial condition, results of operations and prospects may have changed since the date on the front cover of this prospectus.

Market and industry data

This prospectus includes industry and market data that we obtained from periodic industry publications, third-party studies and surveys, including from Reagan Consulting, Satmetrix, S&P Global Market Intelligence, Counsel of Independent Agents and Brokers, Insurance Information Institute, Dowling & Partners Securities, LLC and Independent Insurance Agents & Brokers of America, Inc., as well as from filings of public companies in our industry, Carrier provided information and internal company surveys. These sources include government and industry sources. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe the industry and market data to be reliable as of the date of this prospectus, this information could prove to be inaccurate. Industry and market data could be wrong because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein.

Unless otherwise indicated, throughout this prospectus we reference our relative market positioning and performance as compared to the United States property and casualty insurance industry. The industry group metrics are based on the latest date for which complete financial data are publicly available such as a 2017 Best Practices Study containing 2016 industry data conducted by Reagan Consulting and the Independent Insurance Agents & Brokers of America, Inc. (the “Best Practices Study”).

Trademarks and trade names

This prospectus may contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties’ trademarks, service marks, trade names or products in this prospectus is not intended to, and should not be read to, imply a relationship with or endorsement or sponsorship of us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names.

Non-GAAP financial measures

This prospectus contains certain financial measures and ratios, including Adjusted EBITDA and Adjusted EBITDA Margin that are not required by, or presented in accordance with, generally accepted accounting principles in the United States (“GAAP”). We refer to these measures as “non-GAAP financial measures.” We use these non-GAAP financial measures when planning, monitoring and evaluating our performance. We consider these non-GAAP financial measures to be useful metrics for management and investors to facilitate operating performance comparisons from period to period by excluding potential differences caused by variations in capital structures, tax position, depreciation, amortization and certain other items that we believe are not representative of our core business. We use Adjusted EBITDA and Adjusted EBITDA Margin for business planning purposes and in measuring our performance relative to that of our competitors.

The non-GAAP financial measures we use herein are defined by us as follows:

- “Adjusted EBITDA” is a supplemental measure of our performance and is defined as net income before interest, income taxes, depreciation and amortization, adjusted to exclude Class B share compensation and other non-operating items. We believe that Adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of items that do not relate to business performance.
- “Adjusted EBITDA Margin” is net income before interest, income taxes, depreciation and amortization, adjusted to exclude Class B share compensation and other non-operating items, divided by total revenue excluding other non-operating items. Adjusted EBITDA Margin is helpful in measuring profitability of operations on a consolidated and combined level.

While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute for revenues or net income, in each case as recognized in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate such measures differently, which reduces their usefulness as comparative measures. For more information regarding these non-GAAP financial measures and a reconciliation of such measures to comparable GAAP financial measures, see the footnotes to the financial statements presented in “Prospectus Summary—Summary Historical and Pro Forma Financial and Other Data.”

Commonly used defined terms

As used in this prospectus, unless the context indicates or otherwise requires, the following terms have the following meanings:

- Agency Fees: Fees separate from commissions charged directly to clients for efforts performed in the issuance of new insurance policies.
- Book of Business: Insurance policies bound by us with our Carriers on behalf of our clients.
- Captive Agent: An insurance agent who only sells insurance policies for one Carrier.
- Carrier: An insurance company.
- Carrier Appointment: A contractual relationship with a Carrier.
- Client Retention: Calculated by comparing the number of all clients that had at least one policy in force twelve months prior to the date of measurement and still have at least one policy in force at the date of measurement.
- Contingent Commission: Revenue in the form of contractual payments from Carriers contingent upon several factors, including growth and profitability of the business placed with the Carrier.
- Corporate Channel: The Corporate Channel distributes insurance through a network of company-owned and financed operations with employees that are hired, trained and managed by Goosehead.
- Corporate Channel Adjusted EBITDA: Segment earnings before interest, income taxes, depreciation and amortization allocable to the Corporate Channel, adjusted to exclude Class B share compensation.
- Franchise Agreement: Agreements governing our relationships with Franchisees.
- Franchise Channel: The Franchise Channel network consists of Franchisee operations that are owned and managed by Franchisees. These business owners have a contractual relationship with Goosehead to use our processes, training, implementation, systems and back-office support team to place insurance. In exchange, Goosehead is entitled to an Initial Franchise Fee and Royalty Fees.

- Franchise Channel Adjusted EBITDA: Segment earnings before interest, income taxes, depreciation and amortization, adjusted to exclude other non-operating items allocable to the Franchise Channel and Class B share compensation.
- Franchisee: An individual or entity who has entered into a Franchise Agreement with us.
- Initial Franchise Fee: Contracted fees paid by Franchisees to compensate Goosehead for the training and onboarding of new franchise locations.
- New Business Production per Agent (Corporate): The New Business Revenue (Corporate) collected, divided by the average number of full-time Corporate Channel sales agents for the same period. This calculation excludes interns, part-time sales agents and partial full-time equivalent sales managers.
- New Business Production per Agent (Franchise): The gross commissions paid by Carriers and agency fees received related to policies in their first term sold in the Franchise Channel divided by the average number of sales agents in the Franchise Channel for the same period prior to paying Royalty Fees to the Company. This calculation excludes part-time agents and production related to the Book of Business that was sold in 2017 related to a Franchisee termination.
- New Business Revenue: Commissions received from Carriers, Agency Fees received from clients, and Royalty Fees received from Franchisees relating to policies in their first term.
- New Business Revenue (Corporate): Commissions received from Carriers and Agency Fees charged to clients relating to policies in their first term sold in the Corporate Channel.
- NPS: Net Promoter Score is calculated based on a single question: “How likely are you to refer Goosehead Insurance to a friend, family member or colleague?” Customers that respond with a 6 or below are Detractors, a score of 7 or 8 are called Passives, and a 9 or 10 are Promoters. NPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters.
- P&C: Property and casualty insurance.
- Policies In Force: As of any reported date, the total count of current (non-cancelled) policies placed by us with our Carriers.
- Referral Partner: An individual or entity with whom a sales agent establishes a referral relationship.
- Renewal Revenue: Commissions received from Carriers and Royalty Fees received from Franchisees after the first term of policies.
- Renewal Revenue (Corporate): Commissions received from Carriers after the first term of policies originally sold in the Corporate Channel.
- Royalty Fees: Fees paid by Franchisees to the Company that are tied to the gross commissions paid by the Carriers related to policies sold or renewed in the Franchise Channel.
- Segment: One of the two Goosehead sales distribution channels, the Corporate Channel or the Franchise Channel.
- Segment Adjusted EBITDA: Either Corporate Channel Adjusted EBITDA or Franchise Channel Adjusted EBITDA.
- Total Written Premium: As of any reported date, the total amount of current (non-cancelled) gross premium that is placed with Goosehead’s portfolio of Carriers.
- Unvalidated Producers: A metric used by Reagan Consulting describing agents whose production does not yet cover their wages under their agency’s commission formula.

Prospectus summary

This summary highlights certain significant aspects of our business and this offering. This is a summary of information contained elsewhere in this prospectus, is not complete and does not contain all of the information that you should consider before making your investment decision. You should carefully read the entire prospectus, including the information presented under the sections entitled "Risk factors," "Special note regarding forward-looking statements" and "Management's discussion and analysis of financial condition and results of operations" and the consolidated and combined financial statements and the notes thereto, before making an investment decision. This summary contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from future results contemplated in the forward-looking statements as a result of certain factors such as those set forth in the sections entitled "Risk factors" and "Special note regarding forward-looking statements." For the definitions of certain capitalized terms used in this prospectus, please refer to "Commonly used defined terms" on page iii.

Who we are

We are a leading independent personal lines insurance agency, based on personal lines revenue, reinventing the traditional approach to distributing personal lines products and services throughout the United States. We were founded with one vision in mind—to provide consumers with superior insurance coverage at the best available price and in a timely manner. By leveraging our differentiated business model and innovative technology platform, we are able to deliver to consumers a superior insurance experience. Our business model, in contrast to the traditional insurance agency model, separates the sales function from the service function, thus enabling agents to focus on selling, and service personnel to focus on delivering superior client service. In addition, our technology platform empowers our agents with tools to better manage their sales initiatives, and provides our service personnel with real-time 360-degree visibility of client accounts. As a result, we have achieved best-in-class net promoter scores for client service, nearly 2.0x the 2016 P&C industry average.

We represent over 80 insurance companies that underwrite personal lines and small commercial lines risks, which typically enables us to provide broader insurance coverage at a lower price point than competing agents who represent only a few carriers, carriers with captive agents or carriers that distribute directly to consumers.

Today we are a rapidly-growing independent insurance agency and franchisor in the United States. For the years ended December 31, 2016 and 2017, we generated revenue of $31.5 million and $42.7 million, respectively, representing year-over-year growth of 36%. This growth has been driven by our recruiting team's ability to recruit talented agents to our platform, our agents' leading productivity in winning new business and our service centers' ability to retain renewal business. All of our growth has been organic; we have not relied on mergers or acquisitions. Furthermore, we are profitable. For the year ended December 31, 2017 we generated $8.7 million of net income.

Our insurance product offerings primarily consist of homeowner's insurance; auto insurance; other personal lines products, including flood, wind and earthquake insurance; excess liability or umbrella insurance; specialty lines insurance (motorcycle, recreational vehicle and other insurance); commercial lines insurance (general liability, property and auto insurance for small businesses); and life insurance. We do not take any insurance underwriting risk in the operation of our business.

Our business has grown substantially since our founding in 2003. Our operations now include a network of seven corporate sales offices and 411 franchise locations (inclusive of 119 franchises which are under contract

but yet to be opened as of December 31, 2017). In addition, we have service center operations at our headquarters and in Henderson, Nevada.

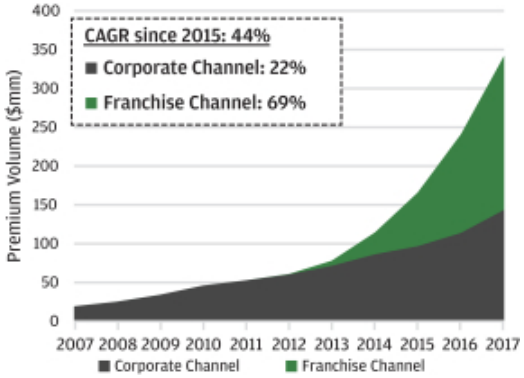
We have two Segments: the Corporate Channel and Franchise Channel. The Corporate Channel consists of company-owned and financed operations with employees who are hired, trained and managed by us. In the Corporate Channel, we generate revenue in the form of New Business Revenue (Corporate), Renewal Revenue (Corporate), and non-refundable Agency Fees charged directly to clients for efforts performed in the issuance of new insurance policies. We also generate revenue in the form of Contingent Commissions from Carriers related to the overall performance of the Book of Business we have placed with them. During 2017, our Corporate Channel sales agent headcount increased by 61% and our Corporate Channel premiums placed grew by 26%, in each case, versus the prior year. Corporate Channel premium growth trailed headcount due to the ongoing ramp up of recently hired producers. As of December 31, 2017, we had corporate sales offices operating in the following locations: Westlake, Texas; Irving, Texas; Fort Worth, Texas; Houston, Texas; The Woodlands, Texas; Austin, Texas; and Willowbrook, Illinois.

In the Franchise Channel, we generate revenue in the form of Royalty Fees paid by Franchisees that are tied to New Business Revenue and Renewal Revenue generated by the franchise location, Initial Franchise Fees related to the training and onboarding of new franchise locations and Contingent Commissions. Royalty Fees are set in the Franchise Agreements at 20% of New Business Revenue and 50% of Renewal Revenue. We charge a non-refundable Initial Franchise Fee to new Franchisees which compensates us for the training and onboarding efforts to launch a new franchise location. Premiums in the Franchise Channel grew 57% during 2017.

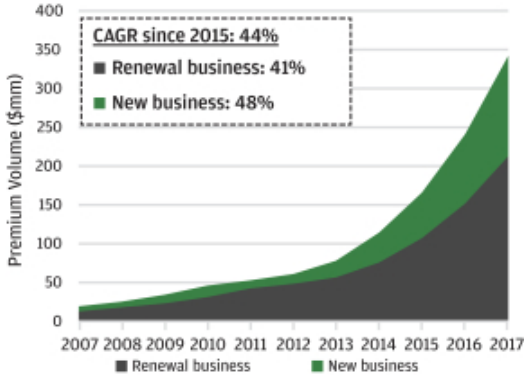
Both the Corporate Channel and the Franchise Channel are supported by our client service centers. Our service centers are staffed by fully licensed property and casualty service agents who provide fulfillment and quality control services for newly issued insurance policies, accounting services and ongoing support services for clients. Ongoing support services for clients include: handling client inquiries, facilitating the claims process with Carriers, accepting premium payments and processing policy changes and renewals.

The combination of expanding headcount in the Corporate Channel, expanding franchise count in the Franchise Channel, leveraging technology and maintaining our commitment to service led to Total Written Premium growth of 42% in 2017. This level of Total Written Premium growth is consistent with our historical experience. As of December 31, 2017, our 10-year Total Written Premium compound annual growth rate (“CAGR”) was 33% and our 5-year premium CAGR was 41%.

Total Written Premium by channel



Total Written Premium by business type



Source: Carrier provided information

In addition to strong revenue and Total Written Premium growth, we have also experienced Franchise Channel Adjusted EBITDA margin expansion, which was 27% in 2017, up from 24% in 2016. Corporate Channel Adjusted EBITDA margin decreased modestly in 2017 to 25% from 30% due to our Corporate Channel sales agent headcount growth of 61%.

	2016		2017	
	Corporate Channel	Franchise Channel	Corporate Channel	Franchise Channel
				($000s)
Revenue	$ 20,270	$ 11,214	$ 25,521	$ 17,190
Segment Adjusted EBITDA	6,099	2,701	6,366	4,692
Segment Adjusted EBITDA margin	30%	24%	25%	27%

	2017	
	Corporate Channel	Franchise Channel
Revenue growth over 2016	26%	53%
Segment Adjusted EBITDA growth over 2016	4%	74%

Personal lines P&C insurance industry

Personal lines P&C insurance products traditionally include home, auto, umbrella, motorcycle and recreational insurance products for individual consumers. The industry is vast with over $300 billion of direct written premiums per year. Consumer preferences are based on price, reputation, client service and familiarity of insurers. Personal lines insurance agents generate revenues through commissions, which are calculated as a percentage of the total insurance premium placed on behalf of clients, and through fees for other related services. Premiums in the personal lines insurance market have grown consistently with underlying insured values and the overall economy.

- *Independent agencies (35% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.)*. Independent agencies are “independent” of any one Carrier and can offer insurance products from multiple Carriers to their clients. We believe that we are one of the largest independent insurance agencies focused primarily on personal lines as many of the largest insurance agencies, such as Aon plc, Arthur J. Gallagher & Co., Brown & Brown Inc., Marsh & McLennan Companies, Inc. and Willis Towers Watson plc, focus primarily on commercial lines.
- *Captive Agencies (48% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.)*. Captive Agencies sell products for only one Carrier. The Carrier compensates the Captive Agency through sales commissions based on premiums placed on behalf of clients. The largest Captive Agencies in the United States include Allstate Corporation, State Farm Mutual Automobile Insurance Company and Farmers Group, Inc.
- *Direct distribution (16% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.)*. Certain Carriers market their products directly to clients. The largest Carriers that sell directly to clients include Berkshire Hathaway Inc. (via GEICO Corp.) and Progressive Corporation.

Challenges facing traditional agency models & direct distribution

Aging demographic of insurance agent

Average age of the industry producer is 55 and thus have had challenges adapting to or learning new technologies. These demographics also indicate a wave of agent retirements may be approaching.

Captive agencies offer products from only one carrier

Captive agents only distribute their own products, which limits agents' ability to provide clients with a wide breadth of optionality.

Sales and service need separation

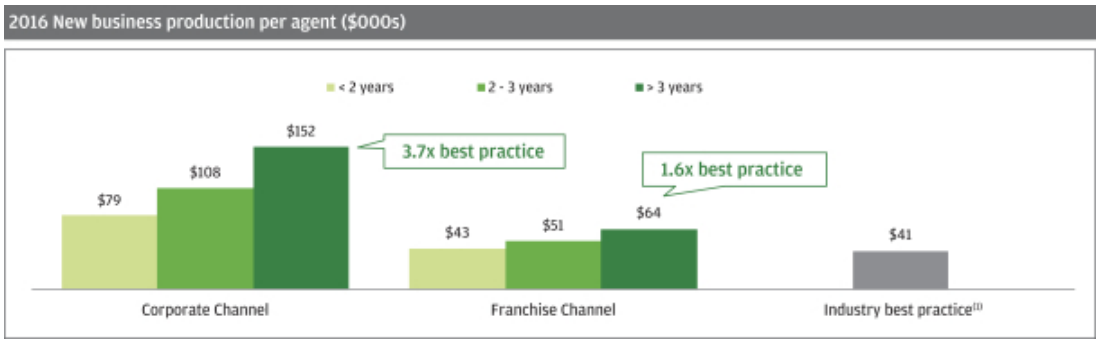
As insurance agents grow their books of business, the service burden increases and limits time to focus on generating new business, capping growth in overall book size.

Antiquated technology

Carriers and agencies have legacy accounting-focused systems which lack continuity and create complex platforms, inhibiting innovation and knowledge sharing.

How we win

- *Young and highly motivated producers in the Corporate Channel*. The agents in the Corporate Channel are fundamentally different than the typical agents in the personal lines industry. Substantially all of our agents are recent college graduates (average age of 26), whereas 67% of personal lines agents in the industry are over 50 years old, according to the 2016 Future One Agency Universe Case Study. This gives us a significant advantage both in the short- and long-term. In the short-term, our agents have proven to be especially adept at learning new techniques and mastering new technologies. This has enabled our agents to generate approximately 3.7x as much New Business Production per Agent (Corporate) in 2016 as top performing personal lines agents after three years according to the Best Practices Study. Over the long-term, we believe our youth will enable us to avoid the shrinking workforce challenges that many of our competitors face and win an even larger market share from other agencies. According to Independent Insurance Agents & Brokers of America, Inc., 40% of independent agencies anticipate a change of control within the next five years. We believe an aging industry workforce will create significant disruption in the personal lines distribution industry, and we will be in a position to win displaced clients.
- *Franchise Channel solves the inherent flaws in the traditional agency model*. We believe that the traditional agency model is flawed for several reasons, including: (1) agents are typically responsible for handling their own client service and renewals, diminishing the time they can devote to winning new business and growing their overall Book of Business, (2) Captive Agents can only offer clients products from one Carrier, limiting the agents' ability to best serve their clients and (3) some Captive Agents do not own their Book of Business, giving them less incentive to win new business. Given the size of the traditional agency market and its inability to adapt to these challenges without introducing significant channel conflict, we believe there is a meaningful opportunity to disrupt the traditional agency marketplace. Our Franchise Channel seeks to solve the inherent problems in the traditional agency model. Agents in the Franchise Channel have an average age of 40, have more industry experience and are able to focus on new business, provide clients with choice by offering products from multiple Carriers, and own an economic interest in their Book of Business. Furthermore, by removing the service burden which takes a significant amount of time and energy, we believe our platform provides Franchise Channel agents with the ability to manage larger Books of Business than traditional model agents while winning more new business. Franchise Channel agents with more than three years of tenure averaged 1.6x as much New Business Production per Agent (Franchise) in 2016 as the industry best practice for the same period, according to the Best Practices Study.



Source: Internal data; Carrier provided information; Reagan Consulting

(1) Represents industry best practice per Reagan Consulting; does not include Unvalidated Producers; most industry agents have tenures significantly longer than 2 to 3 years.

We believe our agent productivity compares even more favorably to the industry than the Best Practices Study would imply because the Best Practices Study excludes Unvalidated Producers. If the Best Practices Study included Unvalidated Producers, our New Business Production per Agent outperformance would be even larger.

- *Single technology platform with end-to-end business process management.* Our operations utilize an innovative cloud-based technology solution which is built on the Salesforce.com platform with significant proprietary investment to customize it to suit our needs. Our technology provides our agents with tools to better manage their sales and marketing activities, and our service center operations with real-time 360-degree visibility of client accounts. Additionally, our technology provides agents with data and analytics which allow them to make smarter business decisions. We believe our single, sales-oriented technology platform is differentiated relative to most insurance agency IT environments that utilize disparate accounting-driven agency management vendors and legacy mainframe systems across their operations. Our technology platform has been a key enabler of our growth while also driving efficiencies. One of these efficiencies is service expenses. Our 2016 service expenses as a percentage of gross personal lines commissions were 3.2x lower than the 2016 industry best practice according to the Best Practices Study. Despite our reduced service expense load, we are able to maintain best in class NPS scores and typically deliver policy binders in under an hour.
- *Service centers drive both new and renewal business*. Our service centers handle all of our client service and renewals and have achieved a highly differentiated level of service as indicated by our NPS scores of 84 in 2016 and 86 in 2017—higher than many global service leaders such as Ritz Carlton and Disney and 2.0x the P&C industry average in 2016, according to Satmetrix. Having such a skilled service team provides three tangible benefits to our business: (1) allows our agents to focus virtually all of their time on winning new business (instead of preserving existing business), (2) generates strong Client Retention which provides a stable source of highly visible and recurring revenue and (3) provides opportunities to earn additional revenue as our service agents are highly trained in cross-selling and generating referral business. Our service agents typically originate up to 10% of our annual New Business Revenue. We believe that our service centers will continue to drive a competitive advantage by supporting our industry-leading productivity and our recruiting efforts. We have already made the necessary technology, staffing and real estate investments in our service centers to support our planned agent hiring which we believe will allow us to readily scale and increase market share.

We manage our service centers with the goal that clients reach an agent in less than 60 seconds and are able to have fully bound insurance policies in under an hour. Our high degree of client satisfaction drove our 88% Client Retention rate during 2017, which we believe to be among the highest in the industry. Our retention rate is even stronger on a premium basis. In 2017, we retained 94% of the premiums we distributed in 2016. Our premium retention rate is higher than our Client Retention rate as a result of both premiums increasing year over year and additional coverages sold by our service team. By maintaining this strong level of Client Retention, we are able to generate revenue that is both highly visible and recurring in nature.

- *Unique value proposition to Referral Partners*. We have highly standardized processes across our entire organization due to the quality controls instituted in our service centers. Both new business and renewal business move through our systems in a tightly choreographed manner which enables both strong quality controls and quick delivery of services. We have found that the ability to quickly and accurately bind an insurance policy is attractive to both individuals buying insurance and third parties, such as Referral Partners, who can drive new business to us. Referral Partners include financial services providers who depend on us to timely place insurance policies and to provide the flexibility to facilitate necessary changes rapidly, including at the time of home closings. This allows our Referral Partners to close transactions on time and ultimately become more productive in their business. We do not compensate our Referral Partners for sending us new business.
- *Proven and experienced senior management team*. Our senior management team has a long history of cohesively operating together and implementing our business model. Our Chairman and Chief Executive Officer, Mark E. Jones, co-founded Goosehead in 2003. Prior to co-founding Goosehead, Mr. Jones was a Senior Partner and Director at Bain & Company, a global management consulting firm, where he also served for many years as Global Head of Recruiting. Many of our management, sales and recruiting practices were developed and refined by Mr. Jones during his time at Bain and instituted at Goosehead. Mr. Jones has received a wide variety of accolades for his leadership accomplishments, including being recognized as one of the Top Rated CEOs from among more than 7,000 companies with less than 1,000 employees on Glassdoor's "Employee's Choice Award" in 2017. In 2006, Mr. Jones recruited Michael Colby to join Goosehead as Controller. Over the last 12 years, Mr. Colby has worked closely with Mr. Jones in all aspects of the business, taking on increasing responsibility; becoming Chief Financial Officer in 2010, Chief Operating Officer of our Franchise Channel in 2011, Chief Operating Officer of Goosehead in 2014, and President and Chief Operating Officer of Goosehead in 2016.

Our growth strategy

- *Continue to expand recruiting in the Corporate Channel*. We strive to prudently grow our business by expanding our agent count in the Corporate Channel. We have a highly developed process for recruiting new agents which we have continually refined over the last decade and has resulted in higher success rates for our Corporate Channel agents (e.g., average agent annual compensation has increased since 2015). Given our success recruiting agents, we plan to expand our recruiting to additional college campuses and engage in highly targeted internet recruiting campaigns. We have significant room to expand our market share across the country. Our biggest presence is in Texas, where we have been operating the longest. By leveraging our Referral Partners, we placed approximately 31,000 policies related to mortgage originations and refinancings in 2016. This represents 5.1% of the approximately 613,000 Texas mortgage originations and refinancings in 2016, according to S&P Global Market Intelligence. This strategy also applies to the Franchise Channel mentioned below.

- *National rollout of the Franchise Channel*. Prior to 2017, we had franchises in five states (Texas, California, Florida, Virginia and Illinois). In 2017, we began licensing franchises in five additional states: Pennsylvania, Michigan, North Carolina, Louisiana and Oklahoma. In 2018, we are targeting expansion into Colorado, Connecticut, Indiana, Iowa, Maryland, Minnesota, Missouri, New Jersey, New York, Ohio, South Carolina, Washington and Wisconsin. As of December 31, 2017, we have signed Franchise Agreements in each of these states. The success of the national rollout of the Franchise Channel is only starting to emerge in our financial performance. As of December 31, 2017, 60% of our Franchisees had less than one year of tenure. Given the anticipated New Business productivity uplift that comes with more years of experience, and the elevated Royalty Fees on renewal business, we believe our Franchise Channel is positioned for strong growth and margin expansion. This growth will be further enhanced by the approximately 40,000 potential franchise candidates in our current pipeline. The number of potential franchise candidates in our pipeline is updated daily to reflect any new franchise candidates on our Salesforce.com platform. We identify our franchise candidates according to the following criteria: (1) work experience, including sales, entrepreneurial or insurance experience; (2) license status; and (3) geographic location. Of our total current pipeline, we anticipate selecting approximately 2,000 potential candidates for additional vetting and screening processes, and approximately 10% of these candidates would ultimately qualify as Franchisees under our exacting standards. Although the candidates that meet our franchise standards are not guaranteed to enter into Franchise Agreements, we believe our pipeline will allow us to execute a national build-out of our model. The pace of our national build-out will be aided by the regulatory approvals, product offering approvals and carrier relationships we have already obtained across the continental United States.
- *Continue to develop innovative ways to drive productivity*. We believe that our agents are already among the most efficient personal lines agents in the industry. In 2016, Corporate Channel agents with more than three years of tenure averaged 3.7x as much New Business Production per Agent (Corporate) as the industry best practice; Franchise Channel agents with more than three years of tenure averaged 1.6x as much New Business Production per Agent (Franchise) as the industry best practice. We believe there is an opportunity to further expand productivity, particularly in the Franchise Channel. We have historically deployed the intellectual capital accumulated in the Corporate Channel (including sales practices, client relationship management practices, recruiting practices and technology) into the Franchise Channel to optimize new business production. We have recently begun to see some of these efforts manifest themselves in higher franchise productivity particularly outside of Texas, where New Business Production per Agent (Franchise) for Franchisees with less than one year of tenure increased 46% from 2016 to 2017. We will continue to innovate going forward in an effort to both better serve our clients and expand our platform.
- *Maximize our effectiveness in managing renewal business*. Renewal business mechanically increases revenue and mechanically decreases expenses. On the revenue side, we earn significantly larger Royalty Fees from our Franchisees for renewal business. On the expense side, many of our largest expenses are significantly lower for renewal business such as compensation costs, risk management costs and client development costs. Critical to converting new business into renewal business is strong Client Retention. Our Client Retention effort is led by our service centers which had a 2017 NPS score of 86, leading to an 88% Client Retention rate in 2017 and 94% premium retention rate in 2017. Key to maintaining these NPS scores and Client Retention rates is the consistency of personnel in our service centers. Our consistency in service personnel is due to a combination of the respect we have for our service team and the competitive wages we offer; average compensation for service team employees was over $47,000 in 2017. Our Client Retention rates are further enhanced by Mr. Jones' experience at Bain, where he was one of the leaders in developing Bain's approach to managing client loyalty in the insurance industry. We actively employ the insights

Mr. Jones gleaned during his time at Bain to successfully convert new business into higher-margin renewal business.

Risk factors

An investment in shares of our Class A common stock involves substantial risks and uncertainties that may adversely affect our business, financial condition, results of operations and cash flows. Some of the more significant challenges and risks relating to an investment in our Class A common stock include those associated with the following:

- we are controlled by the Pre-IPO LLC Members (as defined herein) whose interests in our business may be different than yours. Due to the high vote stock held by such Pre-IPO LLC Members, we will continue to be controlled by such members even though such members may in the future own less than a majority of our shares of our common stock outstanding;
- we are a "controlled company" within the meaning of the Nasdaq rules and, as a result, qualify for, and will rely on, exemptions from certain corporate governance requirements that provide protection to stockholders of other companies;
- conditions impacting Carriers or other parties that we do business with may impact us;
- the loss of one or more key executives or by an inability to attract and retain qualified personnel;
- the failure to attract and retain highly qualified Franchisees could compromise our ability to expand the Goosehead network; and
- we are an "emerging growth company," as defined in the JOBS Act (as defined below), and are availing ourselves of the reduced disclosure requirements applicable to emerging growth companies, which could make our common stock less attractive to investors.

Before you invest in our Class A common stock, you should carefully consider all the information in this prospectus, including matters set forth under the heading "Risk factors."

Our corporate governance

We intend to continue to grow profitably by following the same successful approach to managing our business that we have used historically. As a public company, however, we will also implement corporate governance practices designed to ensure alignment between the interests of our management and stockholders. Notable features of our governance practices will include:

- At the time of this offering, we intend to have a board of directors with a majority of independent directors as well as a fully independent audit committee;
- For so long as the Pre-IPO LLC Members (as defined below) beneficially hold at least 10% of the aggregate number of outstanding shares of our common stock, which we refer to as the "Substantial Ownership Requirement," the Pre-IPO LLC Members will be able to designate a majority of the nominees for election to our board of directors, including the nominee for election to serve as Chairman of our board of directors;
- As a "controlled company" for purposes of the Nasdaq listing rules, we intend to rely on certain exemptions to the Nasdaq corporate governance requirements. Accordingly, at the time of this offering, we do not intend

to have a fully independent compensation committee or to have a nominating and corporate governance committee;

- Initially our board of directors will not be classified, and each of our directors will be subject to re-election annually; however, following the time when the Substantial Ownership Requirement (as defined below) is no longer met, our board of directors will be divided into three classes of directors, with each class as equal in number as possible, serving staggered three year terms, and such directors will be removable only for cause. See “Management—Board structure—Composition;”
- Our independent directors will meet regularly in executive sessions without the presence of our management and our non-independent directors;
- Our independent directors will appoint a “lead independent director,” whose responsibilities will include, among others, calling meetings of the independent directors, presiding over executive sessions of the independent directors, participating in the formulation of board and committee agendas and, if requested by stockholders, ensuring that he or she is available, when appropriate, for consultation and direct communication; and
- Except for transfers to us pursuant to the amended and restated Goosehead Financial, LLC agreement (as defined below) and to certain permitted transferees, the Pre-IPO LLC Members are not permitted to sell, transfer or otherwise dispose of any LLC Units (as defined below) or shares of Class B common stock.

Organizational structure

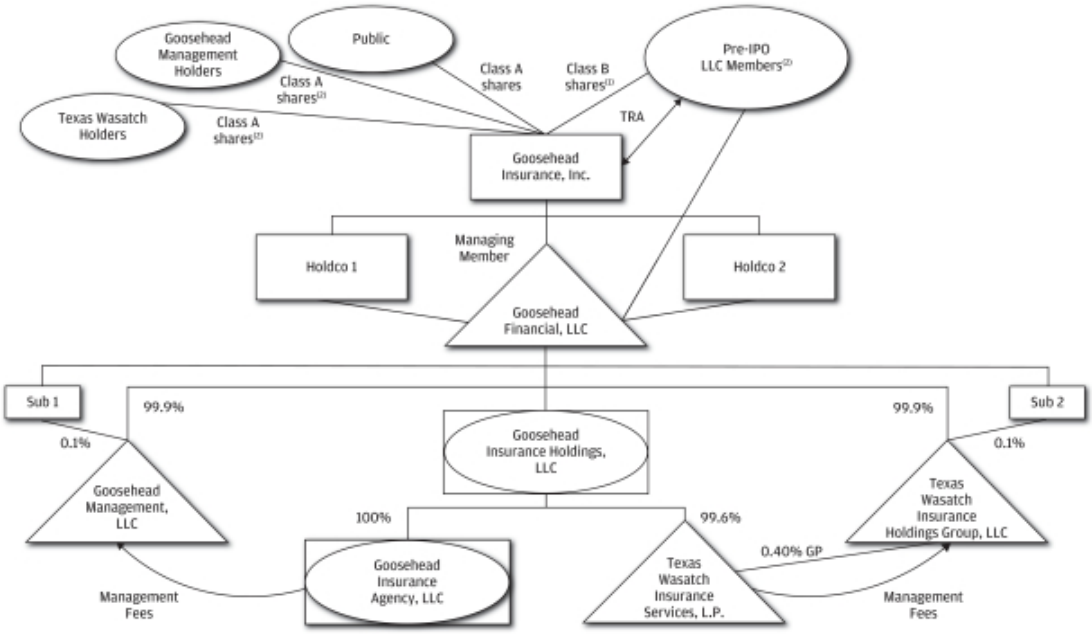
We currently conduct our business through Goosehead Financial, LLC and its subsidiaries and affiliates. Following this offering, Goosehead Insurance, Inc. will be a holding company and its sole material asset will be a direct and indirect controlling ownership interest in Goosehead Financial, LLC.

Prior to the consummation of the reorganization transactions described below and this offering, all of Goosehead Financial, LLC’s outstanding ownership interests, including its Class A interests and Class B interests, are owned beneficially by the following persons, whom we refer to, together with their permitted transferees, collectively as the “Pre-IPO LLC Members:”

- Mr. Mark E. Jones, our Chairman of the Board, Chief Executive Officer and co-founder, and Mrs. Robyn Jones, our co-founder and Vice Chairman of the Board, and certain of their family members;
- Mr. Michael C. Colby, our President and Chief Operating Officer, and certain of his family members;
- Mr. Jeffrey Saunders; and
- Texas Wasatch Insurance Partners, LP (“TWIP”).

In connection with this offering, we intend to enter into a series of transactions to implement an internal reorganization, which we collectively refer to as the “reorganization transactions” as described under “Organizational structure—The reorganization transactions.”

The following diagram depicts our organizational structure immediately following the reorganization transactions, this offering and the application of the net proceeds from this offering assuming an initial public offering price of $ per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus) and no exercise of the underwriters' option to purchase additional shares of Class A common stock. This chart is provided for illustrative purposes only and does not purport to represent all legal entities within our organizational structure:



(1) Each share of Class B common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders.

(2) Upon completion of this offering, the Pre-IPO LLC Members will hold all outstanding shares of our Class B common stock, entitling them to % of the voting power in Goosehead Insurance, Inc. If the Pre-IPO LLC Members redeemed or exchanged all of their LLC Units for a corresponding number of shares of Class A common stock and their corresponding shares of Class B common stock were cancelled, they would hold % of the outstanding shares of Class A common stock (including any Class A common stock received by holders, including certain Pre-IPO LLC Members, of ownership interests in (i) Goosehead Management, LLC ("Goosehead Management Holders") and (ii) Texas Wasatch Insurance Holdings Group, LLC (the "Texas Wasatch Holders"), as part of an internal restructuring and partial repayment (to the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note (as defined below) and the Texas Wasatch Note (as defined below) in full) of the notes issued by Goosehead Insurance, Inc. in exchange for the transfer of certain ownership interests held by the Goosehead Management Holders and the Texas Wasatch Holders (the "Goosehead Management Note" and "Texas Wasatch Note," respectively; see "Organizational structure—The reorganization transactions")), entitling them to an equivalent percentage of economic interests and voting power in Goosehead Insurance, Inc. as of the completion of this offering. Goosehead Insurance, Inc. and its subsidiaries would then hold all of outstanding LLC Units, representing 100% of the economic power and 100% of the voting power in Goosehead Financial, LLC.

Upon the completion of this offering and the application of the net proceeds from this offering, assuming no exercise of the underwriters' option to purchase additional shares of Class A common stock, we will hold approximately % of the outstanding LLC Units (which includes % of the outstanding LLC Units acquired in connection with the issuance of shares of Class A common stock in this offering and % of the outstanding LLC Units acquired in connection with the issuance of any Class A common stock to Goosehead Management Holders and Texas Wasatch Holders as part of the repayment of the Goosehead Management Note and the Texas Wasatch Note, respectively) and the Pre-IPO LLC Members will hold approximately % of the outstanding LLC Units and the Pre-IPO LLC Members, the Goosehead Management Holders and the Texas Wasatch Holders will

collectively hold approximately % of the combined voting power of our outstanding Class A common stock and Class B common stock, which we refer to collectively as our "common stock" (including any Class A common stock issued to the Goosehead Management Holders and the Texas Wasatch Holders as part of the repayment of the Goosehead Management Note and the Texas Wasatch Note, respectively). Investors in this offering will hold approximately % of the combined voting power of our common stock. See "Organizational structure," "Certain relationships and related party transactions" and "Description of capital stock" for more information on the rights associated with our common stock and the LLC Units.

Implications of being an emerging growth company

As a company with less than $1.07 billion in revenue during our last fiscal year, we qualify as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we may present as few as two years of audited financial statements and two years of related management discussion and analysis of financial condition and results of operations;
- we are exempt from the requirement to obtain an attestation and report from our auditors on management's assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002;
- we are permitted to provide reduced disclosure regarding our executive compensation arrangements pursuant to the rules applicable to smaller reporting companies, which means we do not have to include a compensation discussion and analysis and certain other disclosures regarding our executive compensation; and
- we are not required to hold non-binding advisory votes on executive compensation or golden parachute arrangements.

In addition to the relief described above, the JOBS Act permits us an extended transition period for complying with new or revised accounting standards affecting public companies. We have elected to use this extended transition period, which means that our financial statements may not be comparable to the financial statements of public companies that comply with such new or revised accounting standards on a non-delayed basis.

We will remain an emerging growth company until the earliest of (i) the end of the fiscal year during which we have total annual gross revenues of $1.07 billion or more, (ii) the end of the fiscal year following the fifth anniversary of the completion of this offering, (iii) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt and (iv) the date on which we are deemed to be a "large accelerated filer" under the Securities Exchange Act of 1934, as amended.

Corporate information

We were incorporated in the State of Delaware in November 2017. We are a newly formed corporation, have no material assets and have not engaged in any business or other activities except in connection with the reorganization transactions described under "Organizational structure." Our principal executive offices are located at 1500 Solana Blvd, Building 4, Suite 4500, Westlake, Texas 76262, and our telephone number is (214) 838-5500. Our website is www.goosehead.com. Our website and the information contained therein or connected thereto is not incorporated into this prospectus or the registration statement of which it forms a part.

The offering

This summary highlights information presented in greater detail elsewhere in this prospectus. This summary is not complete and does not contain all the information you should consider before investing in our common shares. You should carefully read this entire prospectus before investing in our common shares including "Risk factors" and our consolidated and combined financial statements.

Class A common stock offered by us	shares (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full).
Class A common stock to be outstanding after this offering	shares (or shares if all outstanding LLC Units held by the Pre-IPO LLC Members were redeemed or exchanged for a corresponding number of newly-issued shares of Class A common stock). If the underwriters exercise their option to purchase additional shares of Class A common stock in full, shares (or shares if all outstanding LLC Units held by the Pre-IPO LLC Members were redeemed or exchanged for a corresponding number of newly-issued shares of Class A common stock) would be outstanding.
Voting power held by holders of Class A common stock after giving effect to this offering	% (or 100% if all outstanding LLC Units held by the Pre-IPO LLC Members were redeemed or exchanged for a corresponding number of newly-issued shares of Class A common stock).
Voting power held by the Pre-IPO LLC Members as holders of all outstanding shares of Class B common stock after giving effect to this offering	% (or 0% if all outstanding LLC Units were redeemed or exchanged for a corresponding number of newly-issued shares of Class A common stock).
Voting rights after giving effect to this offering	Each share of our Class A common stock will entitle its holder to one vote per share, representing an aggregate of % of the combined voting power of our issued and outstanding common stock upon the completion of this offering and the application of the net proceeds from this offering (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full). Each share of Class B common stock entitles its holder to one vote per share, representing an aggregate of % of the combined voting power of our issued and outstanding common stock upon the completion of this offering and the

	application of the net proceeds from this offering (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

Class A common stock and Class B common stock generally vote together as a single class on all matters submitted to a vote of our stockholders. For so long as the Substantial Ownership Requirement is met, the Pre-IPO LLC Members will be able to designate a majority of the nominees for election to our board of directors, including the nominee for election to serve as Chairman of the board of directors. See "Description of capital stock."

Redemption rights of holders of LLC Units	Under the amended and restated Goosehead Financial, LLC agreement, the Pre-IPO LLC Members will have the right, from and after the completion of this offering (subject to the terms of the amended and restated Goosehead Financial, LLC agreement), to require Goosehead Financial, LLC to redeem all or a portion of their LLC Units for, at our election, newly-issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the amended and restated Goosehead Financial, LLC agreement. Additionally, in the event of a redemption request by a Pre-IPO LLC Member, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement. See "Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement." Except for transfers to us pursuant to the amended and restated Goosehead Financial, LLC agreement or to certain permitted transferees, the Pre-IPO LLC Members are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.
Use of proceeds	We estimate that our net proceeds from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of Class A common stock in full), after deducting underwriting discounts and commissions of approximately $ million. We intend to use the net proceeds from this offering to repay the Goosehead Management Note and the Texas Wasatch Note issued in consideration for the acquisition of the indirect ownership interests held by the Goosehead Management Holders and Texas Wasatch Holders in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, respectively. The aggregate principal amount of the Goosehead Management Note and the Texas Wasatch Note will be collectively equal to the product of times the public

	offering price per share of the Class A common stock in this offering ($ million based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock). In exchange for the acquired ownership interest in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, wholly owned subsidiaries of Goosehead Insurance, Inc. will acquire a number of LLC Units equal to the number of shares of Class A common stock issued in this offering from Goosehead Financial, LLC. Goosehead Insurance, Inc. intends to use the net proceeds (if any) from the exercise of the underwriters' option to purchase additional shares of Class A common stock to purchase from Goosehead Financial, LLC a number of LLC Units equal to the number of shares of Class A common stock issued pursuant to the exercise of the underwriters' option to purchase additional shares. We estimate that the offering expenses (other than the underwriting discounts and commissions) will be approximately $ million. All of such offering expenses will be paid for or otherwise borne by Goosehead Insurance, Inc. See "Use of proceeds."
Controlled company	Upon the closing of this offering, Mark E. Jones and Robyn Jones will beneficially own more than 50% of the voting power for the election of members of our board of directors and we will be a "controlled company" under the Nasdaq Global Market rules. As a controlled company, we qualify for, and intend to rely on, exemptions from certain corporate governance requirements of the Nasdaq Global Market. See "Management—Controlled company exception."
Tax receivable agreement	Pursuant to a tax receivable agreement we expect to enter into with the Pre-IPO LLC Members, we will pay 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize to the Pre-IPO LLC Members. See "Organizational structure—Holding company structure and tax receivable agreement."
Dividend policy	The declaration and payment by us of any future dividends to holders of our Class A common stock will be at the sole discretion of our board of directors. Following this offering and subject to funds being legally available, we intend to cause Goosehead Financial, LLC to make pro rata distributions to the Pre-IPO LLC Members and us in an amount at least sufficient to allow us and the Pre-IPO

	LLC Members to pay all applicable taxes, to make payments under the tax receivable agreement we will enter into with the Pre-IPO LLC Members and to pay our corporate and other overhead expenses.
Directed share program	At our request, the underwriters have reserved for sale, at the initial public offering price, up to % of the shares of Class A common stock offered by this prospectus for sale to directors, officers, certain employees and certain other persons associated with us. Any purchases of reserved shares by these persons would reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus. See "Underwriting."
Proposed stock symbol	GSHD.

Unless we indicate otherwise throughout this prospectus, the number of shares of our Class A common stock outstanding after this offering excludes:

- shares of Class A common stock reserved for issuance upon the redemption or exchange of LLC Units that will be held by the Pre-IPO LLC Members.
- shares of our Class A common stock issuable upon exercise of the underwriters' option to purchase additional shares of Class A common stock from us.
- shares of Class A common stock reserved for issuance under our Omnibus Incentive Plan and Employee Stock Purchase Plan.

Unless we indicate otherwise throughout this prospectus, all information in this prospectus:

- assumes an initial public offering price of $ per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus).
- gives effect to the issuance of shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders in partial payment of the Goosehead Management Note and the Texas Wasatch Note.
- assumes no exercise of the underwriters' option to purchase additional shares.

Summary historical and pro forma financial and other data

The following tables set forth summary historical financial and other data of Goosehead Financial, LLC and consolidated subsidiaries and combined affiliates for the periods presented. Goosehead Insurance, Inc. was incorporated as a Delaware corporation on November 13, 2017 and has not, to date, conducted any activities other than those incident to its formation and the preparation of this prospectus and the registration statement of which this prospectus forms a part.

The statements of operations data for the years ended December 31, 2016 and 2017 and balance sheet data as of December 31, 2016 and 2017 have been derived from Goosehead Financial, LLC's consolidated and combined audited financial statements included elsewhere in this prospectus.

The pro forma statements of income for the year ended December 31, 2017 give effect to the reorganization and the offering transactions described in "Unaudited pro forma financial information," as if each had occurred on January 1, 2017.

The pro forma balance sheet data as of December 31, 2017 gives effect to the reorganization and the offering transactions described in "Unaudited pro forma financial information," as if each had occurred on December 31, 2017. See "Unaudited pro forma financial information" and "Capitalization."

The summary historical and pro forma financial and other data presented below do not purport to be indicative of the results that can be expected for any future period and should be read together with “Capitalization,” “Unaudited pro forma financial information,” “Selected historical financial data,” “Management’s discussion and analysis of financial condition and results of operations” and our and Goosehead Financial, LLC’s consolidated and combined financial statements and related notes thereto included elsewhere in this prospectus.

	Goosehead Financial, LLC for the year ended December 31		Pro forma (unaudited) Goosehead Insurance, Inc. for the year ended December 31
	2016	2017	2017
Selected Statement of Income Data			
Revenues:			
Commissions and agency fees	$ 21,283,457	$ 27,030,018	
Franchise revenues	10,101,065	15,437,753	
Interest income	99,426	242,700	
Total revenues	31,483,948	42,710,471	
Operating expenses:			
Employee compensation and benefits	19,469,456	24,544,425	
General and administrative expenses	5,731,599	8,596,546	
Bad debts	658,990	1,083,374	
Depreciation and amortization	488,334	876,053	
Total operating expenses	26,348,379	35,100,398	
Income from operations	5,135,569	7,610,073	
Other income (expense)			
Other income	—	3,540,932	
Interest expense	(413,042)	(2,474,110)	
Net income	$ 4,722,527	$ 8,676,895	

	Goosehead Financial, LLC as of December 31		Pro forma (unaudited) Goosehead Insurance, Inc. as December 31
	2016	2017	2017
Selected Balance Sheet Data			
Cash and cash equivalents	$ 3,778,098	$ 4,947,671	
Commissions and fees receivable, net	$ 1,010,454	$ 1,268,172	
Receivable from franchisees, net	$ 1,581,872	$ 1,924,773	
Total assets	$ 8,694,523	$16,706,669	
Accounts payable and accrued expenses	$ 1,428,944	$ 2,759,241	
Premiums payable	$ 300,284	$ 417,911	
Note payable	$ 29,373,000	$48,656,340	
Total liabilities	$ 32,934,708	$57,839,617	

	Goosehead Financial, LLC for the year ended December 31		Pro forma (unaudited) Goosehead Insurance, Inc. for the year ended December 31
	2016	2017	2017
Key Performance Indicators			
Total Written Premium	$240,993,942	$342,329,705	N/A
Policies In Force	174,546	227,764	N/A
NPS	84	86	N/A
Client Retention	87%	88%	N/A
Adjusted EBITDA Margin	26%	25%	
New Business Revenue	$ 9,132,512	$ 12,572,952	$ 12,572,952
Renewal Revenue	$ 17,426,550	$ 22,865,574	$ 22,865,574
Adjusted EBITDA	$ 8,111,676	$ 10,716,918	

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin to net income

The following table shows a reconciliation of net income to Adjusted EBITDA for fiscal 2016 and 2017:

	Goosehead Financial, LLC for the year ended December 31,		Pro forma (unaudited) Goosehead Insurance, Inc. for the year ended December 31
	2016	2017	2017
Net income	$4,722,527	$ 8,676,895	
Interest expense	413,042	2,474,110	
Provision for income taxes	—	—	
Depreciation and amortization	488,334	876,053	
Class B share compensation	2,487,773	2,230,792	
Other non-operating (income) loss	—	(3,540,932)	
Adjusted EBITDA	$8,111,676	$10,716,918	
Adjusted EBITDA Margin[(1)]	26%	25%	

(1) Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Total Revenue ($8,111,676/$31,483,948) and ($10,716,918/$42,710,471) for 2016 and 2017, respectively.

Risk factors

An investment in our Class A common stock involves a high degree of risk. You should carefully consider the following risks, as well as the other information contained in this prospectus, before making an investment in our Class A common stock. If any of the following risks actually occur, our business, financial condition and results of operations may be materially adversely affected. In such an event, the trading price of our Class A common stock could decline and you could lose part or all of your investment.

Risks relating to our business

An overall decline in economic activity could have a material adverse effect on the financial condition and results of operations of our business.

Factors, such as business revenue, economic conditions, the volatility and strength of the capital markets and inflation can affect the business and economic environment. The demand for property and casualty insurance generally rises as the overall level of household income increases and generally falls as household income decreases, affecting both the commissions and fees generated by our business. The majority of our new accounts are sourced by referral sources tied to home closing transactions, and major slowdowns in the various housing markets Goosehead serves could impact our ability to generate new business. The economic activity that impacts property and casualty insurance is most closely correlated with employment levels, corporate revenue and asset values. In addition, an increase in consumer preference for car- and ride-sharing services, as opposed to automobile ownership, may result in a long term reduction in the number of vehicles per capita, and consequently the automobile insurance industry. Downward fluctuations in the year-over-year insurance premium charged by insurers to protect against the same risk, referred to in the industry as softening of the insurance market, could adversely affect our business as a significant portion of the earnings are determined as a percentage of premium charged to our clients. Insolvencies and consolidations associated with an economic downturn, especially insolvencies in the insurance industry, could adversely affect our brokerage business through the loss of clients by hampering our ability to place insurance business. Our clients may have less need for insurance coverage, cancel existing insurance policies, modify their coverage or not renew the policies they hold with us. Also, error and omission claims against us, which we refer to as E&O claims, may increase in economic downturns, also adversely affecting our brokerage business. A decline in economic activity could have a material adverse effect on our business, financial condition and results of operations.

Volatility or declines in premiums or other adverse trends in the insurance industry may seriously undermine our profitability.

We derive most of our revenue from commissions and fees for our brokerage services. We do not determine the insurance premiums on which our commissions are generally based. Moreover, insurance premiums are cyclical in nature and may vary widely based on market conditions. Because of market cycles for insurance product pricing, which we cannot predict or control, our brokerage revenues and profitability can be volatile or remain depressed for significant periods of time. In addition, there have been and may continue to be various trends in the insurance industry toward alternative insurance markets including, among other things, greater levels of self-insurance, captives, rent-a-captives, risk retention groups and non-insurance capital markets-based solutions to traditional insurance.

As traditional risk-bearing Carriers continue to outsource the production of premium revenue to non-affiliated brokers or agents such as us, those Carriers may seek to further minimize their expenses by reducing the commission rates payable to insurance agents or brokers. The reduction of these commission rates, along with general volatility and/or declines in premiums, may significantly affect our profitability. Because we do not determine the timing or extent of premium pricing changes, it is difficult to precisely forecast our commission

revenues, including whether they will significantly decline. As a result, we may have to adjust our budgets for future acquisitions, capital expenditures, dividend payments, loan repayments and other expenditures to account for unexpected changes in revenues, and any decreases in premium rates may adversely affect our business, financial condition and results of operations.

Because the revenue we earn on the sale of certain insurance products is based on premiums and commission rates set by insurers, any decreases in these premiums or commission rates, or actions by Carriers seeking repayment of commissions, could result in revenue decreases or expenses to us.

We derive revenue from commissions on the sale of insurance products that are paid by the Carriers from whom our clients purchase insurance. Because payments for the sale of insurance products are processed internally by Carriers, we may not receive a payment that is otherwise expected in any particular period until after the end of that period, which can adversely affect our ability to budget for significant future expenditures. Additionally, Carriers or their affiliates may under certain circumstances seek the chargeback or repayment of commissions as a result of policy lapse, surrender, cancellation, rescission, default, or upon other specified circumstances. As a result of the chargeback or repayment of commissions, we may incur an expense in a particular period related to revenue previously recognized in a prior period and reflected in our financial statements. Such an expense could have a material adverse effect on our results of operations and financial condition, particularly if the expense is greater than the amount of related revenue retained by us.

The commission rates are set by Carriers and are based on the premiums that the Carriers charge. The potential for changes in premium rates is significant, due to pricing cyclicality in the insurance market. In addition, the insurance industry has been characterized by periods of intense price competition due to excessive underwriting capacity and periods of favorable premium levels due to shortages of capacity. Capacity could also be reduced by Carriers failing or withdrawing from writing certain coverages that we offer our customers. Commission rates and premiums can change based on prevailing legislative, economic and competitive factors that affect Carriers. These factors, which are not within our control, include the capacity of Carriers to place new business, underwriting and non-underwriting profits of Carriers, consumer demand for insurance products, the availability of comparable products from other Carriers at a lower cost and the availability of alternative insurance products, such as government benefits and self-insurance products, to consumers. We cannot predict the timing or extent of future changes in commission rates or premiums or the effect any of these changes will have on our business, financial condition and results of operations.

Contingent Commissions we receive from Carriers are less predictable than standard commissions, and any decrease in the amount of these kinds of commissions we receive could adversely affect our results of operations.

A portion of our revenues consists of Contingent Commissions we receive from Carriers. Contingent Commissions are paid by Carriers based upon the profitability, volume and/or growth of the business placed with such companies during the prior year. If, due to the current economic environment or for any other reason, we are unable to meet Carriers' profitability, volume or growth thresholds, or Carriers increase their estimate of loss reserves (over which we have no control), actual Contingent Commissions we receive could be less than anticipated, which could adversely affect our business, financial condition and results of operations.

Our business is subject to risks related to legal proceedings and governmental inquiries.

We are subject to litigation, regulatory investigations and claims arising in the normal course of our business operations. The risks associated with these matters often may be difficult to assess or quantify and the existence and magnitude of potential claims often remain unknown for substantial periods of time. While we have insurance coverage for some of these potential claims, others may not be covered by insurance, insurers may dispute coverage or any ultimate liabilities may exceed our coverage.

We may be subject to actions and claims relating to the sale of insurance, including the suitability of such products and services. Actions and claims may result in the rescission of such sales; consequently, Carriers may seek to recoup commissions paid to us, which may lead to legal action against us. The outcome of such actions cannot be predicted and such claims or actions could have a material adverse effect on our business, financial condition and results of operations.

We are subject to laws and regulations, as well as regulatory investigations. The insurance industry has been subject to a significant level of scrutiny by various regulatory bodies, including state attorneys general and insurance departments, concerning certain practices within the insurance industry. These practices include, without limitation, the receipt of Contingent Commissions by insurance brokers and agents from Carriers and the extent to which such compensation has been disclosed, the collection of Agency Fees, bid rigging and related matters. From time to time, our subsidiaries received informational requests from governmental authorities. We have cooperated and will continue to cooperate fully with all governmental agencies.

There have been a number of revisions to existing, or proposals to modify or enact new, laws and regulations regarding insurance agents and brokers. These actions have imposed or could impose additional obligations on us with respect to our products sold. Some Carriers have agreed with regulatory authorities to end the payment of Contingent Commissions on insurance products, which could impact our commissions that are based on the volume, consistency and profitability of business generated by us.

We cannot predict the impact that any new laws, rules or regulations may have on our business and financial results. Given the current regulatory environment and the number of our subsidiaries operating in local markets throughout the country, it is possible that we will become subject to further governmental inquiries and subpoenas and have lawsuits filed against us. Regulators may raise issues during investigations, examinations or audits that could, if determined adversely, have a material impact on us. The interpretations of regulations by regulators may change and statutes may be enacted with retroactive impact. We could also be materially adversely affected by any new industry-wide regulations or practices that may result from these proceedings.

Our involvement in any investigations and lawsuits would cause us to incur additional legal and other costs and, if we were found to have violated any laws, we could be required to pay fines, damages and other costs, perhaps in material amounts. Regardless of final costs, these matters could have a material adverse effect on us by exposing us to negative publicity, reputational damage, harm to client relationships, or diversion of personnel and management resources.

Conditions impacting Carriers or other parties that we do business with may impact us.

We have a significant amount of accounts receivable from Carriers with which we place insurance. If those Carriers were to experience liquidity problems or other financial difficulties, we could encounter delays or defaults in payments owed to us, which could have a significant adverse impact on our financial condition and results of operations. The potential for an insurer to cease writing insurance we offer our clients could negatively impact overall capacity in the industry, which in turn could have the effect of reduced placement of certain lines and types of insurance and reduced revenue and profitability for us. Questions about a Carrier’s perceived stability or financial strength may contribute to such insurers’ strategic decisions to focus on certain lines of insurance to the detriment of others.

Regulations affecting Carriers with which we place business affect how we conduct our operations.

Insurers are also regulated by state insurance departments for solvency issues and are subject to reserve requirements. We cannot guarantee that all Carriers with which we do business comply with regulations instituted by state insurance departments. We may need to expend resources to address questions or concerns regarding our relationships with these insurers, diverting management resources away from operating our business.

Competition in our industry is intense and, if we are unable to compete effectively, we may lose clients and our financial results may be negatively affected.

The business of providing insurance products and services is highly competitive and we expect competition to intensify. We compete for clients on the basis of reputation, client service, program and product offerings and our ability to tailor products and services to meet the specific needs of a client.

We actively compete with numerous integrated financial services organizations as well as Carriers and brokers, producer groups, individual insurance agents, investment management firms, independent financial planners and broker-dealers. Competition may reduce the fees that we can obtain for services provided, which would have an adverse effect on revenue and margins. Many of our competitors have greater financial and marketing resources than we do and may be able to offer products and services that we do not currently offer and may not offer in the future. To the extent that banks, securities firms and Carrier affiliates, the financial services industry may experience further consolidation, and we therefore may experience increased competition from Carriers and the financial services industry, as a growing number of larger financial institutions increasingly, and aggressively, offer a wider variety of financial services, including insurance intermediary services. In addition, a number of Carriers are engaged in the direct sale of insurance, primarily to individuals, and do not pay commissions to brokers.

In addition, new competitors, alliances among competitors or mergers of competitors could emerge and gain significant market share, and some of our competitors may have or may develop a lower cost structure, adopt more aggressive pricing policies or provide services that gain greater market acceptance than the services that we offer or develop. Competitors may be able to respond to the need for technological changes and innovate faster, or price their services more aggressively. They may also compete for skilled professionals, finance acquisitions, fund internal growth and compete for market share more effectively than we do. To respond to increased competition and pricing pressure, we may have to lower the cost of our services or decrease the level of service provided to clients, which could have an adverse effect on our business, financial condition and results of operations.

Some of our competitors may be able to sustain the costs of litigation more effectively than we can because they have substantially greater resources. In the event any of such competitors initiate litigation against us, such litigation, even if without merit, could be time-consuming and costly to defend and may divert management’s attention and resources away from our business and adversely affect our business, financial condition and results of operations.

Similarly, any increase in competition due to new legislative or industry developments could adversely affect us. These developments include:

- Increased capital-raising by Carriers, which could result in new capital in the industry, which in turn may lead to lower insurance premiums and commissions;
- Carriers selling insurance directly to insureds without the involvement of a broker or other intermediary;
- Changes in our business compensation model as a result of regulatory developments;
- Federal and state governments establishing programs to provide property insurance in catastrophe-prone areas or other alternative market types of coverage, that compete with, or completely replace, insurance products offered by Carriers; and
- Increased competition from new market participants such as banks, accounting firms, consulting firms and Internet or other technology firms offering risk management or insurance brokerage services, or new distribution channels for insurance such as payroll firms.

New competition as a result of these or other competitive or industry developments could cause the demand for our products and services to decrease, which could in turn adversely affect our business, financial condition and results of operations.

Our business, financial condition and results of operations may be negatively affected by E&O claims.

We have significant insurance agency and brokerage operations, and are subject to claims and litigation in the ordinary course of business resulting from alleged and actual errors and omissions in placing insurance and rendering coverage advice. These activities involve substantial amounts of money. Since E&O claims against us may allege our liability for all or part of the amounts in question, claimants may seek large damage awards. These claims can involve significant defense costs. Errors and omissions could include failure, whether negligently or intentionally, to place coverage on behalf of clients, to provide Carriers with complete and accurate information relating to the risks being insured, or to appropriately apply funds that we hold on a fiduciary basis. It is not always possible to prevent or detect errors and omissions, and the precautions we take may not be effective in all cases.

We have errors and omissions insurance coverage to protect against the risk of liability resulting from our alleged and actual errors and omissions. Prices for this insurance and the scope and limits of the coverage terms available are dependent on our claims history as well as market conditions that are outside of our control. While we endeavor to purchase coverage that is appropriate to our assessment of our risk, we are unable to predict with certainty the frequency, nature or magnitude of claims for direct or consequential damages or whether our errors and omissions insurance will cover such claims.

In establishing liabilities for E&O claims, we utilize case level reviews by inside and outside counsel and an internal analysis to estimate potential losses. The liability is reviewed annually and adjusted as developments warrant. Given the unpredictability of E&O claims and of litigation that could flow from them, it is possible that an adverse outcome in a particular matter could have a material adverse effect on our results of operations, financial condition or cash flow in a given quarterly or annual period.

Our business is dependent upon information processing systems. Security or data breaches may hurt our business.

Our ability to provide insurance services to clients and to create and maintain comprehensive tracking and reporting of client accounts depends on our capacity to store, retrieve and process data, manage significant databases and expand and periodically upgrade our information processing capabilities. As our operations evolve, we will need to continue to make investments in new and enhanced information systems. As our information system providers revise and upgrade their hardware, software and equipment technology, we may encounter difficulties in integrating these new technologies into our business. Interruption or loss of our information processing capabilities or adverse consequences from implementing new or enhanced systems could have a material adverse effect on our business, financial condition and results of operations.

In the course of providing financial services, we may electronically store or transmit personally identifiable information, such as social security numbers or credit card or bank information, of clients or employees of clients. Breaches in data security or infiltration by unauthorized persons of our network security could cause interruptions in operations and damage to our reputation. While we maintain policies, procedures and technological safeguards designed to protect the security and privacy of this information, we cannot entirely eliminate the risk of improper access to or disclosure of personally identifiable information nor the related costs we incur to mitigate the consequences from such events. Privacy laws and regulations are matters of growing public concern and are continuously changing in the states in which we operate. The failure to adhere to or successfully implement procedures to respond to these regulations could result in legal liability or impairment to our reputation.

Further, despite security measures taken, our systems may be vulnerable to physical break-ins, unauthorized access, viruses or other disruptive problems. If our systems or facilities were infiltrated or damaged, our clients could experience data loss, financial loss and significant business interruption leading to a material adverse effect on our business, financial condition and results of operations. We may be required to expend significant additional resources to modify protective measures, to investigate and remediate vulnerabilities or other exposures or to make required notifications.

We rely on the availability and performance of information technology services provided by third parties.

While we maintain some of our critical information technology systems, we are also dependent on third party service providers, including Salesforce.com, to provide important information technology services relating to, among other things, agency management services, sales and service support, electronic communications and certain finance functions. If the service providers to which we outsource these functions do not perform effectively, we may not be able to achieve the expected cost savings and may have to incur additional costs to correct errors made by such service providers. Depending on the function involved, such errors may also lead to business disruption, processing inefficiencies, the loss of or damage to intellectual property through security breach, the loss of sensitive data through security breach, or otherwise. While we or any third party service provider have not experienced any significant disruption, failure or breach impacting our information technology systems, any such disruption, failure or breach could adversely affect our business, financial condition and results of operations.

Our inability to successfully recover should we experience a disaster or other business continuity problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability.

Should we experience a local or regional disaster or other business continuity problem, such as an earthquake, hurricane, terrorist attack, pandemic, security breach, power loss, telecommunications failure or other natural or man-made disaster, our continued success will depend, in part, on the availability of personnel, office facilities, and the proper functioning of computer, telecommunication and other related systems and operations. We could potentially lose client data or experience material adverse interruptions to our operations or delivery of services to clients in a disaster recovery scenario.

If we are unable to apply technology effectively in driving value for our clients through technology-based solutions or gain internal efficiencies and effective internal controls through the application of technology and related tools, our operating results, client relationships, growth and compliance programs could be adversely affected.

Our future success depends, in part, on our ability to anticipate and respond effectively to the threat of digital disruption and other technology change. We must also develop and implement technology solutions and technical expertise among our employees that anticipate and keep pace with rapid and continuing changes in technology, industry standards, client preferences and internal control standards. We may not be successful in anticipating or responding to these developments on a timely and cost-effective basis, and our ideas may not be accepted in the marketplace. Additionally, the effort to gain technological expertise and develop new technologies in our business requires us to incur significant expenses. If we cannot offer new technologies as quickly as our competitors, or if our competitors develop more cost-effective technologies or product offerings, we could experience a material adverse effect on our operating results, client relationships, growth and compliance programs.

In some cases, we depend on key vendors and partners to provide technology and other support for our strategic initiatives, such as the Salesforce.com platform. If these third parties fail to perform their obligations or cease to work with us, our ability to execute on our strategic initiatives could be adversely affected.

Damage to our reputation could have a material adverse effect on our business.

Our reputation is one of our key assets. We advise our clients on and provide services related to a wide range of subjects and our ability to attract and retain clients is highly dependent upon the external perceptions of our level of service, trustworthiness, business practices, financial condition and other subjective qualities. Negative perceptions or publicity regarding these or other matters, including our association with clients or business partners who themselves have a damaged reputation, or from actual or alleged conduct by us or our employees, could damage our reputation. Any resulting erosion of trust and confidence among existing and potential clients, regulators and other parties important to the success of our business could make it difficult for us to attract new clients and maintain existing ones, which could have a material adverse effect on our business, financial condition and results of operations.

Our inability to retain or hire qualified employees, as well as the loss of any of our executive officers, could negatively impact our ability to retain existing business and generate new business.

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

If any of our key professionals were to join an existing competitor or form a competing company, some of our customers could choose to use the services of that competitor instead of our services. Our key personnel are prohibited by contract from soliciting our employees and customers and from competing in our industry in the vicinity of the Company office at which such key personnel member was employed for a period of two years following separation from employment with us. However, there can be no assurance that we will be successful in enforcing these contracts.

In addition, we could be adversely affected if we fail to adequately plan for the succession of our senior leaders, including our founders and key executives. In particular, our future success is substantially dependent on the continued service our co-founder, chairman and CEO, Mark Jones. Although we operate with a decentralized management system, the loss of our senior managers or other key personnel, or our inability to continue to identify, recruit and retain such personnel, could materially and adversely affect our business, financial condition and results of operation.

The occurrence of natural or man-made disasters could result in declines in business and increases in claims that could adversely affect our financial condition, results of operations and cash flows.

We are exposed to various risks arising out of natural disasters, including earthquakes, hurricanes, fires, floods, landslides, tornadoes, typhoons, tsunamis, hailstorms, explosions, climate events or weather patterns and pandemic health events, as well as man-made disasters, including acts of terrorism, military actions, cyber-terrorism, explosions and biological, chemical or radiological events. The continued threat of terrorism and ongoing military actions may cause significant volatility in global financial markets, and a natural or man-made disaster could trigger an economic downturn in the areas directly or indirectly affected by the disaster. These consequences could, among other things, result in a decline in business and increased claims from those areas. They could also result in reduced underwriting capacity of our Carriers, making it more difficult for our agents to place business. Disasters also could disrupt public and private infrastructure, including communications and financial services, which could disrupt our normal business operations. Any increases in loss ratios due to natural or man-made disasters could impact our Contingent Commissions, which are primarily driven by both growth and profitability metrics.

A natural or man-made disaster also could disrupt the operations of our counterparties or result in increased prices for the products and services they provide to us. Finally, a natural or man-made disaster could increase the incidence or severity of E&O claims against us.

Non-compliance with or changes in laws, regulations or licensing requirements applicable to us could restrict our ability to conduct our business.

The industry in which we operate is subject to extensive regulation. We are subject to regulation and supervision both federally and in each applicable local jurisdiction. In general, these regulations are designed to protect clients, policyholders and insureds and to protect the integrity of the financial markets, rather than to protect stockholders or creditors. Our ability to conduct business in these jurisdictions depends on our compliance with the rules and regulations promulgated by federal regulatory bodies and other regulatory authorities. Failure to comply with regulatory requirements, or changes in regulatory requirements or interpretations, could result in actions by regulators, potentially leading to fines and penalties, adverse publicity and damage to our reputation in the marketplace. There can be no assurance that we will be able to adapt effectively to any changes in law. In extreme cases, revocation of a subsidiary's authority to do business in one or more jurisdictions could result from failure to comply with regulatory requirements. In addition, we could face lawsuits by clients, insureds and other parties for alleged violations of certain of these laws and regulations. It is difficult to predict whether changes resulting from new laws and regulations will affect the industry or our business and, if so, to what degree.

Employees and principals who engage in the solicitation, negotiation or sale of insurance, or provide certain other insurance services, generally are required to be licensed individually. Insurance and laws and regulations govern whether licensees may share commissions with unlicensed entities and individuals. We believe that any payments we make to third parties are in compliance with applicable laws. However, should any regulatory agency take a contrary position and prevail, we will be required to change the manner in which we pay fees to such employees or principals or require entities receiving such payments to become registered or licensed.

State insurance laws grant supervisory agencies, including state insurance departments, broad administrative authority. State insurance regulators and the National Association of Insurance Commissioners continually review existing laws and regulations, some of which affect our business. These supervisory agencies regulate many aspects of the insurance business, including, the licensing of insurance brokers and agents and other insurance intermediaries, the handling of third-party funds held in a fiduciary capacity, and trade practices, such as marketing, advertising and compensation arrangements entered into by insurance brokers and agents.

Federal, state and other regulatory authorities have focused on, and continue to devote substantial attention to, the insurance industry as well as to the sale of products or services to seniors. Regulatory review or the issuance of interpretations of existing laws and regulations may result in the enactment of new laws and regulations that could adversely affect our operations or our ability to conduct business profitably. We are unable to predict whether any such laws or regulations will be enacted and to what extent such laws and regulations would affect our business.

In connection with the implementation of our corporate strategies, we face risks associated with the acquisition or disposition of businesses, the entry into new lines of business, the integration of acquired businesses and the growth and development of these businesses.

In pursuing our corporate strategy, we may acquire other businesses or dispose of or exit businesses we currently own. The success of this strategy is dependent upon our ability to identify appropriate acquisition and disposition targets, negotiate transactions on favorable terms, complete transactions and, in the case of acquisitions, successfully integrate them into our existing businesses. If a proposed transaction is not consummated, the time and resources spent in researching it could adversely result in missed opportunities to locate and acquire other businesses. If acquisitions are made, there can be no assurance that we will realize the

anticipated benefits of such acquisitions, including, but not limited to, revenue growth, operational efficiencies or expected synergies. If we dispose of or otherwise exit certain businesses, there can be no assurance that we will not incur certain disposition related charges, or that we will be able to reduce overhead related to the divested assets.

From time to time, either through acquisitions or internal development, we may enter new lines of business or offer new products and services within existing lines of business. These new lines of business or new products and services may present additional risks, particularly in instances where the markets are not fully developed. Such risks include the investment of significant time and resources; the possibility that these efforts will be not be successful; the possibility that marketplace does not accept our products or services, or that we are unable to retain clients that adopt our new products or services; and the risk of additional liabilities associated with these efforts. In addition, many of the businesses that we acquire and develop will likely have significantly smaller scales of operations prior to the implementation of our growth strategy. If we are not able to manage the growing complexity of these businesses, including improving, refining or revising our systems and operational practices, and enlarging the scale and scope of the businesses, our business may be adversely affected. Other risks include developing knowledge of and experience in the new business, integrating the acquired business into our systems and culture, recruiting professionals and developing and capitalizing on new relationships with experienced market participants. External factors, such as compliance with new or revised regulations, competitive alternatives and shifting market preferences may also impact the successful implementation of a new line of business. Failure to manage these risks in the acquisition or development of new businesses could materially and adversely affect our business, financial condition and results of operations.

We have debt outstanding that could adversely affect our financial flexibility and subjects us to restrictions and limitations that could significantly impact our ability to operate our business.

As of December 31, 2017, we had total consolidated debt outstanding of approximately $49.6 million, collateralized by substantially all of the Company's assets, including rights to future commissions. In the year ending December 31, 2016, we had debt servicing costs of $346,667, all of which was attributable to interest. In the year ending December 31, 2017, we had debt servicing costs of $2,691,677, of which $2,316,677 was attributable to interest. The level of debt we have outstanding during any period could adversely affect our financial flexibility. We also bear risk at the time debt matures. Our ability to make interest and principal payments, to refinance our debt obligations and to fund our planned capital expenditures will depend on our ability to generate cash from operations. Our ability to generate cash from operations is, to a certain extent, subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control, such as an environment of rising interest rates. The need to service our indebtedness will also reduce our ability to use cash for other purposes, including working capital, dividends to stockholders, acquisitions, capital expenditures, share repurchases, and general corporate purposes. If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions, and investments, any of which could impede the implementation of our business strategy or prevent us from entering into transactions that would otherwise benefit our business. Additionally, we may not be able to effect such actions, if necessary, on favorable terms, or at all. We may not be able to refinance any of our indebtedness on favorable terms, or at all.

The Credit Agreement (as defined below) governing our debt contains covenants that, among other things, restrict our ability to make certain restricted payments, incur additional debt, engage in certain asset sales, mergers, acquisitions or similar transactions, create liens on assets, engage in certain transactions with affiliates, change our business or make investments and require us to comply with certain financial covenants. The restrictions in the Credit Agreement governing our debt may prevent us from taking actions that we believe would be in the best interest of our business and our stockholders and may make it difficult for us to execute

our business strategy successfully or effectively compete with companies that are not similarly restricted. We may also incur future debt obligations that might subject us to additional or more restrictive covenants that could affect our financial and operational flexibility, including our ability to pay dividends. We cannot make any assurances that we will be able to refinance our debt or obtain additional financing on terms acceptable to us, or at all. A failure to comply with the restrictions under the Credit Agreement could result in a default under the financing obligations or could require us to obtain waivers from our lenders for failure to comply with these restrictions. The occurrence of a default that remains uncured or the inability to secure a necessary consent or waiver could cause our obligations with respect to our debt to be accelerated and have a material adverse effect on our business, financial condition and results of operations.

Because our business is highly concentrated in Texas, California, Florida and Illinois, adverse economic conditions, natural disasters, or regulatory changes in these states could adversely affect our financial condition.

A significant portion of our business is concentrated in Texas, California, Florida and Illinois. The insurance business is primarily a state-regulated industry, and therefore, state legislatures may enact laws that adversely affect the insurance industry. Because our business is concentrated in the states identified above, we face greater exposure to unfavorable changes in regulatory conditions in those states than insurance intermediaries whose operations are more diversified through a greater number of states. In addition, the occurrence of adverse economic conditions, natural or other disasters, or other circumstances specific to or otherwise significantly impacting these states could adversely affect our financial condition, results of operations and cash flows. We are susceptible to losses and interruptions caused by hurricanes (particularly in Texas, where our headquarters and several offices are located), earthquakes, power shortages, telecommunications failures, water shortages, floods, fire, extreme weather conditions, geopolitical events such as terrorist acts and other natural or man-made disasters. Our insurance coverage with respect to natural disasters is limited and is subject to deductibles and coverage limits. Such coverage may not be adequate, or may not continue to be available at commercially reasonable rates and terms.

Changes in tax laws as a result of the enactment of recent tax legislation could impact our operations and profitability.

Legislation commonly known as the Tax Cuts and Jobs Act (the “Tax Reform Act”) was signed into law on December 22, 2017. The Tax Reform Act will make significant changes to the U.S. federal income tax rules for taxation of individuals and corporations, generally effective for taxable years beginning after December 31, 2017. In the case of individuals, the tax brackets will be adjusted, the top federal income rate will be reduced to 37%, special rules will reduce taxation of certain income earned through pass-through entities and various deductions will be eliminated or limited, including limiting the deduction for state and local taxes to $10,000 per year, decreasing the mortgage interest deduction on new homes to $750,000 and eliminating the home equity line of credit interest deduction for loans that are not considered home acquisition debt.

Changes in these deductions may affect taxpayers in states with high residential home prices and high state and local taxes, such as California and New York, and may also negatively impact the housing market. Our homeowner and dwelling property lines of business comprised 52% of our premiums in 2017 and a majority of our new accounts are sourced by referral sources tied to home closing transactions. As we expand our franchise pipeline into new geographies that are located in high tax jurisdictions, we cannot guarantee our ability to grow our client base at the same pace as our existing geographies and generate new business if there is lower demand in the housing market as a consequence of the Tax Reform Act.

We derive a significant portion of our commission revenues from a limited number of Carriers, the loss of which would result in additional expense and loss of market share.

For the year ended December 31 2017, six Carriers accounted for 61% of our total core commissions, or $26.0 million of our 2017 total core commissions, three Carriers of which accounted for 44%, or $18.9 million, of our total core commissions. We have three Carriers who each represent 10% or more of our total revenue. These Carriers represented 18%, 14% and 11% of our total revenue in 2016 and 18%, 15% and 11% of our total revenue in 2017. Should any of these Carriers seek to terminate its arrangements with us, we could be forced to move our business to another Carrier and some additional expense and loss of market share could possibly result.

Our business may be harmed if we lose our relationships with Carriers, fail to maintain good relationships with Carriers, become dependent upon a limited number of Carriers or fail to develop new Carrier relationships.

Our business typically enters into contractual agency relationships with Carriers that are sometimes unique to Goosehead, but non-exclusive and terminable on short notice by either party for any reason. In many cases, Carriers also have the ability to amend the terms of our agreements unilaterally on short notice. Carriers may be unwilling to allow us to sell their existing or new insurance products or may amend our agreements with them, for a variety of reasons, including for competitive or regulatory reasons or because of a reluctance to distribute their products through our platform. Carriers may decide to rely on their own internal distribution channels, choose to exclude us from their most profitable or popular products, or decide not to distribute insurance products in individual markets in certain geographies or altogether. The termination or amendment of our relationship with a Carrier could reduce the variety of insurance products we offer. We also could lose a source of, or be paid reduced commissions for, future sales and could lose Renewal Revenue for past sales. Our business could also be harmed if we fail to develop new Carrier relationships.

In the future, it may become necessary for us to offer insurance products from a reduced number of Carriers or to derive a greater portion of our revenues from a more concentrated number of Carriers as our business and the insurance industry evolve. Should our dependence on a smaller number of Carriers increase, whether as a result of the termination of Carrier relationships, Carrier consolidation or otherwise, we may become more vulnerable to adverse changes in our relationships with our Carriers, particularly in states where we offer insurance products from a relatively small number of Carriers or where a small number of Carriers dominate the market. The termination, amendment or consolidation of our relationship with our Carriers could harm our business, financial condition and results of operations.

The failure by Mark Jones and Robyn Jones to maintain either a minimum voting interest in us or the ability to elect or designate for election at least a majority of our board of directors could trigger a change of control default under our Credit Agreement.

Pursuant to the Credit Agreement, a change of control default will be triggered when any person or group other than Mark Jones and Robyn Jones becomes the beneficial owner of more than 50% of the voting power represented by our outstanding equity interests, unless Mark and Robyn Jones have the ability to elect or designate for election at least a majority of our board of directors. Such a default could result in the acceleration of repayment of our and our subsidiaries' indebtedness, including borrowings under the Revolving Credit Facility (as defined below) if not waived by the lenders under the Credit Agreement. Mark Jones and Robyn Jones may choose to dispose of part or all of their stakes in us and/or may cease to exercise the current level of control they have over the appointment and removal of members of our board of directors. Any such changes may trigger a change of control event that could result in us being forced to repay the outstanding sums owed under our Credit Agreement. If any such event occurs, this may negatively affect our financial condition and operating results. In addition, we may not have sufficient funds to finance repayment of any of such indebtedness upon any such change of control.

Risks relating to our franchise business

The failure to attract and retain highly qualified Franchisees could compromise our ability to expand the Goosehead network.

Our most important asset is the people in our network, and the success of Goosehead depends largely on our ability to attract and retain high quality franchise agents. If we fail to attract and retain franchise agents, our Franchisees may fail to generate the revenue necessary to pay the contractual fees owed to us.

The nature of franchise relationships can give rise to conflict. For example, Franchisees or agents may become dissatisfied with the amount of contractual fees owed under franchise or other applicable arrangements, particularly in the event that we decide to increase fees further. They may disagree with certain network-wide policies and procedures, including policies such as those dictating brand standards or affecting their marketing efforts. They may also be disappointed with any marketing campaigns designed to develop our brand. There are a variety of reasons why our franchisor-franchisee relationship can give rise to conflict. If we experience any conflicts with our Franchisees on a large scale, our Franchisees may decide not to renew their Franchise Agreements upon expiration or may file lawsuits against us or they may seek to disaffiliate with us, which could also result in litigation. These events may, in turn, materially and adversely affect our business, financial condition and results of operations.

Our financial results are affected directly by the operating results of Franchisees and agents, over whom we do not have direct control.

Our franchises generate revenue in the form of Agency Fees and commissions. Accordingly, our financial results depend upon the operational and financial success of our Franchisees and their agents. If industry trends or economic conditions are not sustained or do not continue to improve, our Franchisees' financial results may worsen and our revenue may decline. We may also have to terminate Franchisees due to non-reporting and non-payment. Further, if Franchisees fail to renew their Franchise Agreements, or if we decide to restructure Franchise Agreements in order to induce Franchisees to renew these agreements, then our revenues may decrease, and profitability from new Franchisees may be lower than in the past due to reduced ongoing fees and other non-standard incentives we may need to provide.

We rely in part on our Franchisees and the manner in which they operate their locations to develop and promote our business. Although we have developed criteria to evaluate and screen prospective Franchisees, we cannot be certain that our Franchisees will have the business acumen or financial resources necessary to operate successful franchises in their franchise areas and state franchise laws may limit our ability to terminate or modify these Franchise Agreements. Moreover, despite our training, support and monitoring, Franchisees may not successfully operate in a manner consistent with our standards and requirements, or may not hire and train qualified personnel. The failure of our Franchisees to operate their franchises successfully could have a material adverse effect on us, our reputation, our brand and our ability to attract prospective Franchisees and could materially adversely affect our business, financial condition or results of operations.

Our Franchisees and agents could take actions that could harm our business.

Our Franchisees are independent businesses and the agents who work within these brokerages are independent contractors and, as such, are not our employees, and we do not exercise control over their day-to-day operations. Our Franchisees may not operate their insurance brokerage businesses in a manner consistent with industry standards, or may not attract and retain qualified independent contractor agents. If Franchisees were to provide diminished quality of service to customers, engage in fraud, defalcation, misconduct or negligence or otherwise violate the law or realtor codes of ethics, our image and reputation may suffer materially and we may become subject to liability claims based upon such actions of our Franchisees and agents. Any such incidence could adversely affect our results of operations.

Brand value can be severely damaged even by isolated incidents, particularly if the incidents receive considerable negative publicity or result in litigation. Some of these incidents may relate to the way we manage our relationship with our Franchisees, our growth strategies or the ordinary course of our business or our Franchisees' business. Other incidents may arise from events that are or may be beyond our control and may damage our brand, such as actions taken (or not taken) by one or more Franchisees or their agents relating to health, safety, welfare or other matters; litigation and claims; failure to maintain high ethical and social standards for all of our operations and activities; failure to comply with local laws and regulations; and illegal activity targeted at us or others. Our brand value could diminish significantly if any such incidents or other matters erode consumer confidence in us, which may result in a decrease in our total agent count and, ultimately, lower continuing franchise fees, which in turn would materially and adversely affect our business, financial condition and results of operations.

We are subject to a variety of additional risks associated with our Franchisees.

Our franchise system subjects us to a number of risks, any one of which may harm the reputation associated with our brand, and/or may materially and adversely impact our business and results of operations.

Franchisee insurance. The Franchise Agreements require each Franchisee to maintain certain insurance types and levels. Certain extraordinary hazards, however, may not be covered, and insurance may not be available (or may be available only at prohibitively expensive rates) with respect to many other risks. Moreover, any loss incurred could exceed policy limits or the Franchisee could lack the required insurance at the time the claim arises, in breach of the insurance requirement, and policy payments made to Franchisees may not be made on a timely basis. Any such loss or delay in payment could have a material and adverse effect on a Franchisee's ability to satisfy its obligations under its Franchise Agreement, including its ability to make payments for contractual fees or to indemnify us.

Franchise nonrenewal. Each Franchise Agreement has an expiration date. Upon the expiration of the Franchise Agreement, we or the Franchisee may or may not elect to renew the Franchise Agreement. If the Franchise Agreement is renewed, such renewal is generally contingent on the Franchisee's execution of the then-current form of Franchise Agreement (which may include terms the Franchisee deems to be more onerous than the prior Franchise Agreement), the satisfaction of certain conditions and the payment of a renewal fee. If a Franchisee is unable or unwilling to satisfy any of the foregoing conditions, the expiring Franchise Agreement will terminate upon expiration of the term of the Franchise Agreement. If Franchisees choose not to renew their Franchise Agreements, then this could have a material impact on our financial condition.

Failure to support our expanding franchise system could have a material adverse effect on our business, financial condition or results of operations.

Our growth strategy depends in part on expanding our franchise network, which will require the implementation of enhanced business support systems, management information systems, financial controls and other systems and procedures as well as additional management, franchise support and financial resources. We may not be able to manage our expanding franchise system effectively. Failure to provide our Franchisees with adequate support and resources could materially adversely affect both our new and existing Franchisees as well as cause disputes between us and our Franchisees and potentially lead to material liabilities. Any of the foregoing could materially adversely affect our business, financial condition and results of operations.

Our franchising activities are subject to a variety of state and federal laws and regulations regarding franchises, and any failure to comply with such existing or future laws and regulations could adversely affect our business.

The sale of franchises is regulated by various state laws as well as by the Federal Trade Commission ("FTC"). The FTC requires that franchisors make extensive disclosure to prospective Franchisees but does not require registration. A number of states require registration and/or disclosure in connection with franchise offers and sales. In addition, several states have "franchise relationship laws" or "business opportunity laws" that limit the ability of franchisors to terminate Franchise Agreements or to withhold consent to the renewal or transfer of these agreements. We believe that our franchising procedures, as well as any applicable state-specific procedures, comply in all material respects with both the FTC guidelines and all applicable state laws regulating franchising in those states in which we offer new Franchise Agreements. However, noncompliance could reduce anticipated revenue, which in turn may materially and adversely affect our business, financial condition and results of operations.

We are subject to certain risks related to litigation filed by or against us, and adverse results may harm our business and financial condition.

We cannot predict with certainty the costs of defense, the costs of prosecution, insurance coverage or the ultimate outcome of litigation and other proceedings filed by or against us, including remedies or damage awards, and adverse results in such litigation and other proceedings may harm our business and financial condition.

Such litigation and other proceedings may include, but are not limited to, complaints from or litigation by Franchisees, usually related to alleged breaches of contract or wrongful termination under the Franchise Agreements, actions relating to intellectual property, commercial arrangements and franchising arrangements.

In addition, litigation against a Franchisee or its affiliated sales agents by third parties, whether in the ordinary course of business or otherwise, may also include claims against us for liability by virtue of the franchise relationship. As our market share increases, competitors may pursue litigation to require us to change our business practices or offerings and limit our ability to compete effectively. Even claims without merit can be time-consuming and costly to defend and may divert management's attention and resources away from our business and adversely affect our business, financial condition and results of operations. Franchisees may fail to obtain insurance naming Goosehead Insurance, Inc. as an additional insured on such claims. In addition to increasing Franchisees' costs and limiting the funds available to pay us contractual fees and reducing the execution of new Franchise Agreements, claims against us (including vicarious liability claims) divert our management resources and could cause adverse publicity, which may materially and adversely affect us and our brand, regardless of whether such allegations are valid or whether we are liable. A substantial unsatisfied judgment against us or one of our subsidiaries could result in bankruptcy, which would materially and adversely affect our business, financial condition and results of operations.

We may not be able to manage growth successfully.

In order to successfully expand our business, we must effectively recruit, develop and motivate new Franchisees, and we must maintain the beneficial aspects of our corporate culture. We may not be able to hire new employees with the expertise necessary to manage our growth quickly enough to meet our needs. If we fail to effectively manage our hiring needs and successfully develop our Franchisees, our Franchisee and employee morale, productivity and retention could suffer, and our brand and results of operations could be harmed. Effectively managing our potential growth could require significant capital expenditures and place increasing demands on our management. We may not be successful in managing or expanding our operations or in

maintaining adequate financial and operating systems and controls. If we do not successfully manage these processes, our brand and results of operations could be adversely affected.

Risks relating to intellectual property and cybersecurity

Our business depends on a strong brand, and any failure to maintain, protect and enhance our brand would hurt our ability to grow our business, particularly in new markets where we have limited brand recognition.

We have developed a strong brand that we believe has contributed significantly to the success of our business. Maintaining, protecting and enhancing the "Goosehead Insurance" brand is critical to growing our business, particularly in new markets where we have limited brand recognition. If we do not successfully build and maintain a strong brand, our business could be materially harmed. Maintaining and enhancing the quality of our brand may require us to make substantial investments in areas such as marketing, community relations, outreach and employee training. We actively engage in advertisements, targeted promotional mailings and email communications, and engage on a regular basis in public relations and sponsorship activities. These investments may be substantial and may fail to encompass the optimal range of traditional, online and social advertising media to achieve maximum exposure and benefit to the brand.

Infringement, misappropriation or dilution of our intellectual property could harm our business.

We believe our Goosehead Insurance trademark has significant value and that this and other intellectual property are valuable assets that are critical to our success. Unauthorized uses or other infringement of our trademarks or service marks could diminish the value of our brand and may adversely affect our business. Effective intellectual property protection may not be available in every market. Failure to adequately protect our intellectual property rights could damage our brand and impair our ability to compete effectively. Even where we have effectively secured statutory protection for our trademarks and other intellectual property, our competitors and other third parties may misappropriate our intellectual property, and in the course of litigation, such competitors and other third parties occasionally attempt to challenge the breadth of our ability to prevent others from using similar marks or designs. If such challenges were to be successful, less ability to prevent others from using similar marks or designs may ultimately result in a reduced distinctiveness of our brand in the minds of consumers. Defending or enforcing our trademark rights, branding practices and other intellectual property could result in the expenditure of significant resources and divert the attention of management, which in turn may materially and adversely affect our business and operating results, even if such defense or enforcement is ultimately successful. Even though competitors occasionally may attempt to challenge our ability to prevent infringers from using our marks, we are not aware of any challenges to our right to use, and to authorize our Franchisees to use, any of our brand names or trademarks.

Failure to protect or enforce our intellectual property rights, or allegations that we have infringed on the intellectual property rights of others, could harm our reputation, ability to compete effectively, financial condition and business.

To protect our intellectual property rights, we rely on a combination of trademark laws, copyright laws, trade secret protection, confidentiality agreements and other contractual arrangements with our affiliates, employees, clients, strategic partners and others. However, the protective steps that we take may be inadequate to deter misappropriation of our proprietary information or infringement of our intellectual property. In addition, we may be unable to detect the unauthorized use of our intellectual property rights. Failure to protect our intellectual property adequately could harm our reputation and affect our ability to compete effectively. In addition, even if we initiate litigation against third parties such as infringement suits, we may not prevail.

Meanwhile, third parties may assert intellectual property rights claims against us, which may be costly to defend, could require the payment of damages and could limit our ability to use or offer certain technologies, products or other intellectual property. Any intellectual property claims, with or without merit, could be expensive, take significant time and divert management's attention from other business concerns. Successful challenges against us could require us to modify or discontinue our use of technology or business processes where such use is found to infringe or violate the rights of others, or require us to purchase licenses from third parties, any of which could adversely affect our business, financial condition and results of operations.

Improper disclosure of confidential, personal or proprietary data, whether due to human error, misuse of information by employees or vendors, or as a result of cyberattacks, could result in regulatory scrutiny, legal liability or reputational harm, and could have an adverse effect on our business or operations.

We maintain confidential, personal and proprietary information relating to our company, our employees and our clients. This information includes personally identifiable information, protected health information and financial information. We are subject to laws and regulations relating to the collection, use, retention, security and transfer of this information. These laws apply to transfers of information among our affiliates, as well as to transactions we enter into with third party vendors.

Cybersecurity breaches, such as computer viruses, unauthorized parties gaining access to our information technology systems and similar incidents could disrupt the security of our internal systems and business applications, impair our ability to provide services to our clients and protect the privacy of their data, compromise confidential business information, result in intellectual property or other confidential or proprietary information being lost or stolen, including client, employee or company data, which could harm our competitive position or otherwise adversely affect our business. Cyber threats are constantly evolving, which makes it more difficult to detect cybersecurity incidents, assess their severity or impact in a timely manner, and successfully defend against them.

We maintain policies, procedures and technical safeguards designed to protect the security and privacy of confidential, personal and proprietary information. Nonetheless, we cannot eliminate the risk of human error or guarantee our safeguards against employee, vendor or third party malfeasance. It is possible that the steps we follow, including our security controls over personal data and training of employees on data security, may not prevent improper access to, disclosure of, or misuse of confidential, personal or proprietary information. This could cause harm to our reputation, create legal exposure, or subject us to liability under laws that protect personal data, resulting in increased costs or loss of revenue.

Data privacy is subject to frequently changing laws, rules and regulations in the various jurisdictions in which we operate. For example, legislators in the U.S. are proposing new and more robust cybersecurity legislation in light of the recent broad-based cyberattacks at a number of companies. These and similar initiatives around the country could increase the cost of developing, implementing or securing our servers and require us to allocate more resources to improved technologies, adding to our IT and compliance costs. Our failure to adhere to, or successfully implement processes in response to, changing legal or regulatory requirements in this area could result in legal liability or damage to our reputation in the marketplace.

Risks relating to our organizational structure

We are a holding company and our principal asset after completion of this offering will be our % ownership interest in Goosehead Financial, LLC, and we are accordingly dependent upon distributions from Goosehead Financial, LLC to pay dividends, if any, taxes, make payments under the tax receivable agreement and pay other expenses.

We are a holding company and, upon completion of the reorganization transactions and this offering, our principal asset will be our direct or indirect ownership of % of the outstanding LLC Units. See "Organizational structure." We have no independent means of generating revenue. As the sole managing member of Goosehead Financial, LLC, we intend to cause Goosehead Financial, LLC to make distributions to the Pre-IPO LLC Members and us, in amounts sufficient to cover all applicable taxes payable by us and the Pre-IPO LLC members and any payments we are obligated to make under the tax receivable agreement we intend to enter into as part of the reorganization transactions and to fund dividends to our stockholders in accordance with our dividend policy, to the extent our board of directors declares such dividends.

Deterioration in the financial conditions, earnings or cash flow of Goosehead Financial, LLC and its subsidiaries for any reason could limit or impair their ability to pay such distributions. Additionally, to the extent that we need funds and Goosehead Financial, LLC is restricted from making such distributions to us under applicable law or regulation, as a result of covenants in our Credit Agreement or otherwise, we may not be able to obtain such funds on terms acceptable to us or at all and as a result could suffer a material adverse effect on our liquidity and financial condition.

In certain circumstances, Goosehead Financial, LLC will be required to make distributions to us and the other holders of LLC Units, and the distributions that Goosehead Financial, LLC will be required to make may be substantial.

Under the amended and restated Goosehead Financial, LLC agreement, Goosehead Financial, LLC will generally be required from time to time to make pro rata distributions in cash to us and the other holders of LLC Units in amounts that are intended to be sufficient to cover the taxes on our and the other LLC Units holders' respective allocable shares of the taxable income of Goosehead Financial, LLC. As a result of (i) potential differences in the amount of net taxable income allocable to us and the other LLC Unit holders, (ii) the lower tax rate applicable to corporations than individuals and (iii) the favorable tax benefits that we anticipate receiving from (a) acquisitions of interests in Goosehead Financial, LLC in connection with future taxable redemptions or exchanges of LLC Units for shares of our Class A common stock and (b) payments under the tax receivable agreement, we expect that these tax distributions will be in amounts that exceed our tax liabilities and obligations to make payments under the tax receivable agreement. Our board of directors will determine the appropriate uses for any excess cash so accumulated, which may include, among other uses, dividends, the payment of obligations under the tax receivable agreement and the payment of other expenses. We will have no obligation to distribute such cash (or other available cash other than any declared dividend) to our stockholders. No adjustments to the redemption or exchange ratio of LLC Units for shares of Class A common stock will be made as a result of either (i) any cash distribution by us or (ii) any cash that we retain and do not distribute to our shareholders. To the extent that we do not distribute such excess cash as dividends on our Class A common stock and instead, for example, hold such cash balances or lend them to Goosehead Financial, LLC, the Pre-IPO LLC Members would benefit from any value attributable to such cash balances as a result of their ownership of Class A common stock following a redemption or exchange of their LLC Units. See "Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement."

We are controlled by the Pre-IPO LLC Members whose interests in our business may be different than yours, and certain statutory provisions afforded to stockholders are not applicable to us.

The Pre-IPO LLC Members will control approximately % of the combined voting power of our common stock (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full) after the completion of this offering and the application of the net proceeds from this offering. Further, pursuant to a stockholders agreement we and the Pre-IPO LLC Members will enter into (the "Stockholders Agreement"), the Pre-IPO LLC Members may approve or disapprove substantially all transactions and other matters requiring approval by our stockholders, such as a merger, consolidation, dissolution or sale of all or substantially all of our assets, the issuance or redemption of certain additional equity interests in an amount exceeding $50 million, any change in the size of the board of directors and amendments to our certificate of incorporation or bylaws. In addition, the Stockholders Agreement will provide that approval by the Pre-IPO LLC Members is required for any changes to the strategic direction or scope of Goosehead Insurance, Inc. and Goosehead Financial, LLC's business, any acquisition or disposition of any asset or business having consideration in excess of 15% of our total assets and the hiring and termination of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Controller (including terms of compensation). Furthermore, the Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members may designate a majority of the nominees for election to our board of directors, including the nominee for election to serve as Chairman of our board of directors.

This concentration of ownership and voting power may also delay, defer or even prevent an acquisition by a third party or other change of control of our company which could deprive you of an opportunity to receive a premium for your shares of Class A common stock and may make some transactions more difficult or impossible without the support of the Pre-IPO LLC Members, even if such events are in the best interests of minority stockholders. Furthermore, this concentration of voting power with the Pre-IPO LLC Members may have a negative impact on the price of our Class A common stock. In addition, because the Pre-IPO LLC Members, will have the ability to designate a majority of the nominees for election to our board of directors, including the nominee for election to serve as Chairman of our board of directors until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members will be able to control us as long as they hold at least 10% of the aggregate number of outstanding shares of our common stock. The Pre-IPO LLC Members may not be inclined to permit us to issue additional shares of Class A common stock, including for the facilitation of acquisitions, if it would dilute their holdings below the 10% threshold.

We cannot predict whether our dual class structure, combined with the concentrated control of the Pre-IPO LLC Members, will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multiple-class share structures in certain of their indexes. In July 2017, FTSE Russell announced that it plans to require new constituents of its indexes to have greater than 5% of the company's voting rights in the hands of public stockholders, and S&P Dow Jones announced that it will no longer admit companies with multiple-class share structures to certain of its indexes. Because of our dual class structure, we will likely be excluded from these indexes and we cannot assure you that other stock indexes will not take similar actions. Given the sustained flow of investment funds into passive strategies that seek to track certain indexes, exclusion from stock indexes would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. As a result, the market price of our Class A common stock could be adversely affected.

The Pre-IPO LLC Members' interests may not be fully aligned with yours, which could lead to actions that are not in your best interests. Because the Pre-IPO LLC Members hold a majority of their economic interests in our business through Goosehead Financial, LLC rather than through the public company, they may have conflicting interests with holders of shares of our Class A common stock. For example, the Pre-IPO LLC Members may have

a different tax position from us, which could influence their decisions regarding whether and when we should dispose of assets or incur new or refinance existing indebtedness, especially in light of the existence of the tax receivable agreement that we will enter into in connection with this offering, and whether and when we should undergo certain changes of control within the meaning of the tax receivable agreement or terminate the tax receivable agreement. In addition, the structuring of future transactions may take into consideration these tax or other considerations even where no similar benefit would accrue to us. See “Certain relationships and related party transactions—Tax receivable agreement.” In addition, the Pre-IPO LLC Members’ significant ownership in us and resulting ability to effectively control us may discourage someone from making a significant equity investment in us, or could discourage transactions involving a change in control, including transactions in which you as a holder of shares of our Class A common stock might otherwise receive a premium for your shares over the then-current market price.

We have opted out of Section 203 of the General Corporation Law of the State of Delaware (the “DGCL”), which prohibits a publicly held Delaware corporation from engaging in a business combination transaction with an interested stockholder for a period of three years after the interested stockholder became such unless the transaction fits within an applicable exemption, such as board approval of the business combination or the transaction which resulted in such stockholder becoming an interested stockholder. Therefore, after the 180-day lock-up period expires, the Pre-IPO LLC Members will be able to transfer control of us to a third party by transferring their shares of our common stock (subject to certain restrictions and limitations), which would not require the approval of our board of directors or our other stockholders.

Our certificate of incorporation and Stockholders Agreement will provide that, to the fullest extent permitted by law, the doctrine of “corporate opportunity” under Delaware law will only apply against our directors and officers and their respective affiliates for competing activities related to insurance brokerage activities. This doctrine will not apply to any business activity other than insurance brokerage activities. See “Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement.” Furthermore, the Pre-IPO LLC Members have business relationships outside of our business.

We are a “controlled company” within the meaning of the Nasdaq rules and, as a result, qualify for, and will rely on, exemptions from certain corporate governance requirements that provide protection to the stockholders of companies that are subject to such corporate governance requirements.

Upon completion of this offering, Mark E. Jones, our chief executive officer and Chairman of the Board, and Robyn Jones, Vice Chairman of the Board, will continue to beneficially own more than 50% of the voting power for the election of members of our board of directors common stock. As a result, we will be a “controlled company” within the meaning of the corporate governance standards of the Nasdaq rules. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a “controlled company” and may elect not to comply with certain of Nasdaq’s corporate governance requirements.

As a controlled company, we will rely on certain exemptions from the Nasdaq standards that may enable us not to comply with certain Nasdaq corporate governance requirements. Accordingly, we have opted not to implement a stand-alone nominating and corporate governance committee and our compensation committee will not be fully independent. As a consequence of our reliance on certain exemptions from the Nasdaq standards provided to “controlled companies,” you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq Global Market. See “Management—Controlled company exception.”

We will be required to pay the Pre-IPO LLC Members for certain tax benefits we may claim, and the amounts we may pay could be significant.

As described under “Organizational structure,” future taxable redemptions or exchanges by the Pre-IPO LLC Members of LLC Units for shares of our Class A common stock are expected to result in tax basis adjustments to the assets of Goosehead Financial, LLC that will be allocated to us and thus produce favorable tax attributes. These tax attributes would not be available to us in the absence of those transactions. The anticipated tax basis adjustments are expected to reduce the amount of tax that we would otherwise be required to pay in the future.

We intend to enter into a tax receivable agreement with the Pre-IPO LLC Members that will provide for the payment by us to the Pre-IPO LLC Members of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) any increase in tax basis in Goosehead Insurance, Inc.’s assets resulting from (a) the purchase of LLC Units from any of the Pre-IPO LLC Members using the net proceeds from any future offering, (b) redemptions or exchanges by the Pre-IPO LLC Members of LLC Units for shares of our Class A common stock or (c) payments under the tax receivable agreement and (ii) tax benefits related to imputed interest deemed arising as a result of payments made under the tax receivable agreement. This is a payment of obligation of us and not Goosehead Financial, LLC.

The actual increase in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, will vary depending on a number of factors, including, but not limited to, the timing of any future redemptions, exchanges or purchases of the LLC Units held by Pre-IPO LLC Members, the price of our Class A common stock at the time of the purchase, redemption or exchange, the extent to which redemptions or exchanges are taxable, the amount and timing of the taxable income that we generate in the future, the tax rates then applicable and the portion of our payments under the tax receivable agreement constituting imputed interest. We expect that, as a result of the increases in the tax basis of the tangible and intangible assets of Goosehead Financial, LLC attributable to the redeemed or exchanged LLC Units, the payments that we may make to the existing Pre-IPO LLC Members could be substantial. For example, assuming (i) that the Pre-IPO LLC Members redeemed or exchanged all of their LLC units immediately after the completion of this offering, (ii) no material changes in relevant tax law, and (iii) that we earn sufficient taxable income in each year to realize on a current basis all tax benefits that are subject to the tax receivable agreement, based on the assumed initial public offering price of $ per share of our Class A common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, we expect that the tax savings we would be deemed to realize would aggregate approximately $ million over the -year period from the assumed date of such redemption or exchange, and over such period we would be required to pay the Pre-IPO LLC Members 85% of such amount, or approximately $ million, over such period. The actual amounts we may be required to pay under the tax receivable agreement may materially differ from these hypothetical amounts, as potential future tax savings we will be deemed to realize, and tax receivable agreement payments by us, will be calculated based in part on the market value of our Class A common stock at the time of redemption or exchange and the prevailing federal tax rates applicable to us over the life of the tax receivable agreement (as well as the assumed combined state and local tax rate), and will generally be dependent on us generating sufficient future taxable income to realize all of these tax savings (subject to the exceptions described under “Certain relationships and related party transactions—Tax receivable agreement”). Payments under the tax receivable agreement are not conditioned on the Pre-IPO LLC Members’ continued ownership of us. There may be a material negative effect on our liquidity if, as described below, the payments under the tax receivable agreement exceed the actual benefits we receive in respect of the tax attributes subject to the tax receivable agreement and/or distributions to us by Goosehead Financial, LLC are not sufficient to permit us to make payments under the tax receivable agreement.

In addition, although we are not aware of any issue that would cause the Internal Revenue Service (“IRS”) to challenge the tax basis increases or other benefits arising under the tax receivable agreement, the Pre-IPO LLC Members will not reimburse us for any payments previously made if such tax basis increases or other tax

benefits are subsequently disallowed, except that any excess payments made to the Pre-IPO LLC Members will be netted against future payments otherwise to be made under the tax receivable agreement, if any, after our determination of such excess. As a result, in such circumstances we could make payments to the Pre-IPO LLC Members under the tax receivable agreement that are greater than our actual cash tax savings and may not be able to recoup those payments, which could negatively impact our liquidity.

In addition, the tax receivable agreement provides that, upon certain mergers, asset sales or other forms of business combination, or certain other changes of control, our or our successor's obligations with respect to tax benefits would be based on certain assumptions, including that we or our successor would have sufficient taxable income to fully utilize the increased tax deductions and tax basis and other benefits covered by the tax receivable agreement. As a result, upon a change of control, we could be required to make payments under the tax receivable agreement that are greater than the specified percentage of our actual cash tax savings, which could negatively impact our liquidity.

This provision of the tax receivable agreement may result in situations where the Pre-IPO LLC Members have interests that differ from or are in addition to those of our other stockholders. In addition, we could be required to make payments under the tax receivable agreement that are substantial and in excess of our, or a potential acquirer's, actual cash savings in income tax.

Finally, because we are a holding company with no operations of our own, our ability to make payments under the tax receivable agreement is dependent on the ability of Goosehead Financial, LLC to make distributions to us. Our Credit Agreement restricts the ability of Goosehead Financial, LLC to make distributions to us, which could affect our ability to make payments under the tax receivable agreement. To the extent that we are unable to make payments under the tax receivable agreement for any reason, such payments will be deferred and will accrue interest until paid, which could negatively impact our results of operations and could also affect our liquidity in periods in which such payments are made.

Risks relating to ownership of our Class A common stock

There is no existing market for our Class A common stock, and we do not know if one will develop, which may cause our Class A common stock to trade at a discount from its initial offering price and make it difficult to sell the shares you purchase.

Prior to this offering, there has not been a public market for our Class A common stock and we cannot predict the extent to which investor interest in us will lead to the development of an active trading market on the Nasdaq Global Market, or otherwise, or how liquid that market might become. If an active trading market does not develop, you may have difficulty selling your shares of Class A common stock at an attractive price, or at all. The initial public offering price for our Class A common stock will be determined by negotiations between us and the underwriters and may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell shares of our Class A common stock at prices equal to or greater than the price you paid in this offering.

Some provisions of Delaware law and our certificate of incorporation and by-laws may deter third parties from acquiring us and diminish the value of our Class A common stock.

Our certificate of incorporation and by-laws provide for, among other things:

- Until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members may designate a majority of the nominees for election to our board of directors, including the nominee for election to serve as Chairman of our board of directors;

- at any time after the Substantial Ownership Requirement is no longer met, there will be:
  - restrictions on the ability of our stockholders to call a special meeting and the business that can be conducted at such meeting or to act by written consent;
  - supermajority approval requirements for amending or repealing provisions in the certificate of incorporation and by-laws;
  - a division of the board of directors into three classes of directors, with each class as equal in number as possible, serving staggered three year terms, and such directors may only be removed for cause and by the affirmative vote of holders of 75% of the total voting power of our outstanding shares of common stock, voting together as a single class;
- our ability to issue additional shares of Class A common stock and to issue preferred stock with terms that the board of directors may determine, in each case without stockholder approval (other than as specified in our certificate of incorporation);
- the absence of cumulative voting in the election of directors; and
- advance notice requirements for stockholder proposals and nominations.

These provisions in our certificate of incorporation and by-laws may discourage, delay or prevent a transaction involving a change in control of our company that is in the best interest of our minority stockholders. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our Class A common stock if they are viewed as discouraging future takeover attempts. These provisions could also make it more difficult for stockholders to nominate directors for election to our board of directors and take other corporate actions.

If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our Class A common stock could decline.

Upon the consummation of this offering, we will have shares of Class A common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) outstanding, excluding shares of Class A common stock issuable upon potential redemptions or exchanges. Of these shares, the shares sold in this offering (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) will be freely tradable without further restriction or registration under the Securities Act. Upon the completion of this offering, the remaining outstanding shares of Class A common stock (or shares of Class A common stock if the underwriters exercise their option to purchase additional shares of Class A common stock in full), including shares issuable upon redemption or exchange, will be deemed "restricted securities," as that term is defined under Rule 144 of the Securities Act. Immediately following the consummation of this offering, the holders of these remaining shares of our Class A common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full), including shares issuable upon redemption or exchange as described above will be entitled to dispose of their shares following the expiration of an initial 180-day underwriter "lock-up" period pursuant to (i) the applicable holding period, volume and other restrictions of Rule 144 or (ii) another exemption from registration under the Securities Act. See "Shares eligible for future sale." In addition, participants in the directed share program described under "Underwriting" who purchase more than $ of common stock will be subject to similar restrictions during the -day period beginning on the date of this prospectus, except with the prior written consent of . If these additional shares are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common stock could decline substantially.

We have identified material weaknesses in our internal controls over financial reporting for the years ended December 31, 2016 and 2017, and we may not be able to successfully maintain effective internal controls over financial reporting.

We identified control deficiencies in our financial reporting process that constituted material weaknesses for the year ended December 31, 2016 and 2017. The material weaknesses relate to the lack of adequate (i) executive management review of our GAAP financial statements, (ii) review of our accounting policies, including recent accounting pronouncements and significant transactions for the periods presented and (iii) information technology general controls in the areas of user access and program change management for certain information technology systems, and resulted in a restatement of Goosehead Insurance Holdings, LLC's, a subsidiary of Goosehead Financial, LLC, previously issued financial statements as of and for the year ended December 31, 2016.

We have implemented certain measures to remediate these material weaknesses. For example, we have implemented policies requiring our executive management and audit committee to review our financial statements presented on a GAAP basis. Additionally, we have implemented policies requiring our chief financial officer, controller and assistant controller (who was recently hired to assist with financial reporting requirements) to systematically review and document all accounting policies and procedures around significant transactions to ensure compliance with the most recent GAAP pronouncements. Finally, we have updated certain users' access and change control procedures to address the information technology general controls material weakness. We believe that the actions we have taken will remediate the identified material weaknesses.

However, we may suffer from other material weaknesses in the future. If we fail to maintain effective internal control over financial reporting in the future, such failure could result in a material misstatement of our annual or quarterly financial statements that would not be prevented or detected on a timely basis and which could cause investors and other users to lose confidence in our financial statements, limit our ability to raise capital and have a negative effect on the trading price of our common stock. Additionally, failure to maintain effective internal control over financial reporting may also negatively impact our operating results and financial condition, impair our ability to timely file our periodic and other reports with the Securities and Exchange Commission (the "SEC"), subject us to additional litigation and regulatory actions and cause us to incur substantial additional costs in future periods relating to the implementation of remedial measures.

We are an "emerging growth company" and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding non-binding advisory votes on executive compensation and golden parachute payments for so long as we remain an emerging growth company. We also intend to take advantage of an exemption that will permit us to comply with new or revised accounting standards within the same time periods as private companies. We cannot predict if investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

We expect that our stock price will be volatile, which could cause the value of your investment to decline, and you may not be able to resell your shares at or above the initial public offering price.

Securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of our Class A common stock regardless of our results of operations. The trading price of our Class A common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market in general, or in our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products and services by us or our competitors;
- issuance of new or changed securities analysts' reports or recommendations;
- investor perceptions of us and the industries in which we or our clients operate;
- sales, or anticipated sales, of large blocks of our stock, including those by our existing investors;
- additions or departures of key personnel;
- regulatory or political developments;
- litigation and governmental investigations; and
- changing economic and political conditions.

These and other factors may cause the market price and demand for shares of our Class A common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of Class A common stock and may otherwise negatively affect the liquidity of our Class A common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business, which could significantly harm our profitability and reputation.

Our ability to pay dividends to our stockholders may be limited by our holding company structure, contractual restrictions and regulatory requirements.

After this offering, we will be a holding company and will have no material assets other than our ownership of LLC Units in Goosehead Financial, LLC and we will not have any independent means of generating revenue. We intend to cause Goosehead Financial, LLC to make pro rata distributions to the Pre-IPO LLC Members and us in an amount at least sufficient to allow us and the Pre-IPO LLC Members to pay all applicable taxes, to make payments under the tax receivable agreement we will enter into with the Pre-IPO LLC Members and to pay our corporate and other overhead expenses. Goosehead Financial, LLC is a distinct legal entity and may be subject to legal or contractual restrictions that, under certain circumstances, may limit our ability to obtain cash from them. If Goosehead Financial, LLC is unable to make distributions, we may not receive adequate distributions, which could materially and adversely affect our dividends and financial position and our ability to fund any dividends.

Our board of directors will periodically review the cash generated from our business and the capital expenditures required to finance our global growth plans and determine whether to declare periodic dividends

to our stockholders. Our board of directors will take into account general economic and business conditions, including our financial condition and results of operations, capital requirements, contractual restrictions, including restrictions and covenants contained in our debt agreements, business prospects and other factors that our board of directors considers relevant. In addition, our Credit Agreement limits the amount of distributions that Goosehead Financial, LLC can make to us and the purposes for which distributions could be made. Accordingly, we may not be able to pay dividends even if our board of directors would otherwise deem it appropriate. See “Dividend policy,” “Management’s discussion and analysis of financial condition and results of operations—Liquidity and capital resources” and “Description of capital stock.”

New investors in our Class A common stock will experience immediate and substantial book value dilution after this offering.

The initial public offering price of our Class A common stock will be substantially higher than the pro forma net tangible book value per share of the outstanding Class A common stock immediately after the offering. Based on our pro forma net tangible book value as of December 31, 2017, if you purchase our Class A common stock in this offering, you will suffer immediate dilution in net tangible book value per share of approximately $ per share. See “Dilution.”

If securities analysts do not publish research or reports about our business or if they publish negative evaluations of our Class A common stock, the price of our Class A common stock could decline.

The trading market for our Class A common stock will rely in part on the research and reports that industry or securities analysts publish about us or our business. We do not currently have and may never obtain research coverage by industry or securities analysts. If no or few analysts commence coverage of us, the trading price of our Class A common stock would likely decrease. Even if we do obtain analyst coverage, if one or more of the analysts covering our business downgrade their evaluations of our stock, the price of our Class A common stock could decline. If one or more of these analysts cease to cover our Class A common stock, we could lose visibility in the market for our stock, which in turn could cause our Class A common stock price to decline.

Special note regarding forward-looking statements

We have made statements under the captions “Prospectus summary,” “Risk factors,” “Management’s discussion and analysis of financial condition and results of operations,” “Business” and in other sections of this prospectus that are forward-looking statements. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including those factors discussed under the caption entitled “Risk factors.” You should specifically consider the numerous risks outlined under “Risk factors.”

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the date of this prospectus to conform our prior statements to actual results or revised expectations.

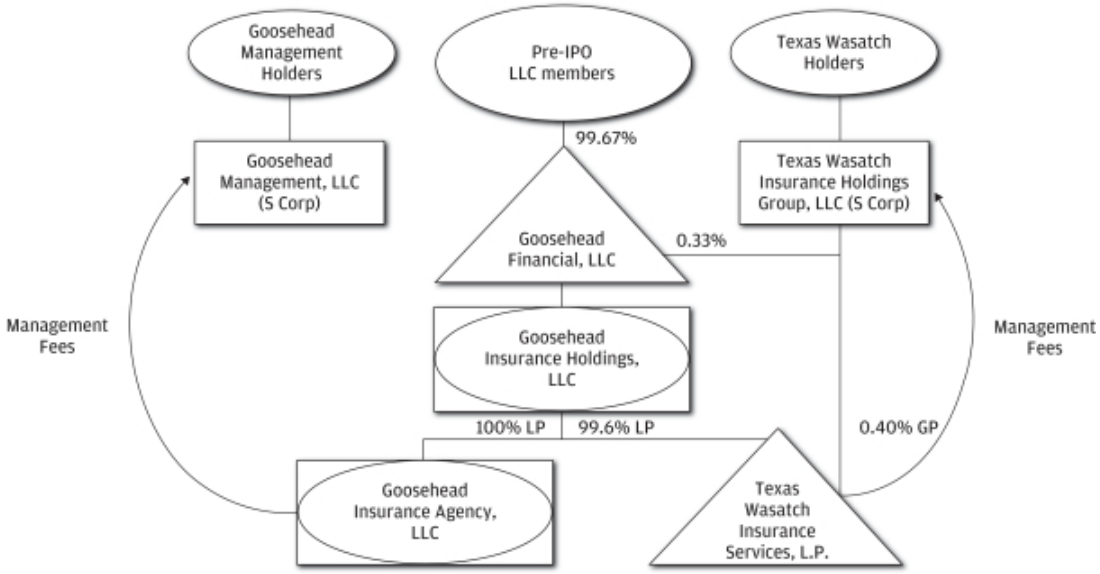
Organizational structure

Structure prior to the reorganization transactions

We and our predecessors have been in the insurance brokerages business for approximately 14 years. We currently conduct our business through Goosehead Financial, LLC.

Prior to the commencement of the reorganization transactions, Goosehead Financial, LLC had limited liability company interests outstanding in the form of Class A and Class B units.

The following diagram depicts Goosehead Insurance, Inc.'s organizational structure immediately prior to the reorganization transactions. This chart is provided for illustrative purposes only and does not purport to represent all legal entities within Goosehead Insurance, Inc.'s organizational structure.



Common membership interests

Prior to the commencement of the reorganization transactions, the Class A and Class B membership interests were owned as follows (for a description of the beneficial ownership interests described below see "Principal Stockholders"):

- Mr. Mark E. Jones and Mrs. Robyn Jones beneficially owned 70.29% of Goosehead Financial, LLC's Class A interests;
- The estate of Mr. Doug Jones beneficially owned 5.11% of Goosehead Financial, LLC's Class A interests;
- Children of Mark and Robyn Jones collectively beneficially owned 83.19% of Goosehead Financial, LLC's Class A interests;
- Mr. Michael C. Colby beneficially owned 3.93% of Goosehead Financial, LLC's Class A interests and 100% of Goosehead Financial, LLC's Class B interests (representing a 4.24% voting interest in Goosehead Financial, LLC);

- Mr. Jeffrey Saunders beneficially owned 1.00% of Goosehead Financial, LLC's Class A interests; and
- TWIP beneficially owned 4.85% of Goosehead Financial, LLC's Class A interests.

The reorganization transactions

In connection with this offering, we intend to enter into the following series of transactions to implement an internal reorganization, which we collectively refer to as the "reorganization transactions:"

- Goosehead Insurance, Inc. will become the sole managing member of Goosehead Financial, LLC pursuant to the amended and restated limited liability company agreement of Goosehead Financial, LLC, as described below. Because we will manage and operate the business and control the strategic decisions and day-to-day operations of Goosehead Financial, LLC and will also indirectly have a substantial financial interest in Goosehead Financial, LLC, we will consolidate the financial results of Goosehead Financial, LLC, and a portion of our net income will be allocated to the non-controlling interest to reflect the entitlement of the Pre-IPO LLC Members to a portion of Goosehead Financial, LLC's net income. In addition, because Goosehead Financial, LLC will be under the common control of the Pre-IPO LLC Members before and after the reorganization transactions, we will account for the reorganization transactions as a reorganization of entities under common control and will initially measure the interests of the Pre-IPO LLC Members in the assets and liabilities of Goosehead Financial, LLC at their carrying amounts as of the date of the completion of these reorganization transactions.
- The Goosehead Financial, LLC agreement will be amended and restated prior to this offering to, among other things, modify the Goosehead Financial, LLC capital structure by reclassifying the interests currently held by the Pre-IPO LLC Members into a single new class of non-voting common interest units that we refer to as "LLC Units."
- Goosehead Insurance, Inc.'s certificate of incorporation will authorize the issuance of two classes of common stock. We will issue shares of Class A common stock to the public pursuant to this offering and, prior to the consummation of this offering, we will issue shares of our Class B common stock to the Pre-IPO LLC Members in exchange for certain management rights of Goosehead Financial, LLC.
- Each share of Class A common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders and each share of Class B common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders. See "Description of capital stock."
- Each of the Pre-IPO LLC Members will be issued shares of our Class B common stock in an amount equal to the number of LLC Units held by each such Pre-IPO LLC Member.
- Under the amended and restated Goosehead Financial, LLC agreement, the Pre-IPO LLC Members will have the right, from and after the completion of this offering (subject to the terms of the amended and restated Goosehead Financial, LLC agreement), to require Goosehead Financial, LLC to redeem all or a portion of their LLC Units for, at our election, newly-issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the amended and restated Goosehead Financial, LLC agreement. Additionally, in the event of a redemption request by a Pre-IPO LLC Member, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the

amended and restated Goosehead Financial, LLC agreement. See “Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement.” Except for transfers to us pursuant to the amended and restated Goosehead Financial, LLC agreement or to certain permitted transferees, the Pre-IPO LLC Members are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.

- The Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, approval by the Pre-IPO LLC Members will be required for certain corporate actions. These actions include: (1) a change of control; (2) acquisitions or dispositions of assets in an amount exceeding 15% of our total assets; (3) the issuance of equity of Goosehead Insurance, Inc. or any of its subsidiaries (other than under equity incentive plans that have received the prior approval of our board of directors) in an amount exceeding $50 million; (4) amendments to our certificate of incorporation or bylaws; (5) changes to the strategic direction or scope of Goosehead Insurance, Inc.’s business; and (6) any change in the size of the board of directors. The Stockholders Agreement will also provide that, until the Substantial Ownership Requirement is no longer met, the approval of the Pre-IPO LLC Members, will be required for the hiring and termination of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Controller (including terms of compensation). Furthermore, the Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members may designate the majority of the nominees for election to our board of directors, including the nominee for election to serve as the Chairman of the board of directors.
- The Goosehead Management Holders will, through a series of internal transactions, indirectly transfer their ownership interest in Goosehead Management, LLC to Goosehead Insurance, Inc. in exchange for the Goosehead Management Note.
- The Texas Wasatch Holders will, through a series of internal transactions, indirectly transfer their ownership interest in Texas Wasatch Insurance Holdings Group, LLC to Goosehead Insurance, Inc. in exchange for the Texas Wasatch Note.
- The aggregate principal amount of the Goosehead Management Note and the Texas Wasatch Note will be collectively equal to the product of times the public offering price per share of the Class A common stock in this offering ($ million based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). To the extent that the net proceeds of this offering (excluding any exercise of the underwriters’ option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters’ option to purchase additional shares of Class A common stock).
- Through a series of internal transactions, Goosehead Insurance, Inc. will contribute direct and indirect ownership interests in each of Texas Wasatch Insurance Holdings Group, LLC and Goosehead Management, LLC to Goosehead Financial, LLC so that Texas Wasatch Insurance Holdings Group, LLC and Goosehead Management, LLC will each become a wholly owned indirect subsidiary of Goosehead Financial, LLC. In exchange for the acquired ownership interest in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group LLC, wholly owned subsidiaries of Goosehead Insurance, Inc. will receive, in the aggregate, a number of LLC Units equal to the number of shares of Class A common stock issued in this offering and to the Goosehead Management and Texas Wasatch Holders (assuming no exercise of the underwriters’ option to purchase additional shares of Class A common stock), representing % of the outstanding LLC Units in Goosehead Financial, LLC.

Effect of the reorganization transactions and this offering

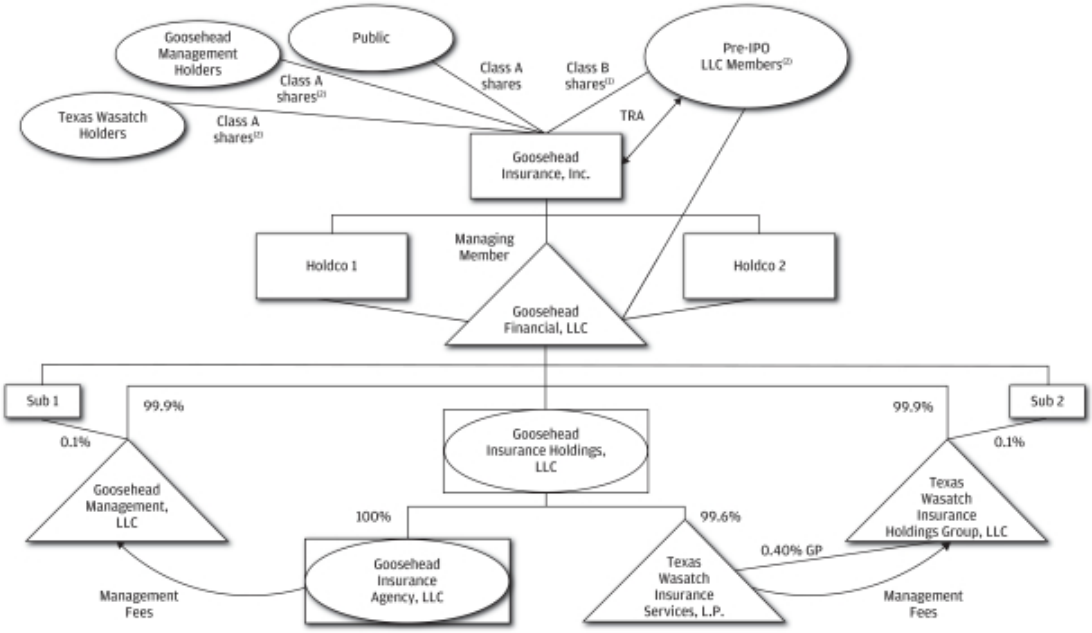
The reorganization transactions are intended to create a holding company that will facilitate public ownership of, and investment in, us and are structured in a tax-efficient manner for the Pre-IPO LLC Members. The Pre-IPO LLC Members desire that their investment in us maintain its existing tax treatment as a partnership for U.S. federal income tax purposes and, therefore, will continue to hold their ownership interests in Goosehead Financial, LLC until such time in the future as they may elect to cause us to redeem or exchange their LLC Units for a corresponding number of shares of our Class A common stock.

After the completion of this offering, we intend to use the net proceeds from this offering to repay the Goosehead Management Note and the Texas Wasatch Note issued in consideration for the acquisition of the indirect ownership interests held by the Goosehead Management Holders and Texas Wasatch Holders in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, respectively, by Goosehead Insurance, Inc. Goosehead Insurance, Inc. intends to use the net proceeds (if any) from the exercise of the underwriters' option to purchase additional shares of Class A common stock to purchase from Goosehead Financial, LLC a number of LLC Units equal to the number of shares of Class A common stock issued pursuant to the exercise of the underwriters' option to purchase additional shares. To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock). The Pre-IPO LLC Members do not intend to sell any ownership interests in Goosehead Financial, LLC in connection with the reorganization transactions or this offering.

We estimate that the offering expenses (other than the underwriting discounts and commissions) will be approximately $ million. All of such offering expenses will be paid for or otherwise borne by Goosehead Insurance, Inc.

See "Use of proceeds" for further details.

The following diagram depicts our organizational structure following the reorganization transactions, this offering and the application of the net proceeds from this offering, including all of the transactions described above (assuming no exercise of the underwriters' option to purchase additional shares of Class A common stock). This chart is provided for illustrative purposes only and does not purport to represent all legal entities within our organizational structure:



(1) Each share of Class B common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders.

(2) Upon completion of this offering the Pre-IPO LLC Members will hold all outstanding shares of our Class B common stock, entitling them to % of the voting power in Goosehead Insurance, Inc. If the Pre-IPO LLC Members redeemed or exchanged all of their LLC Units for a corresponding number of shares of Class A common stock and their corresponding shares of Class B common stock were cancelled, they would hold % of the outstanding shares of Class A common stock (including any Class A common stock received by the Goosehead Management Holders and the Texas Wasatch Holders as part of the repayment (to the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full) of the Goosehead Management Note and the Texas Wasatch Note), entitling them to an equivalent percentage of economic interests and voting power in Goosehead Insurance, Inc. as of the completion of this offering. Goosehead Insurance, Inc. would then hold all of outstanding LLC Units, representing 100% of the economic power and 100% of the voting power in Goosehead Financial, LLC.

Upon completion of the transactions described above, this offering and the application of the net proceeds from this offering:

- Goosehead Insurance, Inc. will be appointed as the sole managing member of Goosehead Financial, LLC and will indirectly hold LLC Units, constituting % of the outstanding ownership interests in Goosehead Financial, LLC (or LLC Units, constituting % of the outstanding ownership interests in Goosehead Financial, LLC if the underwriters exercise their option to purchase additional shares of Class A common stock in full and giving effect to the use of the net proceeds therefrom), of this amount % of the outstanding ownership interest in Goosehead Financial, LLC corresponds to LLC Units acquired in connection with the issuance of Class A common stock to Goosehead Management Holders and Texas Wasatch Holders as part of the repayment of the Goosehead Management Note and Texas Wasatch Note, respectively;
- the Pre-IPO LLC Members will hold approximately % of the outstanding LLC Units and the Pre-IPO LLC Members, the Goosehead Management Holders and the Texas Wasatch Holders will collectively hold

approximately % of the combined voting power of our common stock (including any Class A common stock issued to the Goosehead Management Holders and the Texas Wasatch Holders as part of the repayment of the Goosehead Management and the Texas Wasatch Note, respectively) (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full and giving effect to the use of the net proceeds therefrom); and

- Investors in this offering will collectively beneficially own shares of our Class A common stock, representing % of the combined voting power in us (or shares and %, respectively, if the underwriters exercise their option to purchase additional shares of Class A common stock in full and giving effect to the use of the net proceeds therefrom).

Holding company structure and the tax receivable agreement

We are a holding company, and immediately after the consummation of the reorganization transactions and this offering our principal asset will be our indirect ownership interests in Goosehead Financial, LLC. The number of LLC Units that we and our wholly owned subsidiaries will own directly in the aggregate at any time will equal the aggregate number of outstanding shares of our Class A common stock. The economic interest represented by each LLC Unit that we or one of our wholly owned subsidiaries own will correspond to one share of our Class A common stock, and the total number of LLC Units owned directly by us, our wholly owned subsidiaries and the holders of our Class B common stock at any given time will equal the sum of the outstanding shares of all classes of our common stock.

We do not intend to list our Class B common stock on any stock exchange.

As described above, we intend to use the net proceeds from this offering to repay the Goosehead Management Note and the Texas Wasatch Note issued in consideration for the acquisition of the ownership interests held by the Goosehead Management Holders and Texas Wasatch Holders in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, respectively, by Goosehead Insurance, Inc. To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock). In exchange for the acquired ownership interest in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, wholly owned subsidiaries of Goosehead Insurance, Inc. will acquire a number of LLC Units equal to the number of shares of class A common stock issued in this offering from Goosehead Financial, LLC. Future taxable redemptions or exchanges by the Pre-IPO LLC Members of LLC Units for shares of our Class A common stock are expected to produce tax basis adjustments to the assets of Goosehead Financial, LLC that will be allocated to us and thus produce favorable tax attributes. These tax attributes would not be available to us in the absence of those transactions.

We intend to enter into a tax receivable agreement with the Pre-IPO LLC Members that will provide for the payment by us to the Pre-IPO LLC Members of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) any increase in tax basis in Goosehead Financial, LLC's assets resulting from (a) the acquisition of LLC Units from Goosehead Financial, LLC using the net proceeds from any future offering, (b) redemptions or exchanges by the Pre-IPO LLC Members of LLC Units for shares of our Class A common stock or (c) payments under the tax receivable agreement, and (ii) tax benefits related to imputed interest deemed arising as a result of payments made under the tax receivable agreement. Although we are not aware of any issue that would cause the IRS to challenge the tax

basis increases or other benefits arising under the tax receivable agreement, the Pre-IPO LLC Members will not reimburse us for any payments previously made if such basis increases or other benefits are subsequently disallowed, except that excess payments made to the Pre-IPO LLC Members will be netted against future payments otherwise to be made under the tax receivable agreement, if any, after our determination of such excess. As a result, in such circumstances we could make future payments to the Pre-IPO LLC Members under the tax receivable agreement that are greater than our actual cash tax savings and may not be able to recoup those payments, which could negatively impact our liquidity. See “Risk factors—We will be required to pay the Pre-IPO LLC Members for certain tax benefits we may claim, and the amounts we may pay could be significant.”

Use of proceeds

We estimate that our net proceeds from this offering will be approximately $ million, after deducting underwriting discounts and commissions of approximately $ million, based on an assumed initial offering price of $ per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus) and assuming the underwriters' option to purchase additional shares of Class A common stock is not exercised. If the underwriters exercise their option to purchase additional shares of Class A common stock in full, we expect to receive approximately $ million of net proceeds based on an assumed initial offering price of $ per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus).

We estimate that the offering expenses (other than the underwriting discount and commissions) will be approximately $ million. All of such offering expenses will be paid for or otherwise borne by Goosehead Insurance, Inc.

We intend to use the net proceeds from this offering to repay the Goosehead Management Note and the Texas Wasatch Note in consideration for the acquisition of the indirect ownership interests held by the Goosehead Management Holders and Texas Wasatch Holders in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, respectively. The aggregate principal amount of the Goosehead Management Note and the Texas Wasatch Note will be collectively equal to the product of times the public offering price per share of the Class A common stock in this offering ($ million based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock). In exchange for the acquired ownership interest in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, wholly owned subsidiaries of Goosehead Insurance, Inc. will acquire a number of LLC Units equal to the number of shares of Class A common stock issued in this offering from Goosehead Financial, LLC. Goosehead Insurance, Inc. intends to use the net proceeds (if any) from the exercise of the underwriters' option to purchase additional shares of Class A common stock to purchase from Goosehead Financial, LLC a number of LLC Units equal to the number of shares of Class A common stock issued pursuant to the exercise of the underwriters' option to purchase additional shares.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the amount of proceeds to us from this offering available by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by Goosehead Insurance, Inc.

Dividend policy

Following this offering and subject to funds being legally available, we intend to cause Goosehead Financial, LLC to make pro rata distributions to the Pre-IPO LLC Members and us in an amount at least sufficient to allow us and the Pre-IPO LLC Members to pay all applicable taxes, to make payments under the tax receivable agreement we will enter into with the Pre-IPO LLC Members and to pay our corporate and other overhead expenses. The declaration and payment of any dividends by Goosehead Insurance, Inc. will be at the sole discretion of our board of directors, which may change our dividend policy at any time. Our board of directors will take into account:

- general economic and business conditions;
- our financial condition and operating results;
- our available cash and current and anticipated cash needs;
- our capital requirements;
- contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries (including Goosehead Financial, LLC) to us; and
- such other factors as our board of directors may deem relevant.

Goosehead Insurance, Inc. will be a holding company and will have no material assets other than its ownership of LLC Units in Goosehead Financial, LLC, and as a consequence, our ability to declare and pay dividends to the holders of our Class A common stock will be subject to the ability of Goosehead Financial, LLC to provide distributions to us. If Goosehead Financial, LLC makes such distributions, the Pre-IPO LLC Members will be entitled to receive equivalent distributions from Goosehead Financial, LLC. However, because we must pay taxes, make payments under the tax receivable agreement and pay our expenses, amounts ultimately distributed as dividends to holders of our Class A common stock are expected to be less than the amounts distributed by Goosehead Financial, LLC to the Pre-IPO LLC Members on a per share basis. See “Certain relationships and related party transactions—Tax receivable agreement.”

Assuming Goosehead Financial, LLC makes distributions to its members in any given year, the determination to pay dividends, if any, to our Class A common stockholders out of the portion, if any, of such distributions remaining after our payment of taxes, tax receivable agreement payments and expenses (any such portion, an “excess distribution”) will be made by our board of directors. Because our board of directors may determine to pay or not pay dividends to our Class A common stockholders, our Class A common stockholders may not necessarily receive dividend distributions relating to excess distributions, even if Goosehead Financial, LLC makes such distributions to us.

Capitalization

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2017:

- on an actual basis for Goosehead Financial, LLC;
- on an as adjusted basis to reflect the reorganization transactions described under “Organizational structure;” and
- on a further adjusted basis to reflect the sale by us of shares of Class A common stock in this offering and the application of the net proceeds from this offering as described in “Use of Proceeds” and based on an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus.

This table should be read in conjunction with “Organizational structure,” “Use of proceeds,” “Selected historical financial data,” “Management’s discussion and analysis of financial condition and results of operations,” “Description of capital stock” and the financial statements and notes thereto appearing elsewhere in this prospectus.

	December 31, 2017		
	Actual	As adjusted	As adjusted further
Cash and cash equivalents	$ 4,947,671	$	$
Note payable	$ 48,656,340	$	$
Members’ equity (deficit)/stockholders’ equity			
Members’ equity (deficit)	(41,132,948)		
Class A common stock, $0.01 par value per share, no shares authorized, no shares issued and outstanding, actual; shares authorized, shares issued and outstanding, as adjusted; shares authorized, shares issued and outstanding, as adjusted further	—		
Class B common stock, $0.01 par value per share, no shares authorized, no shares issued and outstanding, actual; shares authorized, shares issued and outstanding, as adjusted; shares authorized, shares issued and outstanding, as adjusted further	—		
Additional paid-in capital	—		
Retained earnings	—		
Total members’ equity (deficit)/stockholders’ equity	$(41,132,948)	$	$
Non-controlling interest	—		
Total capitalization	$ 7,523,392	$	$

Unaudited pro forma financial information

The unaudited pro forma statement of operations for the year ended December 31, 2017 gives effect to (i) the reorganization transactions described under “Organizational structure” and (ii) certain adjustments in connection with the offering, as if each had occurred on January 1, 2017.

The unaudited pro forma balance sheet as of December 31, 2017 gives effect to (i) the reorganization transactions described under “Organizational structure” and (ii) the sale of shares of Class A common stock in this offering and the application of the net proceeds from this offering (referred to herein as the “Transactions”). See “Capitalization.”

The unaudited pro forma financial information has been prepared by our management and is based on Goosehead Financial, LLC’s consolidated and combined historical financial statements and the assumptions and adjustments described in the notes to the unaudited pro forma financial information below. The presentation of the unaudited pro forma financial information is prepared in conformity with Article 11 of Regulation S-X.

Our historical financial information for the year ended December 31, 2017 has been derived from Goosehead Financial, LLC’s consolidated and combined financial statements and accompanying notes included elsewhere in this prospectus.

For purposes of the unaudited pro forma financial information, we have assumed that shares of Class A common stock will be issued by us at a price per share equal to the midpoint of the estimated offering price range set forth on the cover of this prospectus, and as a result, immediately following the completion of this offering, the ownership percentage represented by LLC Units not held by us will be %, and the net income attributable to LLC Units not held by us will accordingly represent % of our net income. If the underwriters’ option to purchase additional shares of Class A common stock is exercised in full, the ownership percentage represented by LLC Units not held by us will be % and the net income attributable to LLC Units not held by us will accordingly represent % of our net income. The higher percentage of net income attributable to LLC Units not held by us over the ownership percentage of LLC Units not held by us is due to the recognition of additional current income tax expense after giving effect to the adjustments for the reorganization transactions and this offering that is entirely attributable to our interest.

We based the pro forma adjustments on available information and on assumptions that we believe are reasonable under the circumstances in order to reflect, on a pro forma basis, the impact of the relevant transactions on the historical financial information of Goosehead Financial, LLC. See the notes to unaudited pro forma financial information below for a discussion of assumptions made. The unaudited pro forma financial information does not purport to be indicative of our results of operations or financial position had the relevant transactions occurred on the dates assumed and does not project our results of operations or financial position for any future period or date.

The unaudited pro forma financial information should be read together with “Capitalization,” “Selected historical financial data,” “Management’s discussion and analysis of financial condition and results of operations” and our and Goosehead Financial, LLC’s financial statements and related notes thereto included elsewhere in this prospectus.

The pro forma adjustments related to the Transactions, are described in the notes to the unaudited pro forma consolidated and combined financial information, and principally include the following:

- the reorganization transactions described under “Organizational structure;”
- provision for federal and state income taxes of Goosehead Insurance, Inc. as a taxable corporation at an effective rate of % for the year ended December 31, 2017; and

- Prior to this offering, the LLC Agreement of Goosehead Insurance Agency, LLC and Agreement of Limited Partnership of Texas Wasatch Insurance Services, L.P. entitled the Goosehead Management Holders and Texas Wasatch Holders to certain management fees consisting of 10% of the revenues for each quarter of Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, L.P., respectively. As part of the Transaction adjustments, the Goosehead Management Holders and Texas Wasatch Holders will contribute their indirect ownership interests in Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, L.P. to Goosehead Insurance, Inc. (which, in turn, will subsequently contribute such interests to Goosehead Financial, LLC) in exchange for a note receivable from Goosehead Insurance, Inc. to be paid with the IPO proceeds. The Goosehead Management Holders and Texas Wasatch Holders will no longer be entitled to receive such management fees. The aggregate principal amount of the Goosehead Management Note and the Texas Wasatch Note will be collectively equal to the product of times the public offering price per share of the Class A common stock in this offering ($ million based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock).

The pro forma adjustments related to this offering, which we refer to as the Offering adjustments, are described in the notes to the unaudited pro forma consolidated and combined financial information, and principally include the following:

- the issuance of shares of our Class A common stock to the purchasers in this offering in exchange for net proceeds of approximately $ million, assuming that the shares are offered at $ per share (the midpoint of the price range listed on the cover page of this prospectus), after deducting underwriting discounts and commissions but before offering expenses;
- the application by Goosehead Insurance, Inc. of the net proceeds from this offering and the issuance of shares of Class A common stock (assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) to pay down the note payable to former Goosehead Management Holders and Texas Wasatch Holders;
- the application by Goosehead Insurance, Inc. of the proceeds of this offering to pay fees and expenses of approximately $ million in connection with this offering; and
- the grant of options to purchase shares of Class A common stock under our Incentive Plan in connection with this offering.

As a public company, we will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. We expect to incur additional annual expenses related to these steps and, among other things, additional directors' and officers' liability insurance, director fees, reporting requirements of the SEC, transfer agent fees, hiring additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses. We have not included any pro forma adjustments relating to these costs.

Unaudited pro forma condensed consolidated and combined statement of operations
Year ended December 31, 2017

	Historical GF, LLC(1)	Transaction adjustments	Pro forma GF, LLC	Offering adjustments	Pro forma Goosehead Insurance, Inc.
Revenues:					
Commissions and agency fees	$27,030,018				
Franchise revenues	15,437,753				
Interest income	242,700				
Total revenues	42,710,471				
Operating expenses:					
Employee compensation and benefits	24,544,425	(2)		(2)	
General and administrative expenses	8,596,546				
Bad debts	1,083,374				
Depreciation and amortization	876,053				
Total operating expenses	35,100,398				
Income from operations	7,610,073				
Other income (expense)					
Other income	3,540,932				
Interest expense	(2,474,110)				
Income before income tax expense	8,676,895				
Income tax expense	—	(3)		(3)	
Net income	$ 8,876,895				
Net income attributable to non-controlling interests	—	(4)		(4)	
Net income attributable to Goosehead Insurance, Inc.	—				
Pro forma net income per share data:					
Pro forma weighted average shares of Class A common stock outstanding					
Basic	—				
Diluted	—				
Net income available to Class A common stock per share					
Basic	—				
Diluted	—				

See accompanying notes to unaudited pro forma financial information

Notes to unaudited pro forma condensed consolidated and combined statement of operations
Year ended December 31, 2017

(1) Goosehead Insurance, Inc. was incorporated as a Delaware corporation on November 13, 2017 and will have no material assets or results of operations until the completion of this offering and therefore its historical financial position is not shown in a separate column in this unaudited pro forma consolidated and combined statement of operations. This column represents the historical consolidated and combined financial statements of Goosehead Financial, LLC, the predecessor for accounting purposes.

(2) This adjustment represents the increase in compensation expense we expect to incur following the completion of this offering. We expect to grant stock options to our directors and certain employees in connection with this offering. This amount was calculated assuming the stock options were granted on at an exercise price equal to $ per share, the midpoint of the estimated offering price set forth on the cover of this prospectus. The grant date fair value was determined using the Black-Scholes valuation model using the following assumptions:

Expected volatility	%
Expected dividend yield	%
Expected term (in years)	
Risk-free interest rate	%

(3) Goosehead Financial, LLC has been, and will continue to be, treated as a partnership for U.S. federal and state income tax purposes. As such, income generated by Goosehead Financial, LLC will flow through to its partners, including us, and is generally not subject to tax at the Goosehead Financial, LLC level. Following the Transactions, we will be subject to U.S. federal income taxes, in addition to state and local income taxes with respect to our allocable share of any taxable income of Goosehead Financial, LLC. As a result, the unaudited pro forma consolidated and combined statement of operations reflects adjustments to our income tax expense to reflect an effective income tax rate of %, which was calculated assuming the U.S. federal rates currently in effect and the highest statutory rates apportioned to each applicable state and local jurisdiction.

(4) Upon completion of the Transactions, Goosehead Insurance, Inc. will become the sole managing member of Goosehead Financial, LLC. Although we will have a minority economic interest in Goosehead Financial, LLC, we will have the sole voting interest in, and control the management of, Goosehead Financial, LLC. As a result, we will consolidate the financial results of Goosehead Financial, LLC and will report a non-controlling interest related to the LLC Units held by the Pre-IPO LLC Members on our consolidated statements of operations. Following this offering, assuming the underwriters do not exercise their option to purchase additional shares of Class A common stock, Goosehead Insurance, Inc. will own % of the economic interest of Goosehead Financial, LLC and the Pre-IPO LLC Members will own the remaining % of the economic interest of Goosehead Financial, LLC. Net income attributable to non-controlling interests will represent % of the income before income taxes of Goosehead Insurance, Inc. If the underwriters exercise their option to purchase additional shares of our Class A common stock in full, Goosehead Insurance, Inc. will own % of the economic interest of Goosehead Financial, LLC and the Pre-IPO LLC Members will own the remaining % of the economic interest of Goosehead Financial, LLC and net income attributable to non-controlling interests would represent % of the income before income taxes of Goosehead Financial, LLC.

Unaudited pro forma condensed consolidated and combined balance sheet
As of December 31, 2017

	Historical GF, LLC(1)	Transaction adjustments	Pro forma GF, LLC	Offering adjustments		Pro forma Goosehead Insurance, Inc.
ASSETS						
Current Assets:						
Cash and cash equivalents	$ 4,947,671				(3)	
Restricted cash	417,911					
Commissions and fees receivable, net	1,268,172					
Receivable from franchisees, net	564,087					
Prepaid expenses	521,362					
Total current assets	7,719,203					
Receivable from franchisees, net of current portion	1,360,686					
Property and equipment, net of accumulated depreciation	6,845,121					
Intangible assets, net of accumulated amortization	216,468					
Other assets	565,191				(4)	
Total assets	16,706,669					
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)						
Current Liabilities:						
Short term debt	—	(2)			(2)	
Accounts payable and accrued expenses	2,759,241					
Premiums payable	417,911					
Unearned revenue	1,062,050					
Dividends payable	550,000					
Deferred rent	477,818					
Note payable	500,000					
Total current liabilities	5,767,020					
Deferred rent, net of current portion	3,916,257					
Note payable, net of current portion	48,156,340					
Total liabilities	57,839,617					
Commitments and contingencies	—					
Members' equity (deficit)	(41,132,948)	(2)			(5)(6)	
Class A common stock	—				(3)(7)(2)	
Class B common stock	—				(6)	
Additional paid-in capital	—				(3)(4)(7)(2)	
Retained earnings	—				(5)(7)	
Members' equity (deficit)/stockholders' equity attributable to Goosehead Insurance, Inc.	—					
Non-controlling interest	—				(5)	
Total liabilities and members' equity (deficit)/stockholders' equity	16,706,669					

See accompanying notes to unaudited pro forma financial information

Notes to unaudited pro forma condensed consolidated and combined balance sheet
As of December 31, 2017

(1) Goosehead Insurance, Inc. was incorporated as a Delaware corporation on November 13, 2017 and will have no material assets or results of operations until the completion of this offering and therefore its historical financial position is not shown in a separate column in this unaudited pro forma consolidated and combined balance sheet. This column represents the consolidated and combined historical financial statements of Goosehead Financial, LLC, the predecessor for accounting purposes.

(2) Prior to this offering, the LLC Agreement of Goosehead Insurance Agency, LLC and Agreement of Limited Partnership of Texas Wasatch Insurance Services, L.P. entitled the Goosehead Management Holders and Texas Wasatch Holders to certain management fees consisting of 10% of the revenues for each quarter of Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, L.P., respectively. As part of the Transaction adjustments, the Goosehead Management Holders and Texas Wasatch Holders will contribute their indirect ownership interests in Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, L.P. to Goosehead Insurance, Inc. (which, in turn, will subsequently contribute such interests to Goosehead Financial, LLC) in exchange for a note receivable from Goosehead Insurance, Inc. to be paid with the IPO proceeds and the issuance of shares of Class A common stock. The Goosehead Management Holders and Texas Wasatch Holders will no longer be entitled to receive such management fees. The aggregate principal amount of the Goosehead Management Note and the Texas Wasatch Note will be collectively equal to the product of times the public offering price per share of the Class A common stock in this offering ($ million based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus. To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock).

(3) For purposes of the unaudited pro forma financial information, we have assumed that shares of Class A common stock will be issued by us at a price per share equal to the midpoint of the estimated offering price range set forth on the cover of this prospectus, and as a result, immediately following the completion of this offering, the ownership percentage represented by LLC Units not held by us will be %, and the net income attributable to LLC Units not held by us will accordingly represent % of our net income. If the underwriters' option to purchase additional shares of Class A common stock is exercised in full, the ownership percentage represented by LLC Units not held by us will be % and the net income attributable to LLC Units not held by us will accordingly represent % of our net income. The higher percentage of net income attributable to LLC Units not held by us over the ownership percentage of LLC Units not held by us is due to the recognition of additional current income tax expense after giving effect to the adjustments for the reorganization transactions and this offering that is entirely attributable to our interest.

Assumed initial public offering price per share	$
Shares of Class A common stock issued in this offering	
Gross proceeds	$
Less: underwriting discounts and commissions	
Less: offering expenses (including amounts previously deferred)	
Net cash proceeds	$

(4) We are deferring certain costs associated with this offering, including certain legal, accounting and other related expenses, which have been recorded in other assets on this unaudited pro forma consolidated and combined balance sheet. Upon completion of this offering, these deferred costs will be charged against the proceeds from this offering with a corresponding reduction to additional paid-in capital.

(5) Upon completion of the Transactions, we will become the sole managing member of Goosehead Financial, LLC. Although we will have a minority economic interest in Goosehead Financial, LLC, we will have the sole voting interest in, and control the management of, Goosehead Financial, LLC. As a result, we will consolidate the financial results of Goosehead Financial, LLC and will report a non-controlling interest related to the LLC Units held by the Pre-IPO LLC Members on our consolidated balance sheet. The computation of the non-controlling interest following the consummation of this offering, based on the assumed initial public offering price, is as follows:

	Units	Percentage	Amount
Interest in Goosehead Financial, LLC held by Goosehead Insurance, Inc.			
Non-controlling interest in Goosehead Financial, LLC held by Pre-IPO LLC Members			

If the underwriters were to exercise in full their option to purchase additional shares of our Class A common stock, Goosehead Insurance, Inc. would own % of the economic interest of Goosehead Financial, LLC and the Pre-IPO LLC Members would own the remaining % of the economic interest of Goosehead Financial, LLC.

Following the consummation of this offering, the LLC Units held by the Pre-IPO LLC Members, representing the noncontrolling interest, will be redeemable at the election of the members, for shares of Class A common stock on a one-for one basis.

(6) In connection with this offering, we will issue shares of Class B common stock to the Pre-IPO LLC Members, on a one-to-one basis with the number of LLC Units they own, for nominal consideration.

(7) This adjustment represents the total increase in compensation expense we expect to incur following the completion of this offering as a result of the grant of options to purchase shares of Class A common stock under our 2018 Incentive Award Plan in connection with this offering.

Dilution

If you invest in our Class A common stock, you will experience dilution to the extent of the difference between the initial public offering price per share of our Class A common stock and the pro forma net tangible book value per share of our Class A common stock. Dilution results from the fact that the per share offering price of the Class A common stock is substantially in excess of the pro forma net tangible book value per share attributable to the Pre-IPO LLC Members.

Our pro forma net tangible book value as of December 31, 2017 would have been approximately $ million, or $ per share of our Class A common stock. Pro forma net tangible book value represents the amount of total tangible assets less total liabilities, and pro forma net tangible book value per share represents pro forma net tangible book value divided by the number of shares of common stock outstanding, in each case after giving effect to the reorganization transactions (based on an assumed initial public offering price of $ per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus)), assuming that the Pre-IPO LLC Members redeem or exchange all of their LLC Units for newly-issued shares of our Class A common stock on a one-for-one basis.

After giving effect to the reorganization transactions, assuming that the Pre-IPO LLC Members redeem or exchange all of their LLC Units for newly-issued shares of our Class A common stock on a one-for-one basis, and after giving further effect to the sale of shares of Class A common stock in this offering at the assumed initial public offering price of $ per share (the midpoint of the estimated price range on the cover page of this prospectus) and the use of the net proceeds from this offering, our pro forma as adjusted net tangible book value would have been approximately $ million, or $ per share, representing an immediate increase in net tangible book value of $ per share to existing equity holders and an immediate dilution in net tangible book value of $ per share to new investors.

The following table illustrates the per share dilution:

Assumed initial public offering price per share	$
Pro forma net tangible book value per share as of December 31, 2017[1]	
Increase in pro forma net tangible book value per share attributable to new investors	
Pro forma adjusted net tangible book value per share after this offering[2]	
Dilution in pro forma net tangible book value per share to new investors	$

(1) Reflects outstanding shares of Class A common stock.

(2) Reflects outstanding shares, consisting of (i) shares of Class A common stock to be issued in this offering and (ii) the outstanding shares described in note (1) above.

Dilution is determined by subtracting pro forma net tangible book value per share after this offering from the initial public offering price per share of Class A common stock.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) our pro forma net tangible book value after this offering by $ million and the dilution per share to new investors by $, in each case assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

We have presented dilution in pro forma net tangible book value per share of Class A common stock to investors in this offering assuming that all of the holders of LLC Units redeemed or exchanged their LLC Units for a corresponding number of newly-issued shares of Class A common stock in order to more meaningfully present the dilutive impact on the investors in this offering.

The following table sets forth, on the same pro forma basis as of December 31, 2017, the total number of shares of Class A common stock purchased from us, the total consideration paid to us and the average price per share paid by the Pre-IPO LLC Members and by new investors purchasing shares of Class A common stock in this offering, assuming that the Pre-IPO LLC Members redeem or exchange all of their LLC Units for newly-issued shares of our Class A common stock on a one-for-one basis:

	Shares of Class A common stock purchased		Total consideration		Average price per share of Class A common stock
	Number	Percent	Amount	Percent	(in thousands)
Pre-IPO LLC Members			$		$
Investors in this offering					
Total			$		$

To the extent the underwriters' option to purchase additional shares of Class A common stock is exercised, there will be further dilution to new investors.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus) would increase (decrease) total consideration paid by new investors in this offering by $ million and would increase (decrease) the average price per share paid by new investors by $, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

We may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent additional capital is raised through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

Selected historical financial data

The following selected consolidated and combined historical financial data of Goosehead Financial, LLC should be read in conjunction with, and are qualified by reference to, “Management’s discussion and analysis of financial condition and results of operations” and the financial statements and notes thereto included elsewhere in this prospectus.

The statement of operations data for the years ended December 31, 2016 and 2017 and the balance sheet data as of December 31, 2016 and 2017 are derived from, and qualified by reference to, the audited consolidated and combined financial statements of Goosehead Financial, LLC included elsewhere in this prospectus and should be read in conjunction with those financial statements and notes thereto.

The results indicated below and elsewhere in this prospectus are not necessarily indicative of our future performance. You should read this information together with “Capitalization,” “Management’s discussion and analysis of financial condition and results of operations” and Goosehead Financial, LLC’s consolidated and combined financial statements and related notes thereto included elsewhere in this prospectus.

	For the year ended December 31	
	2016	2017
Selected Statement of Income Data		
Revenues:		
Commissions and agency fees	$ 21,283,457	$ 27,030,018
Franchise revenues	10,101,065	15,437,753
Interest income	99,426	242,700
Total revenues	31,483,948	42,710,471
Operating expenses:		
Employee compensation and benefits	19,469,456	24,544,425
General and administrative expenses	5,731,599	8,596,546
Bad debts	658,990	1,083,374
Depreciation and amortization	488,334	876,053
Total operating expenses	26,348,379	35,100,398
Income from operations	5,135,569	7,610,073
Other income (expense)		
Other income	—	3,540,932
Interest expense	(413 ,042)	(2,474,110)
Net income	$ 4,722,527	$ 8,676,895

	As of December 31	
	2016	2017
Selected Balance Sheet Data		
Assets		
Current Assets:		
Cash and cash equivalents	$ 3,778,098	$ 4,947,671
Restricted cash	300,284	417,911
Commissions and fees receivable, net	1,010,454	1,268,172
Receivable from franchisees, net	577,413	564,087
Member note receivable	2,233	—
Prepaid expenses	309,256	521,362
Note receivable from affiliate	120,010	—
Total current assets	6,097,748	7,719,203
Receivable from franchisees, net of current portion	1,004,459	1,360,686
Member note receivable, net of current portion	12,414	—
Property and equipment, net of accumulated depreciation	1,438,317	6,845,121
Intangible assets, net of accumulated amortization	47,098	216,468
Other assets	94,487	565,191
Total assets	$ 8,694,523	$ 16,706,669
Liabilities And Members' Equity (Deficit)		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,428,944	$ 2,759,241
Premiums payable	300,284	417,911
Unearned revenue	755,000	1,062,050
Dividends payable	500,000	550,000
Deferred rent	191,972	477,818
Note payable	300,000	500,000
Total current liabilities	3,476,200	5,767,020
Deferred rent, net of current portion	385,508	3,916,257
Note payable, net of current portion	29,073,000	48,156,340
Total liabilities	32,934,708	57,839,617
Commitments and contingencies Members' deficit	(24,240,185)	(41,132,948)
Total liabilities and members' deficit	$ 8,694,523	$ 16,706,669

Management's discussion and analysis of financial condition and results of operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the "Selected historical financial data" section of this prospectus and our financial statements and the related notes and other financial information included elsewhere in this prospectus. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under "Risk factors" and elsewhere in this prospectus.

The following discussion contains references to calendar year 2016 and calendar year 2017, which represents the consolidated and combined financial results of our predecessor Goosehead Financial, LLC and its subsidiaries Texas Wasatch Insurance Services, LP, Goosehead Insurance Agency, LLC and its affiliates Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC, for the fiscal years ended December 31, 2016 and December 31, 2017, respectively.

Overview

We are a leading personal lines independent insurance agency, based on personal lines revenue, reinventing the traditional approach to distributing personal lines products and services throughout the United States. We were founded with one vision in mind—to provide consumers with superior insurance coverage at the best available price and in a timely manner. By leveraging our differentiated business model and innovative technology platform, we are able to deliver to consumers a superior insurance experience. Our business model, in contrast to the traditional insurance agency model, separates the sales function from the service function, thus enabling agents to focus on selling, and service personnel to focus on delivering superior client service. In addition, our technology platform empowers our agents with tools to better manage their sales initiatives, and provides our service personnel with real-time 360-degree visibility of client accounts. As a result, we have achieved best-in-class net promoter scores for client service, nearly 2.0x the 2016 P&C industry average.

We represent over 80 insurance companies that underwrite personal lines and small commercial lines risks, which typically enables us to provide broader insurance coverage at a lower price point than competing agents who represent only a few carriers, carriers with captive agents or carriers that distribute directly to consumers.

Today we are a rapidly-growing independent insurance agency and franchisor in the United States. For the years ended December 31, 2016 and 2017, we generated revenue of $31.5 million and $42.7 million, respectively, representing year-over-year growth of 36%. This growth has been driven by our recruiting team's ability to recruit talented agents to our platform, our agents' leading productivity in winning new business and our service centers' ability to retain renewal business. All of our growth has been organic; we have not relied on mergers or acquisitions. Furthermore, we are profitable. For the year ended December 31, 2017 we generated $8.7 million of net income.

Our insurance product offerings primarily consist of homeowner's insurance; auto insurance; other personal lines products, including flood, wind and earthquake insurance; excess liability or umbrella insurance; specialty lines insurance (motorcycle, recreational vehicle and other insurance); commercial lines insurance (general liability, property and auto insurance for small businesses); and life insurance. We do not take any insurance underwriting risk in the operation of our business.

We enter into Carrier Appointments that set the terms of engagement, define legal ownership of client accounts and client data, and determine compensation. Our 2017 average commission rate on new business premium

was 16% and on renewal business premium was 14%. Commission rates can vary across Carriers, states and lines of business, and typically range from 10% to 20%. Because we represent a broad set of Carriers that all have unique risk appetites and underwriting strategies, we can usually provide our clients with broader insurance coverage at a lower price point than competing agents who represent only one Carrier exclusively, or Carriers that distribute directly to insurance buyers.

Our business has grown substantially since our founding in 2003. Our operations now include a network of seven corporate sales offices and 411 franchise locations (inclusive of 119 franchises which are under contract but yet to be opened as of December 31, 2017). In addition, we have service center operations at our headquarters and in Henderson, Nevada. Our growth is reflected in our financial performance. Revenue grew period over period by 33% and 36% for the years ended December 31, 2016 and December 31, 2017, respectively. This growth has been driven by our recruiting team's ability to recruit talented agents to our platform, our agents' leading productivity in winning new business and our leading service centers' ability to retain renewal business. All of our growth has been organic; we have not relied on mergers or acquisitions.

We have two Segments: the Corporate Channel and Franchise Channel. The Corporate Channel consists of company-owned and financed operations with employees who are hired, trained and managed by us. The Franchise Channel consists of Franchisee operations that are owned and managed by Franchisees. These Franchisees have a contractual relationship with us to use our processes, systems, and back-office support team to sell insurance and manage their business. In exchange, we are entitled to an Initial Franchise Fee and ongoing Royalty Fees. We manage our two Segments from our headquarters in Westlake, Texas. In addition to managing our Segments, our headquarters is responsible for overseeing our client service centers, our network of Referral Partners, our recruiting team and our technology functions which tie all aspects of our business together. Our headquarters also provides various risk management, quality control, accounting, legal and finance functions.

Factors affecting our results of operations

We believe that the most significant factors affecting our results of operations include:

- ***Investment in growth.*** We continue to invest in expanding our national footprint, increasing our revenue producing headcount, and increasing the level of support provided to our salespeople. Our ability to attract and retain top Corporate Channel sales agents and franchise owners, ramp up new agent productivity, and retain existing and future Policies in Force are key to continued profitable growth.
- ***Investment in technology.*** We continue to develop and invest in our technology platform to drive scalability, adaptability, and efficiency in both the Corporate Channel and Franchise Channel. We believe our significant proprietary investment in our technology is a key competitive advantage that supports our growth rate and operating margins.
- ***Continued expansion of Franchise Channel into new markets.*** We will be expanding our franchise marketing efforts to 13 new states in 2018, representing an approximate 63% increase in the population where we are actively marketing our franchise offering. We will continue to market actively for new franchises in our established markets and these new markets. We are now licensed with the necessary state departments of commerce and insurance and registered as a franchisor in all of the lower 48 states in the U.S. Making our franchise offering available to more agents across the U.S. will allow us to continue to recruit an increasing number of talented agents into our system.
- ***Continued retention of existing Book of Business.*** We have made significant progress in recent years in Client Retention metrics, and maintaining these high levels of Client Retention is key to future profitability. A key

lever in driving Client Retention is selling multiple lines of business to clients at the point of initial sale. In our Corporate Channel, we have made significant progress in recent years in this area. We expect to continue to maintain our high levels of cross-selling in the Corporate Channel, and we expect to see improvement in our Franchise Channel as we bring best demonstrated practices to our field of Franchisees.

- ***Increase in margins as business shifts from new to renewal.*** Because we are entitled to a higher percentage of revenue after the first term of a policy and the higher level of back-office support needed during the first term of an insurance policy, the Company begins to see higher levels of profitability on Renewal Revenue. We will focus simultaneously on converting New Business Revenue to Renewal Revenue through our retention efforts, and on continuing to grow New Business Revenue that will convert and allow us to expand our margins in future periods.
- ***Strength of the insurance market or particular lines of business.*** We generate the majority of our revenues through commissions, which are calculated as a percentage of the total insurance policy premium. A softening of the insurance market or the particular lines of business that are our focus, characterized by a period of declining premium rates, could negatively impact our profitability. In recent years, auto insurance premium pricing has been in a hard cycle as accident costs have risen significantly. Conversely, homeowner's insurance premium pricing has recently been in a soft market. However, the 2017 Atlantic hurricane season has been one of the most active in recent history. Dowling & Partners Securities, LLC estimates that hurricanes Harvey, Irma and Maria will result in insured losses ranging from $70 billion to more than $100 billion and insured losses from the recent California wildfires to be $15 billion; similar levels of industry losses in the past have resulted in a hardening of the homeowner's insurance market.
- ***Seasonality and cyclicality of housing market conditions.*** The majority of our new accounts are sourced by referral sources tied to home closing transactions. Major slowdowns in the various housing markets Goosehead serves could impact our ability to generate new business. We experience seasonality and revenue related to the sale of insurance policies throughout the course of a calendar year that is tied to the seasonality of new home sales. Revenue from home insurance leads is higher from April to August and lower from October through January. While this can impact month-to-month or quarter-to-quarter results, we expect productivity to increase year-over-year.
- ***Effect of natural or man-made disasters***. Any increases in loss ratios due to natural or man-made disasters could impact our Contingent Commissions, which are primarily driven by both growth and profitability metrics.
- ***Cost of being a public company***. To operate as a public company, we will be required to continue to implement changes in certain aspects of our business and develop, manage, and train management level and other employees to comply with on-going public company requirements. We will also incur new expenses as a public company, including public reporting obligations, proxy statements, stockholder meetings, stock exchange fees, transfer agent fees, SEC and FINRA filing fees and offering expenses.

Effects of the reorganization on our corporate structure

Goosehead Insurance, Inc. was formed for the purpose of this offering and has engaged to date only in activities in contemplation of this offering. Goosehead Insurance, Inc. will be a holding company and its sole material asset will be a controlling ownership interest in Goosehead Financial, LLC. For more information regarding our reorganization and holding company structure, see "Organizational structure—The reorganization transactions." Upon completion of this offering, all of our business will be conducted through Goosehead Financial, LLC and its consolidated subsidiaries and affiliates, and the financial results of Goosehead Financial, LLC and its consolidated subsidiaries will be included in the consolidated financial statements of Goosehead Insurance, Inc.

Goosehead Financial, LLC is currently taxed as a partnership for federal income tax purposes and, as a result, its members, including Goosehead Insurance, Inc., pay taxes with respect to their allocable shares of its net taxable income.

We expect that redemptions and exchanges of LLC Units will result in increases in the tax basis in our share of the tangible and intangible assets of Goosehead Financial, LLC that otherwise would not have been available. These increases in tax basis may reduce the amount of tax that we would otherwise be required to pay in the future. The tax receivable agreement will require Goosehead Insurance, Inc. to pay 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize to the Pre-IPO LLC Members. Furthermore, payments under the tax receivable agreement will give rise to additional tax benefits and therefore additional payments under the tax receivable agreement itself. See "Certain relationships and related party transactions—Tax receivable agreement."

Assuming an initial public offering price of $ per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus), we expect to incur a charge of $ related to a compensation expense to be recognized in connection with the accelerated vesting of the outstanding Class B Units in connection with this offering.

Certain income statement line items

Revenues

Revenue is derived primarily from commissions in our two Segments. In 2016, revenue increased by 33% to $31.5 million from $23.6 million in 2015. In 2017, revenue increased by 36% to $42.7 million from $31.5 million in 2016.

We discuss below the breakdown of our revenue by Channel and line of business.

Corporate Channel Revenues

In the Corporate Channel, we generate revenue in the form of New Business Revenue (Corporate), Renewal Revenue (Corporate), Agency Fees, Contingent Commissions and interest income.

The following table sets forth our revenues by Corporate Channel type by amount and as a percentage of our revenues for the periods indicated:

	Years ended December 31,			
	2016		2017	
New Business Revenue (Corporate)	$ 4,337,406	21%	$ 5,765,025	23%
Renewal Revenue (Corporate)	12,709,374	63	15,162,027	59
Agency Fees	2,588,717	13	3,443,722	13
Contingent Commissions	634,385	3	1,149,768	5
Interest income	217	—	—	—
Revenues	$ 20,270,099	100%	$ 25,520,542	100%

Franchise Channel Revenues

In the Franchise Channel, we generate revenue from Royalty Fees, Initial Franchise Fees, Contingent Commissions and interest income.

The Initial Franchise Fee is determined by the state of the Franchise location and the payment terms, as follows:

	Initial franchise fees	
Payment terms	**Texas**	**Outside of Texas**
Pay-in full:	$40,000	$ 25,000
Payment plan:		
Down payment	$10,000	$ 10,000
Paid over 5 years	50,000	30,000
Total Paid	$60,000	$ 40,000

The following table sets forth our revenues by Franchise Channel type by amount and as a percentage of our revenues for the periods indicated:

	Years ended December 31,			
	2016		2017	
Royalty Fees	$ 6,923,565	62%	$ 11,067,753	64%
Initial Franchise Fees	3,177,500	28	4,370,000	25
Contingent Commissions	1,013,575	9	1,509,476	9
Interest income	99,209	1	242,700	1
Revenues	$ 11,213,849	100%	$ 17,189,929	100%

Premium by line of business

We are a distributor of insurance policies in a range of lines of business including homeowner's insurance, automotive, dwelling property insurance, flood, wind and earthquake insurance, excess liability or umbrella insurance, specialty lines insurance (motorcycle, recreational vehicle, and other insurance), commercial lines insurance (general liability, property and auto insurance for small businesses) and life insurance. The following table sets forth our Total Written Premium placed by line of business by amount and as a percentage of our Total Written Premium for the periods indicated:

	Years ended December 31,			
	2016		2017	
	(in thousands of dollars)			
Line of business				
Homeowner	$122,094	51%	$ 163,794	48%
Automotive	92,450	38	144,241	42
Dwelling property	11,091	5	14,843	4
Other	15,359	6	19,452	6
Total Written Premium	$240,994	100%	$ 342,330	100%

Expenses

Employee compensation and benefits. Employee compensation and benefits is our largest expense and consists of (a) base compensation comprising salary, bonuses and benefits paid and payable to employees and (b) equity-based compensation associated with the grants of restricted interest awards to senior employees. We expect to continue to experience a general rise in compensation and benefits expense commensurate with expected growth in headcount and with the need to maintain competitive compensation levels as we expand geographically and create new products and services.

Our compensation arrangements with our employees contain a significant bonus component driven by the results of our operations. Therefore, as our revenues, profitability and the amount of incentive fees earned by our customized separate accounts and specialized funds increase, our compensation costs rise.

General and administrative expenses. General and administrative expenses include travel, accounting, legal and other professional fees, commissions, placement fees, office expenses, depreciation and other costs associated with our operations. Our occupancy-related costs and professional services expenses, in particular, generally increase or decrease in relative proportion to the number of our employees and the overall size and scale of our business operations. Expenses allocated to the Segments related to our service centers and other overhead are applied to the appropriate Segment using a transfer pricing methodology that seeks to maximize the scale efficiencies of our business by sharing certain expenses across the two Segments. These shared expenses are then allocated between the two Segments based on certain cost drivers related to each expense. Examples of specific expenses and their cost drivers include, but are not limited to: service team compensation costs are allocated based on the number of cases processed for each Segment, our rent expense by location is allocated based on the full time equivalent count and Segment, and our Salesforce.com charges are allocated based on the number of individual licenses used by each Segment.

Key performance indicators

Our key operating metrics are discussed below:

Total Written Premium

Total Written Premium represents as of any reported date, the total amount of current (non-cancelled) gross premium that is placed with Goosehead's portfolio of Carriers. We believe that Total Written Premium is an appropriate measure of operating performance because it reflects growth of our business relative to other insurance agencies.

As of December 31, 2017, we had $342.3 million in Total Written Premium compared to $241.0 million as of December 31, 2016, representing a 42% increase in Total Written Premium.

Policies in Force

Policies in Force means as of any reported date, the total count of current (non-cancelled) policies placed with Goosehead's portfolio of Carriers. We believe that Policies in Force is an appropriate measure of operating performance because it reflects growth of our business relative to other insurance agencies.

As of December 31, 2017, we had 227,764 in Policies in Force compared to 174,546 as of December 31, 2016, representing a 30% increase in Policies in Force.

NPS

Net Promoter Score (NPS) is calculated based on a single question: "How likely are you to refer Goosehead Insurance to a friend, family member or colleague?" Customers that respond with a 6 or below are Detractors, a

score of 7 or 8 are called Passives, and a 9 or 10 are Promoters. NPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters. For example, if 50% of respondents were Promoters and 10% were Detractors, NPS is a 40. NPS is a useful gauge of the loyalty of customer relationships and can be compared across companies and industries.

NPS has increased from 84 in 2016 to 86 in 2017, primarily driven by the service team's continued focus on delivering highly differentiated service levels.

Client Retention

Client Retention is calculated by comparing the number of all clients that had at least one policy in force twelve months prior to the date of measurement and still have at least one policy in force at the date of measurement. We believe Client Retention is useful as a measure of how well Goosehead retains clients year-over-year and minimizes defections.

Concomitant with our increase in NPS, Client Retention has increased from 87% in 2016 to 88% in 2017, again driven by the service team's continued focus on delivering highly differentiated service levels. In 2017, we retained 94% of the premiums we distributed in 2016. Our premium retention rate is higher than our Client Retention rate as a result of both premiums increasing year over year and additional coverages sold by our service team.

New Business Revenue

New Business Revenue means commissions received from the Carrier, Agency Fees received from clients, and Royalty Fees relating to policies in their first term.

For the fiscal year ended December 31, 2017, New Business Revenue grew 38% compared to fiscal year ended December 31, 2016, from $9.1 million to $12.6 million, respectively. Growth in New Business Revenue is driven by an increase in Corporate Channel sales agent headcount of 61% and growth in franchises in the Franchise Channel of 54%.

Renewal Revenue

Renewal Revenue means commissions received from the Carrier and Royalty Fees after the first term of a policy.

For the fiscal year ended December 31, 2017, Renewal Revenue grew 32% compared to fiscal year ended December 31, 2016, from $17.4 million to $22.9 million, respectively. Growth in Renewal Revenue was driven by an increase in Client Retention over the prior year to 88% for 2017. As our agent force matures on both the Corporate Channel and the Franchise Channel, the policies they wrote in prior years begins to convert from New Business Revenue to more profitable Renewal Revenue.

Adjusted EBITDA

Adjusted EBITDA is a supplemental measure of our performance. We believe that Adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of items that do not relate to business performance. Adjusted EBITDA is defined as net income before interest, income taxes, depreciation and amortization, adjusted to exclude Class B share compensation and other non-operating items, including, among other things, certain non-cash charges and certain non-recurring gains or losses.

Adjusted EBITDA increased by $2.6 million, or 32%, to $10.7 million for 2017 from $8.1 million for 2016, driven by Corporate Channel Adjusted EBITDA growth of $0.3 million and Franchise Channel Adjusted EBITDA growth of $2.0 million.

Adjusted EBITDA Margin

Adjusted EBITDA Margin is net income before interest, income taxes, depreciation and amortization, adjusted to exclude Class B share compensation and other non-operating items, divided by total revenue excluding other non-operating items. Adjusted EBITDA Margin is helpful in measuring profitability of operations on a consolidated and combined level.

For the fiscal year ended December 31, 2017, Adjusted EBITDA Margin was 25% compared to 26% for the fiscal year ended December 31, 2016, primarily driven by Corporate Channel Adjusted EBITDA Margin compression, offset by Franchise Channel Adjusted EBITDA Margin expansion. Corporate Channel Adjusted EBITDA Margin compression can be attributed to increased expenses driven by a 61% increase in Corporate Channel sales agent headcount. As these new sales agents ramp-up production and begin to receive Renewal Revenue (Corporate), we expect them to contribute to future Corporate Channel Adjusted EBITDA Margin expansion. Franchise Channel Adjusted EBITDA Margin expansion is attributed to growth in more profitable Renewal Revenue as a percentage of total revenue.

Non-GAAP Measures

Adjusted EBITDA and Adjusted EBITDA Margin are not measures of financial performance under GAAP and should not be considered substitutes for net income, which we consider to be the most directly comparable GAAP measure. Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and when assessing our operating performance, you should not consider Adjusted EBITDA and Adjusted EBITDA Margin in isolation or as substitutes for net income or other consolidated and combined income statement data prepared in accordance with GAAP. Other companies may calculate Adjusted EBITDA and Adjusted EBITDA Margin differently than we do, limiting their usefulness as comparative measures. For a reconciliation of these measures to net income, see “Prospectus summary—Summary historical and pro forma financial and other data.”

Consolidated and combined results of operations

The following is a discussion of our consolidated results of operations for each of the years ended December 31, 2016 and December 31, 2017. This information is derived from our accompanying consolidated and combined financial statements prepared in accordance with GAAP.

Year ended December 31, 2016 compared to year ended December 31, 2017

The following table summarizes our results of operations for the years ended December 31, 2016 and 2017:

	For the year ended December 31			
	2016		2017	
Revenues:				
Commissions and agency fees	$21,283,457	68%	$27,030,018	63%
Franchise revenues	10,101,065	32	15,437,753	36
Interest income	99,426	—	242,700	1
Total revenues	31,483,948	100%	42,710,471	100%
Operating expenses:				
Employee compensation and benefits	19,469,456	74%	24,544,425	70%
General and administrative expenses	5,731,599	22	8,596,546	24
Bad debts	658,990	2	1,083,374	3
Depreciation and amortization	488,334	2	876,053	3
Total operating expenses	26,348,379	100%	35,100,398	100%
Income from operations	5,135,569		7,610,073	
Other income (expense)				
Other income	—		3,540,932	
Interest expense	(413,042)		(2,474,110)	
Net income	$ 4,722,527		$ 8,676,895	

Revenues

In 2017, revenue increased by 36% to $42.7 million from $31.5 million in 2016.

Commissions and agency fees

Revenue from New Business Revenue (Corporate) increased by $1.5 million, or 35%, to $5.8 million for 2017 from $4.3 million for 2016, and Revenue from Agency Fees increased by $0.8 million, or 31%, to $3.4 million for 2017 from $2.6 million for 2016. These increases were primarily attributable to an increase in total sales agent head count and an increase in sales agent productivity from 2016 to 2017. Renewal Revenue (Corporate) increased by $2.5 million, or 20%, to $15.2 million for 2017 from $12.7 million for 2016, primarily attributable to an increase in the number of policies in the renewal term from 2016 to 2017. Revenue from Contingent Commissions increased by $0.5 million, or 83%, to $1.1 million for 2017 from $0.6 million for 2016, primarily attributable to an increase in Total Written Premium from 2016 to 2017.

Franchise revenues

Revenue from Royalty Fees increased by $4.1 million, or 61%, to $11.1 million for 2017 from $6.9 million for 2016. The increase in revenue from Royalty Fees was primarily attributable to an increase in the total number of operating franchises from 2016 to 2017 and the higher Royalty Fee rate on renewal business compared to new business (50% vs. 20%). Initial Franchise Fees increased by $1.2 million, or 38%, to $4.4 million for 2017 from $3.2 million for 2016. The increase in revenue from Initial Franchise Fees was attributable to an increase in the total number of franchises that attended training from 2016 to 2017. Contingent Commissions in the Franchise Channel increased $0.5 million, or 50% to $1.5 million for 2017 from $1.0 million for 2016, attributable to an increase in Total Written Premium from 2016 to 2017.

Interest income

Interest income increased by $143,274, or 144%, to $242,700 for 2017 from $99,426 for 2016. This increase was primarily attributable to additional Franchise Agreements signed under the payment plan option.

Expenses

Employee compensation and benefits

Employee compensation and benefits expenses increased by $5.1 million, or 26%, to $24.6 million for 2017 from $19.5 million for 2016. This increase was primarily attributable to an increase in total headcount from 2016 to 2017.

General and administrative expenses

General and administrative expenses increased by $2.9 million, or 51%, to $8.6 million for 2017 from $5.7 million for 2016. This increase was primarily attributable to higher costs associated with an increase in operating franchises and employees.

Bad debts

Bad debts increased by $0.4 million, or 57%, to $1.1 million for 2017 from $0.7 million for 2016. This increase was primarily attributable to driven by increases in Agency Fees and Initial Franchise Fees sold by the company.

Depreciation and amortization

Depreciation and amortization increased by $0.4 million, or 80%, to $0.9 million for 2017 from $0.5 million for 2016. This increase was primarily attributable to the increase in fixed assets during the same period, including the opening of the Company’s new headquarters in Westlake, Texas.

Other income (expense)

Other income increased from $0 in 2016 to $3.5 million in 2017. This increase was attributable to a buyout agreement executed with a Franchisee on June 1, 2017 per the terms of a Franchise Agreement from 2014. As part of the buyout, the departing Franchisee purchased Goosehead’s economic interests in future Royalty Fees. Goosehead recognized a $3.5 million gain on the transaction in June 2017.

Interest expense

Interest expenses increased by $2.1 million, or 525%, to $2.5 million for 2017 from $0.4 million for 2016. This increase was primarily attributable to a full year of interest on the note payable, additional Term Loan balance added in 2017 and rising LIBOR rates during the year.

Segment adjusted EBITDA

Corporate Channel Adjusted EBITDA is segment earnings before interest, income taxes, depreciation and amortization allocable to the Corporate Channel.

Corporate Channel Adjusted EBITDA increased by $0.3 million, or 4%, to $6.4 million for 2017 from $6.1 million for 2016, primarily attributable higher New Business Revenue (Corporate) from increased hiring and agent ramp-up, plus an increase in more profitable Renewal Revenue (Corporate), offset by employee compensation and benefits from increased hiring.

Franchise Channel Adjusted EBITDA is segment earnings before interest, income taxes, depreciation and amortization, adjusted to exclude other non-operating items.

Franchise Channel Adjusted EBITDA increased by $2 million, or 74%, to $4.7 million for 2017 from $2.7 million for 2016, primarily attributable to an increase in Initial Franchise Fees and New Business Revenue from an increase in operating agencies, plus an increase in more profitable Renewal Revenue.

Neither of Franchise Channel Adjusted EBITDA or Corporate Channel Adjusted EBITDA includes Class B share compensation, which is recorded at the consolidated level.

Liquidity and capital resources

Historical liquidity and capital resources

We have managed our historical liquidity and capital requirements primarily through the receipt of revenues from our Corporate Channel and our Franchise Channel. Our primary cash flow activities involve: (1) generating cash flow from Corporate Channel operations, which largely includes Renewal Revenue (Corporate) and New Business Revenue (Corporate); (2) generating cash flow from Franchise Channel operations, which largely includes Royalty Fees and Initial Franchise Fees; (3) making distributions to the Goosehead Management Holders and Texas Wasatch Holders; and (4) borrowings, interest payments and repayments under our Credit Agreement. As of December 31, 2017, our cash and cash equivalents was $4.9 million. We have used cash flow from operations primarily to pay compensation and related expenses, general, administrative and other expenses, debt service and distributions to our owners.

Credit agreement

On October 27, 2016, Goosehead Insurance Holdings, LLC, as borrower representative, entered into a credit agreement (as subsequently amended, the “Credit Agreement”) with Madison Capital Funding LLC, as agent, and the lenders party thereto, consisting of a $3,000,000 revolving credit facility (the “Revolving Credit Facility”) and $30,000,000 term loan (the “Initial Term Loan”) used to pay off existing debt and fund a distribution to members. On July 14, 2017, Goosehead Insurance Holdings, LLC and the other loan parties entered into the first amendment to the Credit Agreement pursuant to which Goosehead Insurance Holdings, LLC borrowed an additional $10,000,000 term loan (the “First Additional Term Loan”) used to fund a distribution to members. On December 20, 2017, the Company executed the second amendment to the Credit Agreement to borrow an additional $10,000,000 term loan (together with the Initial Term Loan and the First Additional Term Loan, the “Term Loans”) for payment of a dividend to shareholders and to extend the maturity date of the Term Loans by one year. The aggregate principal amount of the Term Loans as of the date of this prospectus is $, payable in quarterly installments of $125,000 with a balloon payment of $47,250,000 on October 27, 2022.

Interest on the Term Loans is calculated at LIBOR plus 5.50%. The Revolving Credit Facility accrues interest on amounts drawn at LIBOR plus 5.50%. As of the date of this prospectus, the Company had a letter of credit of $500,000 applied against the maximum borrowing availability under the Revolving Credit Facility, at an interest rate of 5.50%, thus amounts available to draw totaled $2,500,000. No interest was paid during 2016 or 2017 on the Revolving Credit Facility. The Term Loans and the Revolving Credit Facility are collateralized by substantially all the Company’s assets, which includes rights to future commissions.

The Credit Agreement contains covenants that, among other things, restrict our ability to make certain restricted payments, incur additional debt, engage in certain asset sales, mergers, acquisitions or similar transactions, create liens on assets, engage in certain transactions with affiliates, change our business or make investments. We may voluntarily prepay in whole or in part the outstanding principal under our Term Loans at

any time prior to the maturity date. In addition, the Credit Agreement contains financial covenants requiring us to maintain our fixed charge coverage ratio at or above 1.20 to 1.00 and total debt to EBITDA (as defined in the Credit Agreement) ratio at or below 5.25 to 1.0 (with scheduled annual step downs to 5.00 to 1.00, 4.75 to 1.00, 4.50 to 1.00 and 4.25 to 1.00). Pursuant to the Credit Agreement, a change of control default will be triggered when any person or group other than Mark Jones and Robyn Jones becomes the beneficial owner of more than 50% of the voting power represented by our outstanding equity interests, unless Mark and Robyn Jones have the ability to elect or designate for election at least a majority of our board of directors. Such a default could result in the acceleration of repayment of our and our subsidiaries' indebtedness, including borrowings under the Revolving Credit Facility if not waived by the lenders under the Credit Agreement. See "Risk factors—Risks relating to our business—The failure by Mark Jones and Robyn Jones to maintain either a minimum voting interest in us or the ability to elect or designate for election at least a majority of our board of directors could trigger a change of control default under our Credit Agreement."

Comparative cash flows

The following table summarizes our cash flows from operational, investing and financing activities for the periods indicated:

	For the years ended December 31,	
	2016	**2017**
Net cash provided by operating activities	$4,401,860	$13,541,744
Net cash used for investing activities	(696,394)	(6,134,946)
Net cash used for financing activities	(965,232)	(6,237,225)
Net increase in cash and cash equivalents	2,740,234	1,169,573
Cash, beginning of period	1,037,864	3,778,098
Cash, end of period	$3,778,098	4,947,671
Cash paid during the year for interest	$ 380,042	$ 2,000,918

Operational activities

Net cash provided by operational activities was $13.5 million for 2017 as compared to net cash provided by operational activities of $4.4 million for 2016. This increase in net cash provided by operational activities was primarily attributable to a $4.0 million increase in net income, $1.3 million change in accounts payable and accrued expenses balance and a $3.5 million change in the deferred rent balance driven by tenant reimbursement at the new Westlake, Texas headquarters.

Business investment activities

Net cash used in business investment activities was $6.1 million for 2017 as compared to net cash used in business investment activities of $0.7 million for 2016. This increase in net cash used in business investment activities was primarily attributable to fixed asset growth directly related to headcount increases, additional office space buildout in Chicago, Austin, and The Woodlands, and the buildout of the new headquarters in Westlake, Texas.

Financing activities

Net cash used in financing activities was $6.2 million for 2017 as compared to net cash used in financing activities of $1.0 million for 2016. This increase in net cash used in financing activities was primarily attributable to the dividends of $25.5 million in excess of the additional $20 million of borrowing.

Future sources and uses of liquidity

Our initial sources of liquidity will be (1) cash on hand, (2) net working capital, (3) cash flows from operations and (4) our Revolving Credit Facility. Based on our current expectations, we believe that these sources of liquidity will be sufficient to fund our working capital requirements and to meet our commitments in the foreseeable future.

We expect that our primary liquidity needs will comprise cash to (1) provide capital to facilitate the organic growth of our business, (2) pay operating expenses, including cash compensation to our employees, (3) make payments under the tax receivable agreement, (4) pay interest and principal due on borrowings under our Credit Agreement and (5) pay income taxes.

Dividend policy

Assuming Goosehead Financial, LLC makes distributions to its members in any given year, the determination to pay dividends, if any, to our Class A common stockholders out of the portion, if any, of such distributions remaining after our payment of taxes, tax receivable agreement payments and expenses (any such portion, an "excess distribution") will be made at the sole discretion of our board of directors. Our board of directors may change our dividend policy at any time. See "Dividend policy."

Tax receivable agreement

We intend to enter into a tax receivable agreement with the Pre-IPO LLC Members that will provide for the payment by us to the Pre-IPO LLC Members of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) any increase in tax basis in Goosehead Insurance, Inc.'s assets and (ii) tax benefits related to imputed interest deemed arising as a result of payments made under the tax receivable agreement. See "Certain relationships and related party transactions—Tax receivable agreement."

Holders of Goosehead Financial, LLC Units (other than Goosehead Insurance, Inc.) may, subject to certain conditions and transfer restrictions described above, redeem or exchange their LLC Units for shares of Class A common stock of Goosehead Insurance, Inc. on a one-for-one basis. Goosehead Financial, LLC intends to make an election under Section 754 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code") effective for each taxable year in which a redemption or exchange of LLC Units for shares of Class A common stock occurs, which is expected to result in increases to the tax basis of the assets of Goosehead Financial, LLC at the time of a redemption or exchange of LLC Units. The redemptions or exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of Goosehead Financial, LLC. These increases in tax basis may reduce the amount of tax that Goosehead Insurance, Inc. would otherwise be required to pay in the future. Prior to the completion of this offering, we intend to enter into a tax receivable agreement with the Pre-IPO LLC Members that will provide for the payment by us to the Pre-IPO LLC Members of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) any increase in tax basis in Goosehead Insurance, Inc.'s assets resulting from (a) the purchase of LLC Units from any of the Pre-IPO LLC Members using the net proceeds from any future offering, (b) redemptions or exchanges by the Pre-IPO LLC Members of LLC Units for shares of our Class A common stock or (c) payments under the tax receivable agreement and (ii) tax benefits related to imputed interest deemed arising as a result of payments made under the tax receivable agreement. This payment obligation is an obligation of Goosehead Insurance, Inc. and not of Goosehead Financial, LLC. For purposes of the tax receivable agreement, the cash tax savings in income tax will be computed by comparing the actual income tax liability of Goosehead Insurance, Inc. (calculated with certain assumptions) to the amount of such taxes that Goosehead Insurance, Inc. would have been required to pay had there been no increase to the tax

basis of the assets of Goosehead Financial, LLC as a result of the redemptions or exchanges and had Goosehead Insurance, Inc. not entered into the tax receivable agreement. Estimating the amount of payments that may be made under the tax receivable agreement is by its nature imprecise, insofar as the calculation of amounts payable depends on a variety of factors. While the actual increase in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, will vary depending upon a number of factors, including the timing of redemptions or exchanges, the price of shares of our Class A common stock at the time of the redemption or exchange, the extent to which such redemptions or exchanges are taxable and the amount and timing of our income. See “Certain relationships and related party transactions—Tax receivable agreement.” We anticipate that we will account for the effects of these increases in tax basis and associated payments under the tax receivable agreement arising from future redemptions or exchanges as follows:

- we will record an increase in deferred tax assets for the estimated income tax effects of the increases in tax basis based on enacted federal and state tax rates at the date of the redemption or exchange;
- to the extent we estimate that we will not realize the full benefit represented by the deferred tax asset, based on an analysis that will consider, among other things, our expectation of future earnings, we will reduce the deferred tax asset with a valuation allowance; and
- we will record 85% of the estimated realizable tax benefit (which is the recorded deferred tax asset less any recorded valuation allowance) as an increase to the liability due under the tax receivable agreement and the remaining 15% of the estimated realizable tax benefit as an increase to additional paid-in capital.

All of the effects of changes in any of our estimates after the date of the redemption or exchange will be included in net income. Similarly, the effect of subsequent changes in the enacted tax rates will be included in net income.

Quantitative and qualitative disclosure of market risks

Market risk is the potential loss arising from adverse changes in market rates and prices, such as premium amounts, interest rates, and equity prices. We are exposed to market risk through our Book of Business and borrowings under our Credit Agreement.

Insurance premium pricing within the P&C insurance industry has historically been cyclical, based on the underwriting capacity of the insurance industry and economic conditions. External events, such as terrorist attacks, man-made and natural disasters, can also have significant impacts on the insurance market. We use the terms ‘‘soft market’’ and ‘‘hard market’’ to describe the business cycles experienced by the industry. A soft market is an insurance market characterized by a period of declining premium rates, which can negatively affect commissions earned by insurance agents. A hard market is an insurance market characterized by a period of rising premium rates, which, absent other changes, can positively affect commissions earned by insurance agents.

In recent years, auto insurance premium pricing has been in a hard cycle as accident costs have risen significantly. Between 2014 and 2016, bodily injury costs rose 11.7% and auto property damage costs rose 15.1%, according to the Insurance Information Institute. Conversely, homeowner’s insurance premium pricing has recently been in a soft market. However, the 2017 Atlantic Hurricane season has been one of the most active in recent history. Dowling & Partners Securities, LLC estimates that Hurricanes Harvey, Irma and Maria will result in insured losses ranging from $70 billion to more than $100 billion and insured losses from the recent California wildfires to be $15 billion; similar levels of industry losses in the past have resulted in a hardening of the insurance market.

We do not actively invest or trade in equity securities.

As of December 31, 2017 we had $49.6 million of borrowings outstanding under our Credit Agreement which bears interest on a floating basis tied to the London Interbank Offered Rate (LIBOR) and therefore subject to changes in the associated interest expense. The effect of an immediate hypothetical 10% change in interest rates would not have a material effect on our consolidated and combined financial statements.

Contractual obligations, commitments and contingencies

The following table represents our contractual obligations as of December 31, 2017, aggregated by type.

	Contractual obligations, commitments and contingencies				
(in thousands)	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Operating leases[1]	$15,862	$ 1,321	$ 2,942	$ 3,366	$ 8,234
Debt obligations payable[2]	49,625	500	1,000	48,125	
Total	$65,494	$ 1,827	$ 3,942	$51,491	$ 8,234

(1) The Company leases its facilities under non-cancelable operating leases. In addition to monthly lease payments, the lease agreements require the Company to reimburse the lessors for its portion of operating costs each year. Rent expense was $637,546 for the year ending December 31, 2016 and $1,001,655 for year ending December 31, 2017.

(2) On October 27, 2016, the Company entered into a credit agreement consisting of a revolving credit facility of $3,000,000 and a term loan of $30,000,000 used to pay off existing debt and fund a distribution to members. On July 14, 2017, the Company executed the first amendment to the Credit Agreement to borrow an additional $10,000,000 term loan for payment of a dividend to shareholders. On December 20, 2017 the Company executed the second amendment to the Credit Agreement to borrow an additional $10,000,000 term loan for payment of a dividend to shareholders and to extend the maturity date of the term loans by one year.

Off-balance sheet arrangements

We do not invest in any off-balance sheet vehicles that provide liquidity, capital resources, market or credit risk support, or engage in any activities that expose us to any liability that is not reflected in our consolidated and combined financial statements except for those described under “—Contractual obligations, commitments and contingencies” above.

Critical accounting policies

We prepare our consolidated and combined financial statements in accordance with GAAP. In applying many of these accounting principles, we need to make assumptions, estimates or judgments that affect the reported amounts of assets, liabilities, revenues and expenses in our consolidated and combined financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates or judgments, however, are both subjective and subject to change, and actual results may differ from our assumptions and estimates. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known. We believe the following critical accounting policies could potentially produce materially different results if we were to change underlying assumptions, estimates or judgments. See Note 2, “Summary of significant accounting policies,” to our consolidated and combined financial statements included elsewhere in this prospectus for a summary of our significant accounting policies.

Revenue recognition

Commissions and fees

Commissions, fees and Contingent Commissions from Carriers, net of estimated cancellations, are recognized as revenue when the data necessary to reasonably determine such amounts is made available to the Company.

Because billing is controlled by the Carriers, these types of revenue cannot be reasonably determined until the cash or the related policy detail is received by the Company from the Carrier. Subsequent commission adjustments, such as endorsements and policy changes, are recognized when the adjustments become known. Agency Fees are recognized as revenue on the date coverage is agreed to with the client.

Franchise revenues

Franchise revenues include Initial Franchise Fees and ongoing Royalty Fees from Franchisees. Initial Franchise Fees are contracted fees paid by Franchisees to compensate Goosehead for direct training and onboarding costs, plus a markup for overhead and profit, as part of the initial launch of the franchise unit. The Initial Franchise Fee can either be paid up front at or before the Franchisee comes to training, or for a higher Initial Franchise Fee, paid over a term not to exceed five years.

Royalty Fees are a set percentage of commissions received from Franchisees for consideration of their use of such business processes, trade secrets, know-how, trade names, trademarks, service marks, logos, emblems, trade dress, intellectual property, and back office support functions provided by Goosehead. For policies in their first term, the Company receives 20% of the initial commission and Agency Fees collected; for renewal policies, the Company receives 50% of the Renewal Revenue collected.

Recent accounting pronouncements

Statement of Cash Flows (ASU 2016-18): This standard requires that the Statement of Cash Flows explain the changes during the period of cash and cash equivalents inclusive of amounts categorized as Restricted Cash. As such, upon adoption, the Company's consolidated and combined statement of cash flows will show the sources and uses of cash that explain the movement in the balance of cash and cash equivalents, inclusive of restricted cash, over the period presented. As an emerging growth company, ASU 2016-18 is effective for periods beginning after December 15, 2018 and interim periods within fiscal years beginning after December 15, 2019.

Statement of Cash Flows (ASU 2016-15): This standard addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified and applies to all entities, including both business entities and not-for-profit entities that are required to present a statement of cash flows under Topic 230. ASU 2016-15 will take effect for the Company for fiscal years beginning after December 15, 2018 and interim periods within fiscal years beginning after December 15, 2019. The Company has evaluated the impact of ASU 2016-15 and has determined the impact to be immaterial. The Company does not, at this time, engage in the activities being addressed.

Leases (ASU 2016-02): This standard establishes a new lease accounting model, which introduces the recognition of lease assets and liabilities for those leases classified as operating leases under previous GAAP. It should be applied using a modified retrospective approach, with the option to elect various practical expedients. Early adoption is permitted. The standard is effective for fiscal years beginning after December 15, 2019 and interim periods within fiscal years beginning after December 15, 2020. The Company is currently evaluating the impact this standard will have on our consolidated and combined financial statements.

Revenue from Contracts with Customers (ASU 2014-09): This standard supersedes the existing revenue recognition guidance and provides a new framework for recognizing revenue. The core principle of the standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The new standard also requires significantly more comprehensive disclosures than the existing standard. Guidance subsequent to ASU 2014-09 has been issued to clarify various provisions in the standard, including principal versus agent considerations, identifying performance obligations, licensing transactions, as

well as various technical corrections and improvements. This standard may be adopted using either a retrospective or modified retrospective method. According to the superseding standard ASU 2015-14 that deferred the effective dates of the preceding, the standard is effective for fiscal years beginning after December 15, 2018 and interim periods within fiscal years beginning after December 15, 2019, with early adoption permitted. The Company is currently in the process of evaluating the impact this standard is expected to have on the consolidated and combined financial statements. As the Company continues the evaluation, we will further clarify the expected impact of the adoption of the standard.

Emerging growth company

Pursuant to the JOBS Act, an emerging growth company is provided the option to adopt new or revised accounting standards that may be issued by FASB or the SEC either (i) within the same periods as those otherwise applicable to non-emerging growth companies or (ii) within the same time periods as private companies. We intend to take advantage of the exemption for complying with new or revised accounting standards within the same time periods as private companies. Accordingly, the information contained herein may be different than the information you receive from other public companies.

We also intend take advantage of some of the reduced regulatory and reporting requirements of emerging growth companies pursuant to the JOBS Act so long as we qualify as an emerging growth company, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding non-binding advisory votes on executive compensation and golden parachute payments.

Business

Company overview

We are a leading independent personal lines insurance agency, based on personal lines revenue, reinventing the traditional approach to distributing personal lines products and services throughout the United States. We were founded with one vision in mind—to provide consumers with superior insurance coverage at the best available price and in a timely manner. By leveraging our differentiated business model and innovative technology platform, we are able to deliver to consumers a superior insurance experience. Our business model, in contrast to the traditional insurance agency model, separates the sales function from the service function, thus enabling agents to focus on selling, and service personnel to focus on delivering superior client service. In addition, our technology platform empowers our agents with tools to better manage their sales initiatives, and provides our service personnel with real-time 360-degree visibility of client accounts. As a result, we have achieved best-in-class net promoter scores for client service, nearly 2.0x the 2016 P&C industry average.

We represent over 80 insurance companies that underwrite personal lines and small commercial lines risks, which typically enables us to provide broader insurance coverage at a lower price point than competing agents who represent only a few carriers, carriers with captive agents or carriers that distribute directly to consumers.

Today we are a rapidly-growing independent insurance agency and franchisor in the United States. For the years ended December 31, 2016 and 2017, we generated revenue of $31.5 million and $42.7 million, respectively, representing year-over-year growth of 36%. This growth has been driven by our recruiting team's ability to recruit talented agents to our platform, our agents' leading productivity in winning new business and our service centers' ability to retain renewal business. All of our growth has been organic; we have not relied on mergers or acquisitions. Furthermore, we are profitable. For the year ended December 31, 2017 we generated $8.7 million of net income.

Our insurance product offerings primarily consist of homeowner's insurance; auto insurance; other personal lines products, including flood, wind and earthquake insurance; excess liability or umbrella insurance; specialty lines insurance (motorcycle, recreational vehicle and other insurance); commercial lines insurance (general liability, property and auto insurance for small businesses); and life insurance. We do not take any insurance underwriting risk in the operation of our business.

We enter into Carrier Appointments that set the terms of engagement, define legal ownership of client accounts and client data, and determine compensation. Our 2017 average commission rate on new business premium was 16% and on renewal business premium was 14%. Commission rates can vary across Carriers, states and lines of business, and typically range from 10% to 20%. Because we represent a broad set of Carriers that all have unique risk appetites and underwriting strategies, we can usually provide our clients with broader insurance coverage at a lower price point than competing agents who represent only one Carrier exclusively, or Carriers that distribute directly to insurance buyers.

Our business has grown substantially since our founding in 2003. Our operations now include a network of seven corporate sales offices and 411 franchise locations (inclusive of 119 franchises which are under contract but yet to be opened as of December 31, 2017). In addition, we have service center operations at our headquarters and in Henderson, Nevada. Our growth is reflected in our financial performance. Revenue grew period over period by 33% and 36% for the years ended December 31, 2016 and December 31, 2017, respectively. This growth has been driven by our recruiting team's ability to recruit talented agents to our platform, our agents' leading productivity in winning new business and our leading service centers' ability to retain renewal business. All of our growth has been organic; we have not relied on mergers or acquisitions.

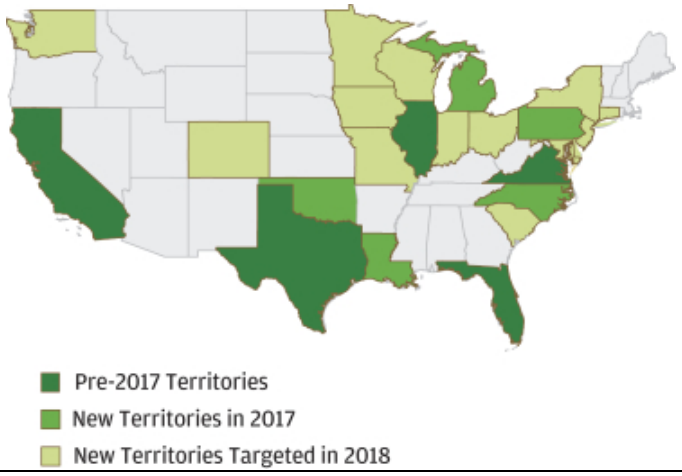
We have two Segments: the Corporate Channel and Franchise Channel. The Corporate Channel consists of company-owned and financed operations with employees who are hired, trained and managed by us. The Franchise Channel consists of Franchisee operations that are owned and managed by Franchisees. These Franchisees have a contractual relationship with us to use our processes, systems, and back-office support team to sell insurance and manage their business. In exchange, we are entitled to an Initial Franchise Fee and ongoing Royalty Fees. We manage our two Segments from our headquarters in Westlake, Texas. In addition to managing our Segments, our headquarters is responsible for overseeing our client service centers, our network of Referral Partners, our recruiting team and our technology functions which tie all aspects of our business together. Our headquarters also provides various risk management, quality control, accounting, legal and finance functions.

In the Corporate Channel, we generate revenue in the form of New Business Revenue (Corporate), Renewal Revenue (Corporate), and non-refundable Agency Fees charged directly to clients for efforts performed in the issuance of new insurance policies. We also generate revenue in the form of Contingent Commissions from Carriers related to the overall performance of the Book of Business we have placed with them. The Corporate Channel is comprised of sales agents that are our employees located in six sales offices in Texas and one in Illinois. We have experienced rapid growth in sales agents and revenue in this Segment. During 2017, our Corporate Channel sales agent headcount increased by 61% and our Corporate Channel premiums placed grew by 26%, in each case, versus the prior year. Corporate Channel premium growth trailed headcount due to the ongoing ramp up of recently hired producers. As of December 31, 2017, we had corporate sales offices operating in the following locations: Westlake, Texas; Irving, Texas; Fort Worth, Texas; Houston, Texas; The Woodlands, Texas; Austin, Texas; and Willowbrook, Illinois.

In the Franchise Channel, we generate revenue in the form of Royalty Fees paid by Franchisees that are tied to New Business Revenue and Renewal Revenue generated by the franchise location, Initial Franchise Fees related to the training and onboarding of new franchise locations and Contingent Commissions. Royalty Fees are set in the Franchise Agreements at 20% of New Business Revenue and 50% of Renewal Revenue. We charge a non-refundable Initial Franchise Fee to new Franchisees which compensates us for the training and onboarding efforts to launch a new franchise location. The Franchise Channel is comprised of Franchisees and sales agents that they hire in their franchised businesses. Our Franchise Agreement has a ten-year term, dictates the Initial Franchise Fee, Royalty Fees and other costs a Franchisee pays, and governs the terms under which we operate together. While we own the Book of Business that our Franchise Channel agents build, they have contractual rights to revenue related to the Book of Business during the term of their agreement.

We started franchising in 2012 and have grown rapidly in the Franchise Channel. Premiums in the Franchise Channel grew 57% during 2017. As of December 31, 2017, we have 292 franchise locations operating, a 54% increase over year-end operating agencies in 2016, and 119 signed Franchise Agreements that are in the implementation process. We have franchise locations either operating or signed in the following states:

Geographic footprint



Operating or signed agencies

State	12/31/2017(1)
Texas	213
California	62
Florida	34
Illinois	31
Pennsylvania	22
Michigan	15
North Carolina	13
Other	21
Total	**411**

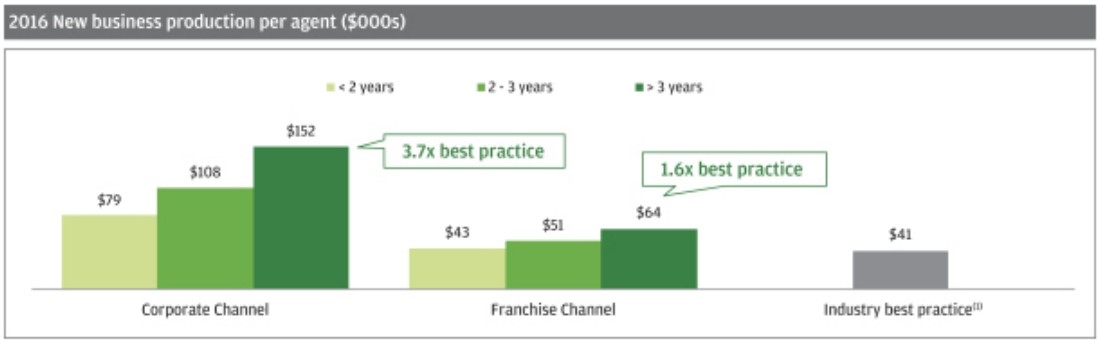
(1) Number of franchise locations include 119 franchises which are under contract but yet to be opened as of 12/31/17.

Our business model allows our sales agents in both Segments to concentrate on sales and marketing activities related to acquiring new clients and issuing new policies, thus growing New Business Revenue and Renewal Revenue. Their primary marketing efforts are focused on establishing referral relationships with other financial services providers in their communities using our marketing strategy. The nature of Referral Partner leads allows us to realize higher close rates and lower client acquisition costs than what we believe to be standard in the industry. Furthermore, our agents are typically dealing with homeowners who own other assets, such as automobiles and therefore tend to be better insurance risks from a Carrier's perspective. Such clients often purchase additional policies, such as auto insurance, which allows us to capture additional revenue and increases the likelihood of retaining the client in the future. Importantly, we do not compensate Referral Partners for leads, but rather rely on our servicing capabilities to generate repeat business.

We have significant room to expand our market share across the country. Our biggest presence is in Texas where we have been operating the longest. By leveraging our Referral Partners, we placed approximately 31,000 policies related to mortgage originations and refinancings in 2016. This represents 5.1% of the approximately 613,000 Texas mortgage originations and refinancings in 2016, according to S&P Global Market Intelligence.

Our model, which allows agents to focus on New Business Revenue, is highly differentiated from the traditional insurance agency model. In the traditional agency model, agents are responsible for both new business and ongoing service. The burden of providing ongoing service distracts from the ability to acquire new clients, and ultimately limits the opportunity for growth. Our agents are not only freed from the burden of ongoing service, but also given technology tools that create efficiency. As a result, agents in both Segments are substantially more productive than top performers in our industry as it relates to new sales. In 2016, Corporate Channel agents with more than three years of tenure averaged 3.7x as much New Business Production per Agent as the

industry best practice according to the Best Practices Study. Franchise Channel agents with more than three years of tenure averaged 1.6x as much New Business Production per Agent (Franchise) as the industry best practice.



Source: Internal data; Carrier provided information; Reagan Consulting

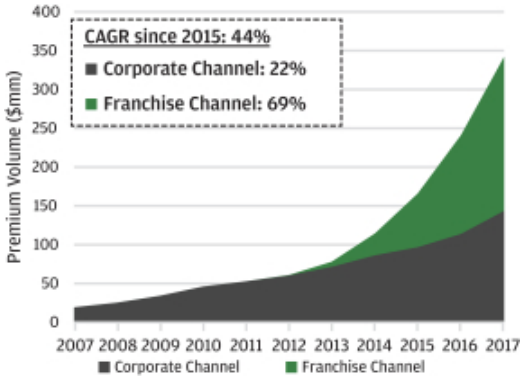
(1) Represents industry best practice per Reagan Consulting; does not include Unvalidated Producers; most industry agents have tenures significantly longer than 2 to 3 years.

We believe our agent productivity compares even more favorably to the industry than the Best Practices Study would imply because the Best Practices Study excludes Unvalidated Producers. If the Best Practices Study included Unvalidated Producers, our New Business Production per Agent outperformance would be even larger.

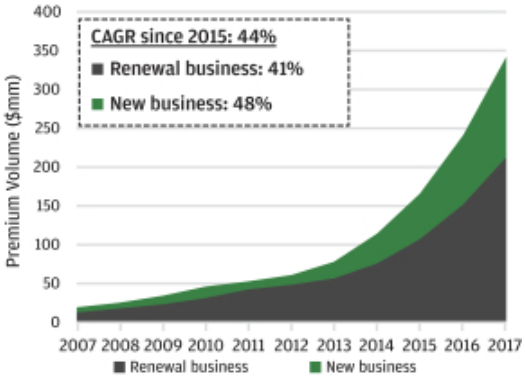
Both the Corporate Channel and the Franchise Channel are supported by our client service centers. Our service centers are staffed by fully licensed property and casualty service agents who provide fulfillment and quality control services for newly issued insurance policies, accounting services and ongoing support services for clients. Ongoing support services for clients include: handling client inquiries, facilitating the claims process with Carriers, accepting premium payments and processing policy changes and renewals. Our service agents are also focused on selling additional policy coverage to clients which accounts for up to 10% of New Business Revenue. Our two separate service centers provide us with the ability to cover the U.S. time zones more broadly, and the ability to better manage business continuity risks. We manage our service centers with the goal that clients reach an agent in less than 60 seconds and are able to have fully bound insurance policies in under an hour. This differentiated level of service has enabled us to earn a NPS of 84 in 2016 and 86 in 2017—greater than highly regarded brands like Ritz Carlton and Disney and 2.0x the P&C industry average, according to Satmetrix. Our high degree of client satisfaction drove our 88% Client Retention rate during 2017, which we believe to be among the highest in the industry. Our retention rate is even stronger on a premium basis. In 2017, we retained 94% of the premiums we distributed in 2016. Our premium retention rate is higher than our Client Retention rate as a result of both premiums increasing year over year and additional coverages sold by our service team. By maintaining this strong level of Client Retention, we are able to generate revenue that is both highly visible and recurring in nature.

The combination of expanding headcount in the Corporate Channel, expanding franchise count in the Franchise Channel, leveraging technology and maintaining our commitment to service led to revenue growth of 33% in 2016 and Total Written Premium growth of 42% in 2017. This level of Total Written Premium growth is consistent with our historical experience. As of December 31, 2017, our 10-year Total Written Premium CAGR was 33% and our 5-year premium CAGR was 41%.

Total Written Premium by channel



Total Written Premium by business type



Source: Carrier provided information

In addition to strong revenue and Total Written Premium growth, we have also experienced Franchise Channel Adjusted EBITDA margin expansion, which was 27% in 2017, up from 24% in 2016. Corporate Channel Adjusted EBITDA margin decreased modestly in 2017 to 25% from 30% due to our Corporate Channel sales agent headcount growth of 61%.

	2016		2017	
	Corporate Channel	Franchise Channel	Corporate Channel	Franchise Channel
				($000s)
Revenue	$ 20,270	$ 11,214	$ 25,521	$ 17,190
Segment Adjusted EBITDA	6,099	2,701	6,366	4,692
Segment Adjusted EBITDA margin	30%	24%	25%	27%

	2017	
	Corporate Channel	Franchise Channel
Revenue growth over 2016	26%	53%
Segment Adjusted EBITDA growth over 2016	4%	74%

Industry trends

We primarily compete in the United States personal lines insurance distribution industry. Personal lines products typically include home, auto, umbrella, motorcycle, flood and recreational insurance. We compete for business on the basis of reputation, client service, product offerings and the ability to tailor our products to the specific needs of a client. There are principally three types of businesses that sell personal lines products:

- *Independent agencies (35% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.)*. Independent agencies are “independent” of any one Carrier and can offer

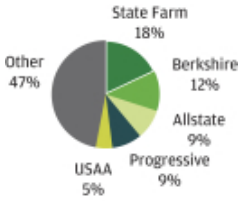
insurance products from multiple Carriers to their clients. There are approximately 38,000 independent insurance agencies in the United States, according to the 2016 Future One Agency Universe Case Study. Many of the largest insurance agencies, such as Aon plc, Arthur J. Gallagher & Co., Brown & Brown Inc., Marsh & McLennan Companies, Inc. and Willis Towers Watson plc, focus primarily on commercial lines. We believe that we are one of the largest independent insurance agencies focused primarily on personal lines.

- *Captive Agencies (48% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.).* Captive Agencies sell products for only one Carrier. The Carrier compensates the Captive Agency through sales commissions based on premiums placed on behalf of clients. The Carrier also provides the Captive Agency with operational support including advertising and certain back office functions. The largest Captive Agencies in the United States include Allstate Corporation, State Farm Mutual Automobile Insurance Company and Farmers Group, Inc.
- *Direct distribution (16% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.)*. Certain Carriers market their products directly to clients. Historically, this strategy has been most effective for targeting clients who require auto insurance only, with clients seeking bundled solutions relying on advice from independent and captive agents. The largest Carriers that sell directly to clients include Berkshire Hathaway Inc. (via GEICO Corp.) and Progressive Corporation.

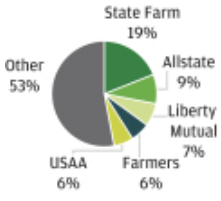
Personal lines insurance agents generate revenues through commissions, which are calculated as a percentage of the total insurance premium placed on behalf of clients, and through fees for other related services. Premiums in the personal lines insurance market have grown consistently with underlying insured values and the overall economy.

Personal lines products

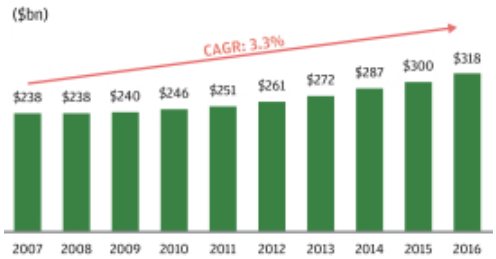
Auto premiums



Homeowners premiums



Personal lines premium trends



Source: S&P Global Market Intelligence

Premium pricing within the P&C insurance industry has historically been cyclical, based on the underwriting capacity of the insurance industry and economic conditions. External events, such as terrorist attacks, man-made and natural disasters, can also have significant impacts on the insurance market. We use the terms ‘‘soft market’’ and ‘‘hard market’’ to describe the business cycles experienced by the industry. A soft market is an insurance market characterized by a period of declining premium rates, which can negatively affect commissions earned by insurance agents. A hard market is an insurance market characterized by a period of rising premium rates, which, absent other changes, can positively affect commissions earned by insurance agents.

In recent years, auto insurance premium pricing has been in a hard market as accident costs have risen significantly. Between 2014 and 2016, bodily injury costs rose 11.7% and auto property damage costs rose 15.1%, according to the Insurance Information Institute. Conversely, homeowners insurance premium pricing has recently been in a soft market according to the Counsel of Independent Agents and Brokers. However, the

2017 Atlantic Hurricane season has been one of the most active in recent history. Dowling & Partners Securities, LLC estimates that Hurricanes Harvey, Irma and Maria will result in insured losses ranging from $70 billion to more than $100 billion and insured losses from the recent California wildfires to be $15 billion; similar levels of industry losses in the past have resulted in a hardening of the insurance market.

Our segments

Our Segments are geared to leverage the strengths of two different talent pools to maximize productivity. The Corporate Channel recruits young agents who are typically new to insurance distribution; the Franchise Channel primarily recruits agents with industry experience. The combination of our two Segments enables us to prudently expand our business model while providing differentiated service to our clients.

Corporate Channel (60% of 2017 total revenue)

The Corporate Channel primarily targets young agents, particularly recent college graduates who typically do not have experience in the insurance industry. The majority of candidates are sourced through a combination of on-campus recruiting, employee referrals and highly targeted internet recruiting campaigns. Our recruitment team seeks candidates who display a high aptitude for learning new skills, are motivated by professional and financial incentives and display the ability to succeed in a team-oriented environment. After the recruitment team has selected candidates, they are placed into a training class that lasts approximately two weeks. Corporate Channel agents are required to become fully licensed P&C agents prior to training. During the training class, Corporate Channel agents acquire a wide variety of skills including:

- knowledge of all available personal lines products and the trade-offs between pricing and coverage;
- the ability to fit their clients to the best insurance products at the right price point;
- the ability to leverage our well-established network of Referral Partners to win new business;
- the ability to leverage our service centers to service policies and handle renewal activities; and
- the ability to leverage our technology tools to increase productivity.

The combination of hiring highly motivated and talented individuals, giving them proper tools and training and removing the burden of ongoing client service allows our Corporate Channel agents to become significantly more productive than average personal lines agents. In 2016, Corporate Channel agents with more than three years of tenure averaged 3.7x as much New Business Production per Agent (Corporate) as the industry best practice according to the Best Practices Study. Corporate Channel agents with less than two years of tenure averaged 1.9x as much New Business Production per Agent (Corporate) as the industry best practice.

Franchise Channel (40% of 2017 total revenue)

The Franchise Channel primarily recruits agents with industry experience. Our Franchise Channel has a unique value proposition to experienced agents who understand the limits and pain points of the traditional agency model:

- Franchise Channel agents can leverage our service centers to handle service requests and process renewals. Most traditional agencies require their agents to handle client service and renewals which diminishes the time they can devote to winning additional new business and growing their agencies. Traditional agencies can become the victims of their own success as their increasing service burden crowds out time to sell new business.

- Franchise Channel agents use our well-established sales processes to win new business. Franchise Channel agents are trained side by side with Corporate Channel agents to leverage our training program, to acquire product and Carrier knowledge and to utilize our technology and back office support.
- Franchise Channel agents benefit from lean startup costs as they do not require multiple employees or a retail location to run their agencies. Captive Agents are often required to immediately hire two to three additional employees as support staff, lease a storefront location, and contribute a specific percentage of revenue toward an advertising budget. Further, most fixed costs in a traditional agency (e.g., administrative costs, technology fees, training expenses and service costs) are diminished due to Goosehead's scale, and we expect that they will continue to decrease as the Franchise Channel grows.
- Franchise Channel agents gain access to products from multiple carriers in their markets, allowing Franchise Channel agents to better serve their clients and provide choice. Captive Agents typically can only sell products from one Carrier.
- Franchise Channel agents own an economic interest in their Books of Business.

Our franchise sales team is responsible for selecting which Franchisee applicants are ultimately approved to operate within the Franchise Channel. The franchise sales team seeks applicants who have demonstrated a strong capacity to win new business and a desire to own their own business. Our recruiting efforts have helped us create a franchise pool which is significantly more productive than average personal lines agents. In 2016, Franchise Channel agents with more than three years of tenure averaged 1.6x as much New Business Production per Agent (Franchise) as the industry best practice according to the Best Practices Study. Franchise Channel agents with less than two years of tenure averaged 1.1x as much New Business Production per Agent (Franchise) as the industry best practice.

Our competitive strengths

We believe that our competitive strengths include the following:

- *Young and highly motivated producers in the Corporate Channel*. The agents in the Corporate Channel are fundamentally different than the typical agents in the personal lines industry. Substantially all of our agents are recent college graduates (average age of 26), whereas 67% of personal lines agents in the industry are over 50 years old, according to the 2016 Future One Agency Universe Case Study. This gives us a significant advantage both in the short- and long-term. In the short-term, our agents have proven to be especially adept at learning new techniques and mastering new technologies. This has enabled our agents to generate approximately 3.7x as much new business as top performing personal lines agents after three years. Over the long-term, we believe our youth will enable us to avoid the shrinking workforce challenges that many of our competitors face and win an even larger market share from other agencies. According to Independent Insurance Agents & Brokers of America, Inc., 40% of independent agencies anticipate a change of control within the next five years. We believe an aging industry workforce will create significant disruption in the personal lines distribution industry, and we will be in a position to win displaced clients.
- *Franchise Channel solves the inherent flaws in the traditional agency model*. We believe that the traditional agency model is flawed for several reasons, including: (1) agents are typically responsible for handling their own client service and renewals, diminishing the time they can devote to winning new business and growing their overall Book of Business, (2) Captive Agents can only offer clients products from one Carrier, limiting the agents' ability to best serve their clients and (3) some Captive Agents do not own their Book of Business, giving them less incentive to win new business. Given the size of the traditional agency market and its inability to adapt to these challenges without introducing significant channel conflict, we believe there is a meaningful opportunity to disrupt the traditional agency marketplace. Our Franchise Channel seeks to solve the inherent problems in the traditional agency model. Agents in the Franchise Channel are able to focus on new business, provide clients with choice by offering products

from multiple Carriers, and own an economic interest in their Book of Business. Furthermore, by removing the service burden which takes a significant amount of time and energy, we believe our platform provides Franchise Channel agents with the ability to manage larger Books of Business than traditional model agents. As a result, the Goosehead model has proven to be attractive to high-performing agents who wish to achieve greater professional and financial success.

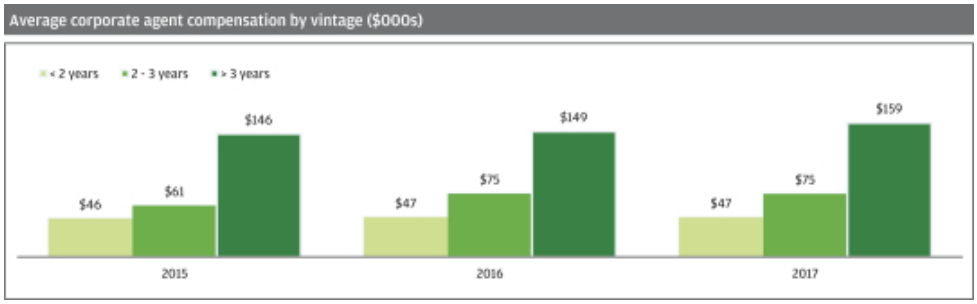
- *Single technology platform with end-to-end business process management*. Our operations utilize an innovative cloud-based technology solution which is built on the Salesforce.com platform with significant proprietary investment to customize it to suit our needs. Our technology provides our agents with tools to better manage their sales and marketing activities, and our service center operations with real-time 360-degree visibility of client accounts. Additionally, our technology provides agents with data and analytics which allow them to make smarter business decisions. We believe our single, sales-oriented technology platform is differentiated relative to most insurance agency IT environments that utilize disparate accounting-driven agency management vendors and legacy mainframe systems across their operations. Our technology platform has been a key enabler of our growth while also driving efficiencies. One of these efficiencies is service expenses. Our 2016 service expenses as a percentage of gross commissions were 3.2x lower than the industry best practice according to the Best Practices Study. Despite our reduced service expense load, we are able to maintain best in class NPS scores and typically deliver policy binders in under an hour.
- *Service centers drive both new and renewal business*. Our service centers handle all of our client service and renewals and have achieved a highly differentiated level of service as indicated by our NPS scores of 84 in 2016 and 86 in 2017—higher than many global service leaders such as Ritz Carlton and Disney and 2.0x the P&C industry average, according to Satmetrix. Having such a skilled service team provides three tangible benefits to our business: (1) allowing our agents to focus virtually all of their time on winning new business (instead of preserving existing business), (2) generating strong Client Retention which provides a stable source of highly visible and recurring revenue and (3) providing opportunities to earn additional revenue as our service agents are highly trained in cross-selling and generating referral business. Our service agents typically originate up to 10% of our annual New Business Revenue. We believe that our service centers will continue to drive a competitive advantage by supporting our industry-leading productivity and our recruiting efforts. We have already made the necessary technology, staffing and real estate investments in our service centers to support our planned agent hiring which we believe will allow us to readily scale and increase market share.
- *Unique value proposition to Referral Partners*. We have highly standardized processes across our entire organization due to the strong quality controls instituted in our service centers. Both new business and renewal business move through our systems in a tightly choreographed manner which enables both strong quality controls and quick delivery of services. We have found that the ability to quickly and accurately bind an insurance policy is attractive to both individuals buying insurance and third parties, such as Referral Partners, who can drive new business to us. Referral Partners include financial services providers who depend on us to timely place insurance policies and to provide the flexibility to facilitate necessary changes rapidly, including at the time of home closings. This allows our Referral Partners to close transactions on time and ultimately become more productive in their business. We do not compensate our Referral Partners for sending us new business.
- *Proven and experienced senior management team*. Our senior management team has a long history of cohesively operating together and implementing our business model. Our Chairman and Chief Executive Officer, Mark E. Jones, co-founded Goosehead in 2003. Prior to co-founding Goosehead, Mr. Jones was a Senior Partner and Director at Bain & Company, a global management consulting firm, where he also served for many years as Global Head of Recruiting. Many of our management, sales and recruiting practices were

developed and refined by Mr. Jones during his time at Bain and instituted at Goosehead. Mr. Jones has received a wide variety of accolades for his leadership accomplishments, including being recognized as one of the Top Rated CEOs from among more than 7,000 companies with less than 1,000 employees on Glassdoor's "Employee's Choice Award" in 2017. In 2006, Mr. Jones recruited Michael Colby to join Goosehead as Controller. Over the last 12 years, Mr. Colby has worked closely with Mr. Jones in all aspects of the business, taking on increasing responsibility; becoming Chief Financial Officer in 2010, Chief Operating Officer of our Franchise Channel in 2011, Chief Operating Officer of Goosehead in 2014, and President and Chief Operating Officer of Goosehead in 2016.

Key elements of our growth strategy

Our goal is to achieve long-term returns for our stockholders by establishing ourselves as the premier national distributor of personal lines insurance products. To accomplish this goal, we intend to focus on the following key areas:

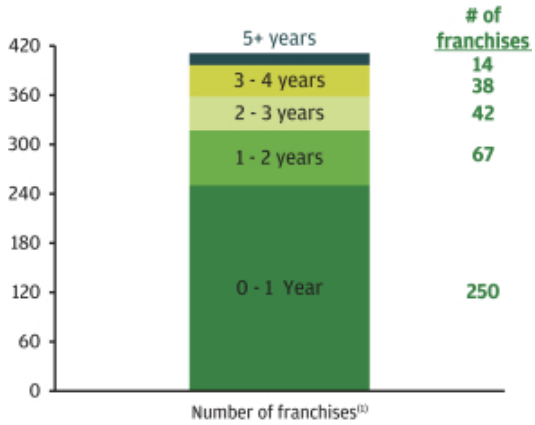
- *Continue to expand recruiting in the Corporate Channel*. We strive to prudently grow our business by expanding our agent count in the Corporate Channel. We have a highly developed process for recruiting new agents which we have continually refined over the last decade and has resulted in higher success rates for our Corporate Channel agents. As demonstrated in the chart below, average annual compensation has increased since 2015.



Given our success recruiting agents, we plan to expand our recruiting to additional college campuses and engage in highly targeted internet recruiting campaigns.

- *National rollout of the Franchise Channel*. Prior to 2017, we had franchises in five states (Texas, California, Florida, Virginia and Illinois). In 2017, we began licensing franchises in five additional states: Pennsylvania, Michigan, North Carolina, Louisiana and Oklahoma. In 2018, we are targeting expansion into Colorado, Connecticut, Indiana, Iowa, Maryland, Minnesota, Missouri, New Jersey, New York, Ohio, South Carolina, Washington and Wisconsin. As of December 31, 2017, we have signed Franchise Agreements in each of these states. The success of the national rollout of the Franchise Channel is only starting to emerge in our financial performance. As of December 31, 2017, 60% of our Franchisees had less than one year of tenure.

Franchise Channel tenure profile



(1) Number of franchise locations include 119 franchises which are under contract but yet to be opened as of December 31, 2017.

Given the anticipated New Business productivity uplift that comes with more years of experience, and the elevated Royalty Fees on renewal business, we believe our Franchise Channel is positioned for strong growth and margin expansion. This growth will be further enhanced by the approximately 40,000 potential franchise candidates in our current pipeline. The number of potential franchise candidates is updated daily to reflect any new franchise candidates on our Salesforce.com platform. We identify our franchise candidates according to the following criteria: (1) work experience, including sales, entrepreneurial or insurance experience; (2) license status; and (3) geographic location. Of our total current pipeline, we anticipate selecting approximately 2,000 potential candidates for additional vetting and screening processes, and approximately 10% of these candidates would ultimately qualify as Franchisees under our exacting standards. Although the candidates that meet our franchise standards are not guaranteed to enter into Franchise Agreements, we believe our pipeline will allow us to execute a national build-out of our model. The pace of our national build-out will be aided by the regulatory approvals, product offering approvals and carrier relationships we have already obtained across the continental United States.

- *Continue to develop innovative ways to drive productivity*. We believe that our agents are already among the most efficient personal lines agents in the industry. In 2016, Corporate Channel agents with more than three years of tenure averaged 3.7x as much New Business Production per Agent (Corporate) as the industry best practice; Franchise Channel agents with more than three years of tenure averaged 1.6x as much New Business Production per Agent (Franchise) as the industry best practice. We believe there is an opportunity to further expand productivity, particularly in the Franchise Channel. We have historically deployed the intellectual capital accumulated in the Corporate Channel (including sales practices, client relationship management practices, recruiting practices and technology) into the Franchise Channel to optimize new business production. We will continue to innovate going forward in an effort to both better serve our clients and expand our platform.

- *Maximize our effectiveness in managing renewal business*. Renewal business mechanically increases revenue and mechanically decreases expenses. On the revenue side, we earn significantly larger Royalty Fees from our Franchisees for renewal business. On the expense side, many of our largest expenses are significantly lower for renewal business such as compensation costs, risk management costs and client development costs. Critical to converting new business into renewal business is strong Client Retention. Our Client Retention effort is led by our service centers which had a 2017 NPS score of 86, leading to an 88% Client Retention rate in 2017 and 94% premium retention rate in 2017. Key to maintaining these NPS scores and Client Retention rates is the consistency of personnel in our service centers. Our consistency in service personnel is due to a combination of the respect we have for our service team and the competitive wages we offer; average compensation for service team employees was over $47,000 in 2017. Our Client Retention rates are further enhanced by Mr. Jones' experience at Bain, where he was one of the leaders in developing Bain's approach to managing client loyalty in the insurance industry. We actively employ the insights Mr. Jones gleaned during his time at Bain to successfully convert new business into higher-margin renewal business.

Technology

We have invested heavily in our technology platform to not only support our business, but to drive growth and productivity. Our operations utilize an innovative cloud-based technology solution which is built on the Salesforce.com platform with significant proprietary investment to customize it to suit our needs:

- In 2009, we rolled out Salesforce.com across our entire platform. Our customized agency management system provided us with transparency into client lifecycle, a sophisticated commission accounting application and enhanced analytic capabilities.
- In 2010, we integrated DocuSign into our Salesforce.com platform, improving client experience and Carrier compliance.
- In 2011, we added Franchise Channel capabilities which enabled efficient management of Franchisees. We also created the infrastructure necessary to protect sensitive Franchisee information including Client lists. We also rolled-out our email engine which provides marketing automation for cross-selling.
- In 2013, we created our Carrier knowledge database (a reference library of Carrier underwriting guidelines) and our Referral Partner platform (creates precision and coordination in Referral Partner marketing).
- In 2015, we established our learning management system which enables efficient compliance training, initial training, and continuing education.
- In 2016, we invested in InGenius which enhanced customer service capabilities with CTI (computer telephony integration), omni-channel and SMS texting capabilities.

We plan to continue to upgrade our systems in the future. Planned upgrades include: (1) integrated data capabilities to populate accurate property, driver, vehicle and mortgage information, improving agent efficiency and enhancing client prospecting; (2) enhanced security via Salesforce Shield; (3) integrated comparative rater solution; and (4) cloud-based contact center solution with advanced call routing capabilities and AI driven speech analytics to evaluate agent performance and customer sentiment.

Markets & marketing

We primarily compete in the approximately $318 billion U.S. personal lines P&C industry, according to S&P Global Market Intelligence. As a distributor, we compete for business on the basis of reputation, client service,

product offerings and the ability to efficiently tailor our products to the specific needs of a client. There are principally three ways in which personal lines insurance is distributed in the U.S.:

- *Independent agencies (35% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc*.). Independent agencies are “independent” of any one Carrier. They can offer insurance products from multiple Carriers to their clients. There are approximately 38,000 independent insurance agencies in the United States, according to the 2016 Future One Agency Universe Case Study. Many of the largest insurance agencies, such as Aon plc, Arthur J. Gallagher & Co., Brown & Brown Inc., Marsh & McLennan Companies, Inc. and Willis Towers Watson plc, focus primarily on commercial lines. We believe that we are one of the largest independent insurance agencies focused primarily on personal lines.
- *Captive Agencies (48% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc*.). Captive Agencies sell products for only one Carrier. The Carrier compensates the Captive Agency through sales commissions based on premiums placed on behalf of clients. The Carrier also provides the Captive Agencies with operational support including advertising and certain back office functions. The largest Captive Agencies in the United States include Allstate Corporation, State Farm Mutual Automobile Insurance Company and Farmers Group, Inc.
- *Direct distribution (16% personal lines market share in 2015 according to the Independent Insurance Agents & Brokers of America, Inc.)*. Certain Carriers market their products directly to clients. Historically, this strategy has been most effective for targeting clients who require auto insurance only, with clients seeking bundled solutions relying on advice from independent and captive agents. The largest Carriers that sell directly to clients include Berkshire Hathaway Inc. (via GEICO Corp.) and Progressive Corporation.

Agents in both the Corporate Channel and the Franchise Channel are primarily responsible for acquiring new clients. Agents are encouraged to procure new clients through both relationships with Referral Partners and traditional channels (friends, family, client referrals, inbound inquiries and outbound inquiries). Referral Partners are typically professionals in the home buying process who rely on us to quickly bind accurate home insurance policies. While traditional channels are an important source of new business, Referral Partners typically provide us with a high-quality source of ongoing business leads. Clients sourced through Referral Partners are generally in the process of either buying or refinancing a house. These clients frequently purchase additional policies such as auto insurance. By leveraging our Referral Partner network, we have been able to quickly gain scale in the personal lines property and casualty industry without incurring other significant direct client acquisition costs, such as advertising or purchasing internet leads.

The Company represents over 80 Carriers, of which 29 provide national coverage. We have three Carriers who each represent 10% or more of our total revenue. These Carriers represented 18%, 14%, and 11% of our total revenue in 2016 and 18%, 15% and 11% of our total revenue in 2017.

Franchise agreements

Our Franchise Channel operates under a franchising model and each franchise is governed by a Franchise Agreement. The Franchise Agreements for all existing franchises are nearly identical. We have taken the position that we do not negotiate the terms of our Franchise Agreements in order to maintain uniformity within the system.

Each Franchise Agreement contains one ten-year term with two optional five-year renewal terms. The Franchise Agreement may be terminated early if the Franchisee is violating a term of the contract, operating contrary to state law, or violating Goosehead procedures required by the operations manual.

Franchisees are required to pay an Initial Franchise Fee that varies depending on the state in which the franchise will be located. Franchisees are also required to pay a monthly Royalty Fee, which entitles the

Franchisee to continue to operate in our Franchise Channel. The Royalty Fee is derived from a percentage of gross revenues on insurance policies in their initial (20%) and renewal terms (50%). Franchise owners are not entitled to an exclusive territory and may solicit sales from any location within the state in which they operate, subject to certain internal restrictions.

Franchisees who sign a Franchise Agreement after January 1, 2018, will be required to pay a minimum monthly Royalty Fee if the Royalty Fee derived from the gross revenues on insurance policies in their initial term does not exceed a specific amount.

Franchises operating in the Franchise Channel increased by 52% from 125 in 2015 to 190 in 2016. Franchises operating in the Franchise Channel increased by 54% from 190 in 2016 to 292 in 2017.

Competition

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

Our brokerage operations compete with firms, which operate globally or nationally or are strong in a particular region or locality and may have, in that region or locality, an office with revenues as large as or larger than those of our corresponding local office. We believe that the primary factors determining our competitive position with other organizations in our industry are the quality of the services we render, the technology we use, the diversity of products we offer, and the overall costs to our clients.

A number of Carriers directly sell insurance, primarily to individuals, and do not pay commissions to third-party agents and brokers. In addition, the Internet continues to be a source for direct placement of personal lines insurance business. While it is difficult to quantify the impact on our business from individuals purchasing insurance over the Internet, we believe this risk would generally be isolated to personal lines customers with single-line auto insurance coverage, which represent a small portion of our overall business.

Intellectual property

We have registered “Goosehead,” “Goosehead Insurance,” and our logo as trademarks in the U.S. We also have filed other trademark applications in the U.S., and will pursue additional trademark registrations and other intellectual property protection to the extent we believe it would be beneficial and cost effective. We also are the registered holder of a variety of domain names that include “Goosehead” and similar variations.

Regulatory matters

***Franchise regulation*.** Offers and sales of franchises (so-called “pre-sale” franchise activities) are regulated in the United States by the FTC as well as certain states. The FTC (through its “Franchise Rule”) requires franchisors to provide certain disclosures, in the form of a franchise disclosure document (an “FDD”) to prospective Franchisees. One of the disclosure requirements is to include in the FDD audited financial statements of the franchisor (Goosehead Insurance Agency, LLC) or, if not the franchisor, an affiliate or parent of the franchisor who guarantees the franchisor’s obligations to its franchisees. In order to include our consolidated financial statements in the FDD, we are required to guarantee Goosehead Insurance Agency, LLC’s current and future obligations to its franchisees. The Franchise Rule does not require a franchisor to register or file an FDD with the FTC before offering franchises. Approximately twenty states also have pre-sale franchise or “business opportunity” laws and regulations that require franchisors to register with the state in some manner

before that franchisor may offer or sell a franchise in that state, and in some cases to also provide prospective Franchisees with certain additional disclosures as part of the FDD. Approximately twenty-four states also have "franchise relationship laws" that address post-sale aspects of the franchisor-franchisee relationship, such as prohibiting enforcement of certain franchise agreement provisions, requiring a certain notice or cure period before termination of a franchise agreement, and also defining what constitutes "good cause" for terminating the franchise agreement or denying a transfer or renewal of the agreement. Although we believe that our Franchise Agreements and our relationships with Franchisees generally have complied with franchise relationship laws, a failure to comply with those laws could result in civil liability or the company's inability to enforce a Franchise Agreement, among other things. In addition, while historically our franchising operations have not been materially adversely affected by such laws or regulations, we cannot predict the effect of any future federal or state franchise laws or regulations.

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

The applicable licensing laws and regulations in all states are subject to amendment or reinterpretation by regulatory authorities, and such authorities are vested in most cases with relatively broad discretion as to the granting, revocation, suspension and renewal of licenses. It is our belief that we are in compliance with the applicable licensing laws and regulations of all states in which we currently operate. However, the possibility still exists that we and/or our employees could be excluded or temporarily suspended from carrying on some or all of our activities in, or could otherwise be subjected to penalties by, a particular jurisdiction.

Agent and broker compensation. Some states, such as Texas, permit insurance agents to charge policy fees, while other states prohibit this practice. In recent years, several states considered new legislation or regulations regarding the compensation of brokers by Carriers. The proposals ranged in nature from new disclosure requirements to new duties on insurance agents and brokers in dealing with customers.

Rate regulation. Nearly all states have insurance laws requiring personal property and casualty insurers to file rating plans, policy or coverage forms, and other information with the state's regulatory authority. In many cases, such rating plans, policy or coverage forms, or both must be approved prior to use.

The speed with which an insurer can change rates in response to competition or in response to increasing costs depends, in part, on whether the rating laws are (i) prior approval, (ii) file-and-use, or (iii) use-and-file laws. In states having prior approval laws, the regulator must approve a rate before the insurer may use it. In states having file-and-use laws, the insurer does not have to wait for the regulator's approval to use a rate, but the rate must be filed with the regulatory authority prior to being used. A use-and-file law requires an insurer to file rates within a certain period of time after the insurer begins using them. Eighteen states, including California and New York, have prior approval laws. Under all three types of rating laws, the regulator has the authority to disapprove a rate filing.

While we are not an insurer, and thus not required to comply with state laws and regulations regarding insurance rates, our commissions are derived from a percentage of the premium rates set by insurers in conjunction with state law.

Privacy regulation. Federal law and the laws of many states require financial institutions to protect the security and confidentiality of customer information and to notify customers about their policies and practices relating to collection and disclosure of customer information and their policies relating to protecting the security and confidentiality of that information. Federal law and the laws of many states also regulate disclosures and disposal of customer information. Congress, state legislatures, and regulatory authorities are expected to consider additional regulation relating to privacy and other aspects of customer information.

Employees

As of December 31, 2017, we had approximately 280 full-time and two part-time employees. Our Franchisees are independent businesses and their employees and independent contractor sales associates are therefore not included in our employee count. None of our employees are represented by a union. We have a good relationship with our employees.

Corporate Channel sales agent headcount increased by 38% from 50 in 2015 to 69 in 2016. Corporate Channel sales agent headcount increased by 61% from 69 in 2016 to 111 in 2017.

Properties

Our headquarters is located in leased offices in Westlake, Texas. The lease consists of approximately 62,000 square feet and expires in March 2028. As of December 31, 2017, our company-owned insurance brokerage business leases approximately 119,129 square feet of office space in the Texas and Nevada under approximately seven leases. These offices are generally located in small office parks, generally with lease terms of five to ten years. We believe that all of our properties and facilities are well maintained.

Legal proceedings

From time to time, we may be involved in various legal proceedings, lawsuits and claims incidental to the conduct of our business. Our businesses are also subject to extensive regulation, which may result in regulatory proceedings against us. We are not currently party to any material legal proceedings.

Management

Executive officers and directors

Set forth below is certain biographical and other information regarding our directors, after giving effect to the reorganization transactions, and our executive officers and key employees. We intend to appoint additional directors prior to the consummation of this offering.

Name	Age	Position
Mark E. Jones	56	Chairman, Director and Chief Executive Officer
Michael C. Colby	36	President and Chief Operating Officer
Mark S. Colby	32	Chief Financial Officer
P. Ryan Langston	36	Vice President and General Counsel
Michael Moxley	35	Vice President, Service Delivery
Robyn Jones	55	Vice Chairman, Director
Peter Lane	53	Director
Mark Miller	52	Director
James Reid	55	Director

Mark E. Jones has served as Chief Executive Officer since co-founding the company in 2003 and Chairman of the Board since the Board was established. Mr. Jones has led the strategic development and execution of all aspects of our business since inception. Prior to leading Goosehead, he spent from 1991 to 2004 at Bain & Company, the global consulting firm, most recently as a senior partner and director. At Bain, Mr. Jones consulted with CEOs and senior executives across a wide range of industries—including the insurance industry—primarily focused on growth strategies, mergers and acquisitions, and profit improvement programs. In addition to his client responsibilities, he served as Bain's Global Head of Recruiting for several years. He began his professional career at Ernst & Young in Calgary, Canada from 1985 to 1989. He earned a Bachelor of Commerce degree from the University of Alberta in 1985 and an MBA from Harvard Business School in 1991. Mr. Jones was selected to our board of directors because of his role as a co-founder of the company, the Jones family's position as our largest shareholder, and because of his expertise in strategy development and execution, leadership and finance.

Michael C. Colby has served as President and Chief Operating Officer of the company since January 2016, leading the operations of the business, including the corporate and franchise insurance revenue channels, franchise sales, the client service centers, recruiting, technology, Carrier relations and training. Mr. Colby joined the company in 2006 as the Controller, was promoted to Vice President of Finance in 2008, and in 2010 to Senior Vice President and Chief Financial Officer. In 2011, Mr. Colby was also appointed Chief Operating Officer of the newly formed franchise business, and in 2014 was named Executive Vice President and Chief Operating Officer of the combined corporate and franchise businesses. He began his professional career at KPMG in their audit practice. He earned a BBA in Accounting and a MS in Finance at Texas A&M University in College Station, Texas in 2004.

Mark S. Colby has served as Chief Financial Officer since 2016. Mr. Colby joined Goosehead in 2012 as Manager of Strategic Initiatives, where he worked on Information Systems platform development and migration, real

estate planning, and business diversification initiatives. Since his promotion to Vice President of Finance in 2015, Mr. Colby has overseen Goosehead's internal and external financial reporting, budgeting and forecasting, payroll/401(k) administration, treasury function, and Quality Control/Risk Management department. Prior to joining Goosehead Insurance full-time, Mr. Colby worked in Ernst & Young's Transaction Advisory Services and Audit service lines from 2009 to 2012. He graduated cum laude from Texas A&M University in 2009 with a BBA in Accounting and a MS in Finance and is a Certified Public Accountant.

P. Ryan Langston has served as Vice President and General Counsel of the company since 2014. Mr. Langston is involved in the strategic development of company policy and oversees all legal activity in both the Corporate Channel and the Franchise Channel. He is responsible for ensuring regulatory compliance and directs the company's real estate expansion. Prior to joining the company, Mr. Langston was an attorney with Strasburger & Price, LLP, where he represented Goosehead and other businesses in commercial litigation and arbitration involving business dissolutions, consumer financial disputes, theft of trade secrets, enforcement of noncompetition agreements and breach of contracts. Mr. Langston earned his JD from the University of Texas School of Law in 2009 and his BA degree from Brigham Young University in 2006.

Michael Moxley has served as Vice President of Service Delivery since joining the company in 2014. Mr. Moxley is responsible for the delivery of a world-class client experience and operational excellence, as he leads our service, information technology and operations teams. Prior to joining Goosehead, Mr. Moxley served as a Director from 2011 to 2014 with two global business process outsourcing firms, Alorica and Transcom, where he led both growth and client experience strategy for multiple domestic and international contact centers. Mr. Moxley began his professional career at AT&T in Texas from 2002 to 2011, where he successfully led several large scale sales and service teams throughout his tenure.

Robyn Jones is the co-founder of Goosehead and has served as a Director and Vice Chairman of the Board since March 2018. Ms. Jones manages our physical facilities, is actively involved in our Recruiting program and leads our Women's Professional Development Program. She was selected to our board of directors because of her role in founding the company, the Jones family's position as our largest shareholder and her unique role in establishing and maintaining our company culture. She is also the grandmother of the company's namesake, Lucy "Goosehead" Langston.

Peter Lane has served as a member of our board of directors since March 2018. Mr. Lane previously served as Chief Executive Officer of Axip Energy Services LP ("Axip"), formerly known as Valerus, an oilfield services company headquartered in Houston, Texas, from 2010 to 2016. Prior to joining Axip, Mr. Lane was an Operating Partner with TPG Global, LLC ("TPG") from 2009 to 2011. Before TPG, Mr. Lane spent 12 years at Bain & Company, where he led the Dallas and Mexico City offices as well as the oil and gas practice. He became a Partner at Bain in 2003. Mr. Lane has served on the boards of Petro Harvester since 2011, Taylor Morrison Homes since 2012, FleetPride since 2016 and has been a senior advisor to Altamont Capital Partners since 2017. Mr. Lane holds a BS in physics from the University of Birmingham in the United Kingdom and an MBA from the Wharton School. Mr. Lane was selected to our board of directors because he brings extensive experience in business operations, finance and corporate governance.

Mark Miller has served as a member of our board of directors since March 2018. Mr. Miller is Executive Vice President and Chief Financial Officer of Marketo. At Marketo, Mr. Miller leads the company's Finance, Accounting and Tax functions, as well as the company's Human Resources and Corporate Facilities areas. He joined Marketo in April 2017 after the company was taken private by Vista Equity Partners. Prior to Marketo, Mr. Miller was the CFO of Active Network from 2014 to 2016 and the CFO of L.H.P. Hospital Group in 2013 and 2014. Mr. Miller spent 18 years with Sabre Holdings where he held multiple operating and finance positions and was instrumental in the company's initial IPO and its subsequent $5 billion privatization transaction. He was Sabre's CFO from 2010 to 2013. Early in his career, Mr. Miller worked for Ernst and Young, LTV Corporation, and

Hertz Corporation. Mr. Miller has an Accounting degree from Texas Tech University and an MBA in Finance from Rice University. He is a licensed Certified Public Accountant in the state of Texas. Mr. Miller was selected to our board of directors because he brings extensive experience in business operations, finance and accounting.

James Reid has served as a member of our board of directors since March 2018. Mr. Reid has served as Chairman, Chief Executive Officer and President of Higginbotham Insurance Agency, Inc. ("Higginbotham") since 1989, where he implemented the firm's Single Source platform whereby customers can obtain all of their insurance and financial services from a single provider. Under Mr. Reid's leadership, Higginbotham has become a leading independent commercial insurance broker based in Texas, one with full P&C and financial service capabilities through more than 25 offices and subsidiaries across Texas. He is also Higginbotham's top commercial P&C sales producer. Mr. Reid began his insurance career in 1983 as an assistant to the principals of Ramey, King, & Minnis Insurance Agency. In 1984, he joined American General Fire & Casualty Company as a territorial marketing manager before joining Higginbotham in 1986. Mr. Reid is a member of several insurance industry groups, including Independent Insurance Agents of Texas and the Council of Insurance Agents and Brokers. He serves as Chairman of the Finance and Facilities Committee and as a member of the Audit Committee on the Board of Regents of the University of North Texas System. Mr. Reid holds a BS in Business Administration/Insurance from the University of North Texas and he is a Certified Insurance Counselor. Mr. Reid was selected to our board of directors because he brings extensive experience in business operations and in the insurance industry.

Family relationships

Mark E. Jones, our Chief Executive Officer, Chairman of the Board and co-founder, is married to Robyn Jones, our co-founder and Vice Chairman of the Board.

P. Ryan Langston, our Vice President and General Counsel, is the son-in-law of Mark E. Jones and Robyn Jones.

Michael Colby, our President and Chief Operating Officer, Mark Colby, our Chief Financial Officer, and Matthew Colby, our Vice President of Agency Sales, are brothers.

Mark E. Jones Jr., our Controller, is the son of Mark E. Jones and Robyn Jones.

Board structure

Composition

Upon the consummation of the offering, our board of directors will consist of five directors. Peter Lane, Mark Miller and James Reid qualify as independent directors under the applicable corporate governance standards of the Nasdaq Global Market.

In accordance with our certificate of incorporation and by-laws, the number of directors on our board of directors will be determined from time to time by the board of directors but shall not be less than three persons nor more than eleven persons. Our board of directors will consist of a majority of independent directors within the meaning of the applicable rules of the SEC and Nasdaq.

Our independent directors will appoint a "lead independent director," whose responsibilities will include, among others, calling meetings of the independent directors, presiding over executive sessions of the independent directors, participating in the formulation of board and committee agendas and, if requested by stockholders, ensuring that he or she is available, when appropriate, for consultation and direct communication.

Each director is to hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. Vacancies and newly created directorships on the board of directors may be filled at any time by the remaining directors.

Following the time when the Substantial Ownership Requirement is no longer met, and subject to obtaining any required stockholder votes, directors may only be removed for cause and by the affirmative vote of holders of 75% of the total voting power of our outstanding shares of common stock, voting together as a single class. This requirement of a super-majority vote to remove directors for cause could enable a minority of our stockholders to exercise veto power over any such removal. Prior to such time, directors may be removed with or without cause by the affirmative vote of the holders of a majority of the total voting power of our outstanding shares of common stock. Following the time when the Substantial Ownership Requirement is no longer met, our board of directors will be divided into three classes of directors, with each class as equal in number as possible, serving staggered three year terms.

Controlled company exception

After the consummation of this offering, Mark E. Jones and Robyn Jones, will, in the aggregate, have more than 50% of the combined voting power for the election of directors. As a result, we will be a “controlled company” within the meaning of the Nasdaq rules and may elect not to comply with certain corporate governance standards, including that: (i) a majority of our board of directors consists of “independent directors,” as defined under the Nasdaq rules; (ii) we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and (iii) we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities. We intend to rely on certain of the foregoing exemptions provided to controlled companies under the Nasdaq rules. Therefore, immediately following the consummation of this offering, we do not intend to have a nominating and corporate governance committee or an entirely independent compensation committee. We do not intend to rely on the exemption to the requirement that a majority of our directors be “independent” as defined in the Nasdaq rules. Accordingly, to the extent and for so long as we rely on these exemptions, you will not have the same protections afforded to stockholders of companies that are subject to all of these corporate governance requirements. In the event that we cease to be a “controlled company” and our Class A common stock continues to be listed on the Nasdaq Global Market, we will be required to comply with these provisions within the applicable transition periods.

Committees of the board

Upon the consummation of this offering, our board of directors will have two standing committees: a fully independent Audit Committee and a Compensation Committee with a majority of independent directors. The following is a brief description of our committees.

Audit committee

Upon the completion of this offering, Peter Lane, Mark Miller and James Reid are expected to be the members of our Audit Committee. Mark Miller is the chairman of our Audit Committee. The board of directors has determined that Mark Miller qualifies as an “audit committee financial expert” as such term is defined under the rules of the SEC implementing Section 407 of the Sarbanes-Oxley Act of 2002. Each member of the Audit Committee is “independent” for purposes of Rule 10A-3 of the Exchange Act and under the current listing standards of the Nasdaq Global Market. We believe that our Audit Committee complies with the applicable

requirements of the Nasdaq Global Market. Our Audit Committee is directly responsible for, among other things:

- selecting a firm to serve as the independent registered public accounting firm to audit our financial statements;
- ensuring the independence of the independent registered public accounting firm;
- discussing the scope and results of the audit with the independent registered public accounting firm and reviewing, with management and that firm, our interim and year-end operating results;
- establishing procedures for employees to anonymously submit concerns about questionable accounting or audit matters;
- considering the adequacy of our internal controls and internal audit function;
- reviewing material related party transactions or those that require disclosure; and
- approving or, as permitted, pre-approving all audit and non-audit services to be performed by the independent registered public accounting firm.

Compensation committee

Upon the completion of this offering, Mark E. Jones, Peter Lane and Mark Miller are expected to be the members of our Compensation Committee. Peter Lane is the chairman of our Compensation Committee. A majority of the members of this committee are non-employee directors, as defined by Rule 16b-3 promulgated under the Exchange Act, and meet the requirements for independence under the current Nasdaq Global Market listing standards. We intend to avail ourselves of the “controlled company” exception under the Nasdaq rules, which exempts us from the requirement that we have a compensation committee composed entirely of independent directors. Our Compensation Committee is responsible for, among other things:

- reviewing and approving, or recommending that our board of directors approve, the compensation of the executive officers employed by us;
- reviewing and recommending to our board of directors the compensation of our directors;
- administering our stock and equity incentive plans;
- reviewing and approving, or making recommendations to our board of directors with respect to, incentive compensation and equity plans; and
- reviewing our overall compensation philosophy.

Mark E. Jones may not be present during voting or deliberations related to, and will recuse himself from voting on, his own compensation.

Compensation committee interlocks and insider participation

None of our executive officers has served as a member of a compensation committee (or other committee performing that function) of any other entity that has an executive officer serving as a member of our board of directors.

Code of business conduct and ethics policy

We have adopted a code of business conduct and ethics policy that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. These standards are designed to deter

wrongdoing and to promote honest and ethical conduct. The full text of our code of business conduct and ethics policy will be available on our website at www.goosehead.com. Any waiver of the code for directors or executive officers may be made only by our board of directors or a board committee to which the board has delegated that authority and will be promptly disclosed to our stockholders as required by applicable U.S. federal securities laws and the corporate governance rules of the Nasdaq Global Market. Amendments to the code must be approved by our board of directors and will be promptly disclosed (other than technical, administrative or non-substantive changes). Any amendments to the code, or any waivers of its requirements for which disclosure is required, will be disclosed on our website.

Indemnification of officers and directors

Our certificate of incorporation provides that we will indemnify our directors and officers to the fullest extent permitted by the DGCL. We have established directors' and officers' liability insurance that insures such persons against the costs of defense, settlement or payment of a judgment under certain circumstances.

Our certificate of incorporation provides that our directors will not be liable for monetary damages for breach of fiduciary duty, except for liability relating to any breach of the director's duty of loyalty, acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, violations under Section 174 of the DGCL or any transaction from which the director derived an improper personal benefit.

We have entered into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us to indemnify each director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer.

Executive compensation

Summary compensation table

The following table sets forth information concerning the compensation paid to or accrued by our principal executive officer and our two other most highly compensated executive officers (our "named executive officers," or "NEOs") during our fiscal year ended December 31, 2017. All numbers are rounded to the nearest dollar.

Name and principal position	Year	Salary ($)	Bonus ($)	Stock awards ($)	Option awards ($)	Non-equity incentive plan compensation ($)	Nonqualified deferred compensation earnings ($)	All other compensation ($)(1)	Total ($)
Mark E. Jones, Chief Executive Officer and Chairman	2017	$1,200,000	—	—	—	$ 0	—	$ 13,090	$1,213,090
Michael C. Colby, President and Chief Operating Officer	2017	$ 330,000	—	—	—	$ 300,000	—	$ 1,276,100	$1,906,100
P. Ryan Langston, Vice President and General Counsel	2017	$ 230,000	—	—	—	$ 40,000	—	$ 167,187	$ 437,187

(1) The amounts shown include (i) 401(k) plan matching contributions ($7,950) for Messrs. Jones, Colby and Langston, (ii) healthcare benefits for Messrs. Jones ($4,500), Colby ($3,750) and Langston ($4,000), (iii) long-term disability benefits for Messrs. Jones ($640) and Colby ($380), (iv) forgiveness of $16,927 of a loan made to Mr. Colby and (v) distributions paid to Messrs. Colby ($1,247,092) and Langston ($155,237) in respect of their outstanding unvested equity holdings in Goosehead Financial, LLC, Goosehead Management, LLC, Texas Wasatch Insurance Holdings Group, LLC and/or TWIP. See "Executive Compensation—Outstanding equity awards at fiscal year end." Because the equity holdings held by Messrs. Colby and Langston are perpetually unvested (meaning they are forfeited upon a termination of employment) and the distributions in respect of these holdings are non-forfeitable, pursuant to FASB ASC Topic 718, we do not recognize compensation expense on account of the grant of these holdings but do recognize compensation expense for distributions made in respect of these holdings.

Narrative disclosure to summary compensation table

We have not entered into employment agreements or offer letters with our named executive officers.

Certain of our named executive officers received grants of equity holdings in (i) TWIP in 2017 and (ii) Goosehead Financial, LLC, Goosehead Management, LLC, Texas Wasatch Insurance Holdings Group, LLC and/or TWIP in years prior to 2017. The purposes of such grants were to advance our interests by attracting and retaining high caliber senior management and motivating grant recipients to act in our long-term best interest. These grants are perpetually unvested (meaning they are forfeited upon a termination of employment), however our named executive officers are eligible to receive distributions in respect of such grants for as long as they are held.

Outstanding equity awards at fiscal year-end

The following table sets forth information regarding the outstanding unvested equity held by our named executive officers as of December 31, 2017.

Name	Type of equity	Number of units acquired that have not vested (#)(1)
Michael C. Colby	Texas Wasatch Insurance Partners, LP Units	1,445,000.00
	Goosehead Financial, LLC Class B Units	4,425.00
	Texas Wasatch Insurance Holdings Group, LLC Class B Units	55.00
P. Ryan Langston	Texas Wasatch Insurance Partners, LP Units	2,050,000.00
	Goosehead Management, LLC Class B Units	103.00
	Texas Wasatch Insurance Holdings Group, LLC Class B Units	9.90

(1) These holdings are perpetually unvested (meaning they are forfeited upon a termination of employment). See “Executive compensation—Summary compensation table.” Therefore, pursuant to FASB ASC Topic 718, we do not recognize compensation expense on account of the grant of these holdings.

Pension benefits

We do not provide a pension plan for our employees, and none of our named executive officers participated in a nonqualified deferred compensation plan in 2017.

Our named executive officers participate in a defined contribution plan sponsored by Texas Wasatch Insurance Services, L.P. (the “401(k) plan”).

Under the 401(k) plan, Texas Wasatch Insurance Services, L.P. discretionarily matches a participant’s contributions (including for our named executive officers). Participants become vested in these matching contributions ratably over four years.

Termination and change in control benefits

There were no plans or agreements providing severance or change in control benefits for which our named executive officers were eligible in 2017.

Upon the termination of employment of any named executive officer for any reason prior to the initial public offering, any unvested equity holdings held by such named executive officer will automatically be forfeited and canceled without consideration. In connection with the initial public offering, any unvested equity holdings held by our named executive officers will be converted into ownership interests in Goosehead Financial, LLC, and thereafter, such interests will be fully vested and not forfeitable upon a termination of employment.

Equity compensation plans

Goosehead Insurance, Inc. omnibus incentive plan

We intend to adopt, subject to the approval of our shareholders, the Goosehead Insurance, Inc. Omnibus Incentive Plan (the “Incentive Plan”). The purposes of the Incentive Plan will be: (i) to advance our interests by attracting and retaining high caliber senior employees and other key individuals, (ii) to more closely align the interests of recipients of Incentive Plan awards with the interest of our shareholders by increasing the proprietary interest of such recipients in our growth and success as measured by the value of our stock and (iii) to motivate award recipients to act in the long-term best interests of our shareholders.

Shares available. Subject to adjustment, the Incentive Plan permits us to make awards of shares of our common stock. Additionally, the number of shares of our common stock reserved for issuance under the Incentive Plan will increase automatically on the first day of each fiscal year following the effective date of the Incentive Plan, by the lesser of (i) shares, (ii) 1% of outstanding shares on the last day of the immediately preceding fiscal year and (iii) such number of shares as determined by our board of directors. If any award issued under the Incentive Plan is cancelled, forfeited, or terminates or expires unexercised, such shares may again be issued under the Incentive Plan. In the event of a dividend or other distribution (other than an ordinary dividend or distribution), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, separation, rights offering, split-up, spin-off, combination, repurchase or exchange of common stock or other securities, issuance of warrants or other rights to purchase common stock or other securities, issuance of common stock pursuant to the anti-dilution provisions of any securities, or other similar event, the Plan Administrator shall adjust equitably any or all of (i) the number and type of shares which thereafter may be made the subject of awards, (ii) the number and type of shares subject to outstanding awards and (iii) the grant, purchase, exercise or hurdle price of awards or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding award.

Administration. Our board of directors or, to the extent authority is delegated by our board of directors, its compensation committee or other committee (in either event, the "Plan Administrator") will administer the Incentive Plan and determine the following items:

- select the participants to whom awards may be granted;
- determine the type or types of awards to be granted under the Incentive Plan;
- determine the number of shares to be covered by awards;
- determine the terms and conditions of any award;
- determine whether, to what extent and under what circumstances awards may be settled or exercised in cash, shares, other awards, other property, net settlement, or any combination thereof, or canceled, forfeited or suspended, and the method or methods by which awards may be settled, exercised, canceled, forfeited or suspended;
- approve the form of award agreements, amend or modify outstanding awards or award agreements;
- correct any defect, supply any omission and reconcile any inconsistency in the Incentive Plan or any award, in the manner and to the extent it will deem desirable to carry the Incentive Plan into effect;
- construe and interpret the terms of the Incentive Plan, any award agreement and any agreement related to any award; and
- make any other determination and take any other action that it deems necessary or desirable to administer the Incentive Plan.

To the extent not inconsistent with applicable law, the Plan Administrator may delegate to one or more of our officers some or all of the authority under the Incentive Plan, including the authority to grant all types of awards authorized under the Incentive Plan.

Eligibility. Generally, all of our employees and all employees of our subsidiaries, our board of directors and certain other individuals who perform services for us or any of our subsidiaries will be eligible to receive awards. Our current intent is to limit the granting of awards under the Incentive Plan to senior employees and directors.

Forms of awards. Awards under the Incentive Plan may include one or more of the following types: (i) stock options (both nonqualified and incentive stock options), (ii) stock appreciation rights ("SARs"), (iii) restricted stock awards, (iv) restricted stock unit awards, (v) performance awards, (vi) other cash-based awards and (vii) other stock-based awards. Such awards may be for partial-year, annual or multi-year periods.

- *Stock options*. Options are rights to purchase a specified number of shares of our common stock at a price fixed by our Plan Administrator, but not less than fair market value on the date of grant. Options generally expire no later than ten years after the date of grant. Options will become exercisable at such time and in such installments as our Plan Administrator will determine. Options intended to be incentive stock options under Section 422 of the Code may not be granted to any person who is not an employee of us or any parent or subsidiary, as defined in Section 424 of the Code. All incentive stock options must be granted within ten years of the date the Incentive Plan is approved by our Plan Administrator.
- *SARs*. A SAR entitles the holder to receive, upon exercise, an amount equal to any positive difference between the fair market value of one share of our common stock on the date the SAR is exercised and the exercise price, multiplied by the number of shares of common stock with respect to which the SAR is exercised. Our Plan Administrator will have the authority to determine whether the amount to be paid upon exercise of a SAR will be paid in cash, common stock or a combination of cash and common stock.

- *Restricted stock*. Restricted stock awards provide for a specified number of shares of our common stock subject to a restriction against transfer during a period of time or until performance measures are satisfied, as established by our Plan Administrator. Unless otherwise set forth in the agreement relating to a restricted stock award, the holder has all rights as a shareholder, including voting rights, the right to receive dividends and the right to participate in any capital adjustment applicable to all holders of common stock; provided, however, that our Plan Administrator may determine that distributions with respect to shares of common stock will be deposited with us and will be subject to the same restrictions as the shares of common stock with respect to which such distribution was made.
- *RSUs*. A restricted stock unit award is a right to receive a specified number of shares of our common stock (or the fair market value thereof in cash, or any combination of our common stock and cash, as determined by our Plan Administrator), subject to the expiration of a specified restriction period and/or the achievement of any performance measures selected by the Plan Administrator, consistent with the terms of the Incentive Plan. The restricted stock unit award agreement will specify whether the award recipient is entitled to receive dividend equivalents with respect to the number of shares of our common stock subject to the award. Prior to the settlement of a restricted stock unit award in our common stock, the award recipient will have no rights as a shareholder of us with respect to our common stock subject to the award.
- *Performance awards*. Performance awards are awards whose final value or amount, if any, is determined by the degree to which specified performance measures have been achieved during a performance period set by our Plan Administrator. Performance periods can be partial-year, annual or multi-year periods, as determined by our Plan Administrator. Payment may be made in the form of cash, common stock, restricted stock, restricted stock units, other awards, or a combination thereof, as specified by our Plan Administrator.
- *Other cash-based awards.* Annual incentive awards are generally cash awards based on the degree to which certain of any or all of a combination of individual, team, department, division, subsidiary, group or corporate performance objectives are met or not met. Our Plan Administrator may establish the terms and provisions, including performance objectives, for any annual incentive award. The Plan Administrator may also grant any shorter- or longer-term cash-based award.
- *Other stock-based awards*. Our Plan Administrator has the discretion to grant other types of awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares or factors that may influence the value of shares.

An award agreement may contain additional terms and restrictions, including vesting conditions, not inconsistent with the terms of the Incentive Plan, as the Plan Administrator may determine.

No repricing. Except as provided in the adjustment provision of the Incentive Plan, no action will directly or indirectly, through cancellation and regrant or any other method, reduce, or have the effect of reducing, the exercise or hurdle price of any award established at the time of grant thereof without approval of our shareholders.

Director pay cap. Subject to the adjustment provision of the Incentive Plan, an individual who is a non-employee director may not receive under the Incentive Plan in any calendar year (i) options, SARs, restricted stock, RSUs, performance awards denominated in shares and other stock-based awards with a fair market value as of the grant date of more than $ and (ii) performance awards denominated in cash and other cash-based awards which relate to more than $.

Termination of service and change of control. The Plan Administrator will determine the effect of a termination of employment or service on outstanding awards, including whether the awards will vest, become exercisable,

settle, be paid or be forfeited. In the event of a change in control, except as otherwise provided in the applicable award agreement, the Plan Administrator may provide for:

- continuation or assumption of outstanding awards under the Incentive Plan by us (if we are the surviving corporation) or by the surviving corporation or its parent;
- substitution or replacement of outstanding awards by the surviving corporation or its parent with cash, securities, rights or other property with substantially the same terms and value as such outstanding awards;
- acceleration of the vesting (including the lapse of any restriction) and exercisability of outstanding awards upon (i) the individual's involuntary termination of service (including termination by us without cause or by the individual for good reason) following such change in control or (ii) the failure of the surviving corporation or its parent to continue or assume such outstanding awards;
- determination of the level of attainment of the applicable performance condition or conditions in the case of a performance award; and
- cancellation of outstanding awards under the Incentive Plan in exchange for a payment of cash, securities, rights and/or other property equal to the value of such outstanding award.

Amendment and termination. Our board of directors may amend, alter, suspend, discontinue or terminate the Incentive Plan. The Plan Administrator may also amend the Incentive Plan or create sub-plans. However, subject to the adjustment and change of control provisions of the Incentive Plan, any such action that would materially adversely affect the rights of a holder of an outstanding award may not be taken without the holder's consent, except to the extent that such action is taken to cause the Incentive Plan to comply with applicable law, stock market or exchange rules and regulations, or accounting or tax rules and regulations, or to impose any "clawback" or recoupment provisions on any outstanding awards in accordance with the Incentive Plan.

Goosehead Insurance, Inc. employee stock purchase plan

We intend to adopt, subject to the approval of our shareholders, the Goosehead Insurance, Inc. Employee Stock Purchase Plan (the "ESPP"). A total of shares have been authorized for issuance under the ESPP (the "Initial Share Pool"). The total number of shares available for purchase under the ESPP will increase on the first day of each fiscal year following the effective date of the ESPP, by the lesser of (i) shares, (ii) 1% of the Initial Share Pool and (iii) such number of shares as determined by our board of directors in its discretion; provided that the maximum number of shares that may be issued under the ESPP in any event will be shares, subject to adjustment in the event of a dividend or other distribution (whether in the form of cash, common stock, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of common stock or other securities of us, or other similar event. Our board of directors or a committee designated by our board of directors (in either event, the "ESPP Administrator") will administer the ESPP.

Our employees, including executive officers, or employees of our subsidiaries may be required to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our ESPP Administrator: (i) customary employment with us or one of our affiliates for more than 20 hours per week and more than five months per calendar year, or (ii) continuous employment with us or one of our affiliates for at least six months prior to the first date of an offering. An employee may not be granted options to purchase stock under the ESPP if such employee (a) immediately after the grant would own stock possessing 5% or more of the total combined voting power or value of our common stock, (b) holds rights to purchase stock under the ESPP that would accrue at a rate that exceeds $25,000 of the fair market value of our stock for each calendar year that the options remain outstanding or (c) is an executive officer, member of our board of directors or

managing director and is a “highly compensated employee” (within the meaning of Section 414(q) of the Code) of us or one of our participating subsidiaries or (d) is located outside of the United States to the extent permitted under Section 423 of the Code.

Each offering will have one or more purchase dates on which shares of our common stock will be purchased for the employees who are participating in the offering. The ESPP Administrator, in its discretion, will determine the terms of offerings under the ESPP. The ESPP permits participating employees to purchase shares of our common stock through payroll deductions in an amount equal to at least 1%, but not more than 5% of the employee’s compensation. The purchase price of the shares of our common stock will be not less than 95% (or such greater percentage as designated by the ESPP Administrator) of the fair market value of our common stock on the date of purchase.

In the event of a specified corporate transaction, such as a merger or acquisition of stock or property, a successor corporation may assume or substitute each outstanding option. If the successor corporation does not assume or substitute the outstanding options, the offering in progress will be shortened and a new exercise date will be set. Employees’ options will be exercised on the new exercise date and such options will terminate immediately thereafter. Notwithstanding the foregoing, in the event of a specified corporate transaction, the ESPP Administrator may elect to terminate all outstanding offerings.

The ESPP is intended to qualify as an employee stock purchase plan under Section 423 of the Code. The ESPP will remain in effect for ten years following the effective date of the ESPP unless terminated earlier by the ESPP Administrator in accordance with the terms of the ESPP. Our ESPP Administrator has the authority to amend, suspend or terminate the ESPP at any time and for any reason.

Director compensation

None of our directors earned compensation in connection with their board service during the year ended December 31, 2017.

Certain relationships and related party transactions

We describe below transactions and series of similar transactions, during our last three fiscal years or currently proposed, to which we were or will be a participant, in which:

- the amounts involved exceeded or will exceed $120,000; and
- any of our directors or executive officers (in each case, including their immediate family members) or beneficial holders of more than 5% of any class of our voting securities had or will have a direct or indirect material interest.

Other than as described below, there have not been, nor are there any currently proposed, transactions or series of similar transactions meeting this criteria to which we have been or will be a participant other than compensation arrangements, which are described where required under “Executive compensation.”

Reorganization agreement

In connection with the reorganization transactions, we will enter into a reorganization agreement and related agreements with Goosehead Financial, LLC and each of the Pre-IPO LLC Members, which will effect the reorganization transactions.

The table below sets forth the consideration in LLC Units and Class B common stock to be received by our directors, officers and 5% equityholders in the reorganization transactions:

Name	Class B common stock and LLC Units to be issued in the reorganization transactions
Mark E. Jones[1]	
Robyn Jones[1]	
Michael C. Colby[2]	
Mark Colby[3]	
Ryan Langston[4]	
Michael Moxley	

(1) Includes shares issued to immediate family members, or trusts associated therewith.

(2) Includes shares issued to immediate family members, or trusts associated therewith.

(3) Includes shares issued to immediate family members, or trusts associated therewith.

(4) Includes shares issued to immediate family members, or trusts associated therewith.

The consideration set forth above and otherwise to be received in the reorganization transactions is subject to adjustment based on the final public offering price of our Class A common stock in this offering.

Amended and restated Goosehead Financial, LLC agreement

In connection with the reorganization transactions, we, Goosehead Financial, LLC and each of the Pre-IPO LLC Members will enter into an amended and restated Goosehead Financial, LLC agreement. Following the reorganization transactions, and in accordance with the terms of the amended and restated Goosehead Financial, LLC agreement, we will operate our business through Goosehead Financial, LLC. Pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement, so long as the Pre-IPO LLC Members continue to own any LLC Units or securities redeemable or exchangeable into shares of our Class A common stock, we will not, without the prior written consent of such holders, engage in any business activity other than the management and ownership of Goosehead Financial, LLC or own any assets other than securities of

Goosehead Financial, LLC and/or any cash or other property or assets distributed by or otherwise received from Goosehead Financial, LLC, unless we determine in good faith that such actions or ownership are in the best interest of Goosehead Financial, LLC.

As the sole managing member of Goosehead Financial, LLC, we will have control over all of the affairs and decision making of Goosehead Financial, LLC. As such, through our officers and directors, we will be responsible for all operational and administrative decisions of Goosehead Financial, LLC and the day-to-day management of Goosehead Financial, LLC's business. We will fund any dividends to our stockholders by causing Goosehead Financial, LLC to make distributions to the Pre-IPO LLC Members and us, subject to the limitations imposed by our Credit Agreement. See "Dividend policy."

The holders of LLC Units will generally incur U.S. federal, state and local income taxes on their proportionate share of any net taxable income of Goosehead Financial, LLC. Net profits and net losses of Goosehead Financial, LLC will generally be allocated to its members pro rata in accordance with the percentages of their respective ownership of LLC Units, though certain non-pro rata adjustments will be made to reflect tax depreciation, amortization and other allocations. The amended and restated Goosehead Financial, LLC agreement will provide for pro rata cash distributions to the holders of LLC Units for purposes of funding their tax obligations in respect of the taxable income of Goosehead Financial, LLC that is allocated to them. Generally, these tax distributions will be computed based on Goosehead Financial, LLC's estimate of the net taxable income of Goosehead Financial, LLC allocable to each holder of LLC Units multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for an individual or corporate resident of Texas (taking into account the non-deductibility of certain expenses and the character of our income).

Except as otherwise determined by us, if at any time we issue a share of our Class A common stock, the net proceeds received by us with respect to such share, if any, shall be concurrently invested in Goosehead Financial, LLC and Goosehead Financial, LLC shall issue to us one LLC Unit (unless such share was issued by us solely to fund the purchase of an LLC Unit from a Pre-IPO LLC Member upon an election by us to exchange such LLC Unit in lieu of redemption following a redemption request by such Pre-IPO LLC Member (in which case such net proceeds shall instead be transferred to the selling Pre-IPO LLC Member as consideration for such purchase, and Goosehead Financial, LLC will not issue an additional LLC Unit to us)). Similarly, except as otherwise determined by us, (i) Goosehead Financial, LLC will not issue any additional LLC Units to us unless we issue or sell an equal number of shares of our Class A common stock and (ii) should Goosehead Financial, LLC issue any additional LLC Units to the Pre-IPO LLC Members, we will issue an equal number of shares of our Class B common stock to such Pre-IPO LLC Members. Conversely, if at any time any shares of our Class A common stock are redeemed, purchased or otherwise acquired, Goosehead Financial, LLC will redeem, purchase or otherwise acquire an equal number of LLC Units held by us, upon the same terms and for the same price per security, as the shares of our Class A common stock are redeemed, purchased or otherwise acquired. In addition, Goosehead Financial, LLC will not affect any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the LLC Units unless it is accompanied by substantively identical subdivision or combination, as applicable, of each class of our common stock, and we will not affect any subdivision or combination of any class of our common stock unless it is accompanied by a substantively identical subdivision or combination, as applicable, of the LLC Units.

Under the amended and restated Goosehead Financial, LLC agreement, the Pre-IPO LLC Members will have the right, from and after the completion of this offering (subject to the terms of the amended and restated Goosehead Financial, LLC agreement), to require Goosehead Financial, LLC to redeem all or a portion of their LLC Units for, at our election, newly-issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume weighted average market price of one share of our Class A common stock for each

LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications). If we decide to make a cash payment, the Pre-IPO LLC Member has the option to rescind its redemption request within a specified time period. Upon the exercise of the redemption right, the redeeming member will surrender its LLC Units to Goosehead Financial, LLC for cancellation. The amended and restated Goosehead Financial, LLC agreement requires that we contribute cash or shares of our Class A common stock to Goosehead Financial, LLC in exchange for an amount of newly-issued LLC Units in Goosehead Financial, LLC that will be issued to us equal to the number of LLC Units redeemed from the Pre-IPO LLC Members. Goosehead Financial, LLC will then distribute the cash or shares of our Class A common stock to such Pre-IPO LLC Member to complete the redemption. In the event of a redemption request by a Pre-IPO LLC Member, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Whether by redemption or exchange, we are obligated to ensure that at all times the number of LLC Units that we or our wholly owned subsidiaries own equals the number of shares of Class A common stock issued by us (subject to certain exceptions for treasury shares and shares underlying certain convertible or exchangeable securities). Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement.

The amended and restated Goosehead Financial, LLC agreement provides that, in the event that a tender offer, share exchange offer, issuer bid, take-over bid, recapitalization or similar transaction with respect to our Class A common stock is proposed by us or our stockholders and approved by our board of directors or is otherwise consented to or approved by our board of directors, the Pre-IPO LLC Members will be permitted to participate in such offer by delivery of a notice of redemption or exchange that is effective immediately prior to the consummation of such offer. In the case of any such offer proposed by us, we are obligated to use our reasonable best efforts to enable and permit the Pre-IPO LLC Members to participate in such offer to the same extent or on an economically equivalent basis as the holders of shares of our Class A common stock without discrimination. In addition, we are obligated to use our reasonable best efforts to ensure that the Pre-IPO LLC Members may participate in each such offer without being required to redeem or exchange LLC Units.

Subject to certain exceptions, Goosehead Financial, LLC will indemnify all of its members and their officers and other related parties, against all losses or expenses arising from claims or other legal proceedings in which such person (in its capacity as such) may be involved or become subject to in connection with Goosehead Financial, LLC's business or affairs or the amended and restated Goosehead Financial, LLC agreement or any related document.

Goosehead Financial, LLC may be dissolved upon (i) the determination by us to dissolve Goosehead Financial, LLC or (ii) any other event which would cause the dissolution of Goosehead Financial, LLC under the Delaware Limited Liability Company Act, unless Goosehead Financial, LLC is continued in accordance with the Delaware Limited Liability Company Act. Upon dissolution, Goosehead Financial, LLC will be liquidated and the proceeds from any liquidation will be applied and distributed in the following manner: (a) first, to creditors (including creditors who are members or affiliates of members) in satisfaction of all of Goosehead Financial, LLC's liabilities (whether by payment or by making reasonable provision for payment of such liabilities, including the setting up of any reasonably necessary reserves) and (b) second, to the members in proportion to their vested LLC Units.

Tax receivable agreement

As described under "Organizational structure," future taxable redemptions or exchanges by the Pre-IPO LLC Members of LLC Units and corresponding number of shares of Class B common stock for shares of our Class A common stock are expected to result in tax basis adjustments to the assets of Goosehead Financial, LLC that

will be allocated to us and thus produce favorable tax attributes. These tax attributes would not be available to us in the absence of those transactions. The anticipated tax basis adjustments are expected to reduce the amount of tax that we would otherwise be required to pay in the future.

We intend to enter into a tax receivable agreement with the Pre-IPO LLC Members that will provide for the payment by us to the Pre-IPO LLC Members of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) any increase in tax basis in Goosehead Financial, LLC's assets resulting from (a) the acquisition of LLC Units using the net proceeds from any future offering, (b) redemptions or exchanges by the Pre-IPO LLC Members of LLC Units and the corresponding number of shares of Class B common stock for shares of our Class A common stock or (c) payments under the tax receivable agreement, and (ii) tax benefits related to imputed interest deemed arising as a result of payments made under the tax receivable agreement.

The actual increase in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, will vary depending on a number of factors, including, but not limited to, the timing of any future redemptions, exchanges or purchases of the LLC Units held by Pre-IPO LLC Members, the price of our Class A common stock at the time of the purchase, redemption or exchange, the extent to which redemptions or exchanges are taxable, the amount and timing of the taxable income that we generate in the future, the tax rates then applicable and the portion of our payments under the tax receivable agreement constituting imputed interest.

We expect that, as a result of the increases in the tax basis of the tangible and intangible assets of Goosehead Financial, LLC attributable to the redeemed or exchanged LLC Units, the payments that we may make to the existing Pre-IPO LLC Members could be substantial. For example, assuming (i) that the Pre-IPO LLC Members redeemed or exchanged all of their LLC units immediately after the completion of this offering, (ii) no material changes in relevant tax law, and (iii) that we earn sufficient taxable income in each year to realize on a current basis all tax benefits that are subject to the tax receivable agreement, based on the assumed initial public offering price of $ per share of our Class A common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, we expect that the tax savings we would be deemed to realize would aggregate approximately $ million over the -year period from the assumed date of such redemption or exchange, and over such period we would be required to pay the Pre-IPO LLC Members 85% of such amount, or approximately $ million, over such period. The actual amounts we may be required to pay under the tax receivable agreement may materially differ from these hypothetical amounts, as potential future tax savings we will be deemed to realize, and tax receivable agreement payments by us, will be calculated based in part on the market value of our Class A common stock at the time of redemption or exchange and the prevailing federal tax rates applicable to us over the life of the tax receivable agreement (as well as the assumed combined state and local tax rate), and will generally be dependent on us generating sufficient future taxable income to realize all of these tax savings (subject to the exceptions described below). Payments under the tax receivable agreement are not conditioned on the Pre-IPO LLC Members' continued ownership of us. There may be a material negative effect on our liquidity if, as described below, the payments under the tax receivable agreement exceed the actual benefits we receive in respect of the tax attributes subject to the tax receivable agreement and/or distributions to us by Goosehead Financial, LLC are not sufficient to permit us to make payments under the tax receivable agreement.

In addition, although we are not aware of any issue that would cause the IRS to challenge the tax basis increases or other benefits arising under the tax receivable agreement, the Pre-IPO LLC Members will not reimburse us for any payments previously made if such tax basis increases or other tax benefits are subsequently disallowed, except that any excess payments made to the Pre-IPO LLC Members will be netted against future payments otherwise to be made under the tax receivable agreement, if any, after our determination of such excess. As a result, in such circumstances we could make payments to the Pre-IPO LLC

Members under the tax receivable agreement that are greater than our actual cash tax savings and may not be able to recoup those payments, which could negatively impact our liquidity.

In addition, the tax receivable agreement provides that, upon certain mergers, asset sales or other forms of business combination or certain other changes of control, our or our successor's obligations with respect to tax benefits would be based on certain assumptions, including that we or our successor would have sufficient taxable income to fully utilize the benefits arising from the increased tax deductions and tax basis and other benefits covered by the tax receivable agreement. As a result, upon a change of control, we could be required to make payments under the tax receivable agreement that are greater than or less than the specified percentage of our actual cash tax savings, which could negatively impact our liquidity.

This provision of the tax receivable agreement may result in situations where the Pre-IPO LLC Members have interests that differ from or are in addition to those of our other stockholders. In addition, we could be required to make payments under the tax receivable agreement that are substantial and in excess of our, or a potential acquirer's, actual cash savings in income tax.

Finally, because we are a holding company with no operations of our own, our ability to make payments under the tax receivable agreement is dependent on the ability of Goosehead Financial, LLC to make distributions to us. Our Credit Agreement restricts the ability of Goosehead Financial, LLC to make distributions to us, which could affect our ability to make payments under the tax receivable agreement. To the extent that we are unable to make payments under the tax receivable agreement for any reason, such payments will be deferred and will accrue interest until paid.

Purchases of ownership interests from existing holders

We intend to use the net proceeds from this offering, $ million and the issuance of shares of Class A common stock to repay the Goosehead Management Note and the Texas Wasatch Note in consideration for the acquisition of the indirect ownership interests held by the Goosehead Management Holders and Texas Wasatch Holders in Goosehead Management, LLC and Texas Wasatch Insurance Holdings Group, LLC. The aggregate principal amount of the Goosehead Management Note and the Texas Wasatch Note will be collectively equal to the product of times the public offering price per share of the Class A common stock in this offering ($ million based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). To the extent that the net proceeds of this offering (excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock) are insufficient to repay the Goosehead Management Note and the Texas Wasatch Note in full, then we will issue shares of Class A common stock to the Goosehead Management Holders and the Texas Wasatch Holders for the difference valued at the public offering price per share of the Class A common stock in this offering (shares of Class A common stock assuming shares of Class A common stock are sold in this offering, excluding any exercise of the underwriters' option to purchase additional shares of Class A common stock). We expect the repayment of the Goosehead Management Note and the Texas Wasatch Note will be made promptly following this offering. The amounts paid to our officers and directors who are also Goosehead Management Holders and Texas Wasatch Holders in repayment of the Goosehead Management Note and the Texas Wasatch Note are as follows:

	Cash	Shares of Class A common stock
Recipient		
Mark E. Jones[1]	$	
Robyn Jones[1]		
Michael C. Colby[2]		
Mark Colby[3]		
P. Ryan Langston[4]		
Michael Moxley		
Jeffrey Saunders		
Total	$	

(1) Includes $ received by and shares issued to immediate family members, or trusts associated therewith.

(2) Includes $ received by and shares issued to immediate family members, or trusts associated therewith.

(3) Includes $ received by and shares issued to immediate family members, or trusts associated therewith.

(4) Includes $ received by and shares issued to immediate family members, or trusts associated therewith.

Registration rights agreement

Prior to the consummation of this offering, we will enter into a Registration Rights Agreement (the "Registration Rights Agreement") with the Pre-IPO LLC Members, the Goosehead Management Holders and Texas Wasatch Holders.

At any time beginning 180 days following the closing of this offering, subject to several exceptions, including underwriter cutbacks and our right to defer a demand registration under certain circumstances, Pre-IPO LLC Members, the Goosehead Management Holders and Texas Wasatch Holders may require that we register for public resale under the Securities Act all shares of common stock constituting registrable securities that they request be registered at any time following this offering so long as the securities requested to be registered in each registration statement have an aggregate estimated market value of least $ million. If we become eligible to register the sale of our securities on Form S-3 under the Securities Act, which will not be until at least

twelve months after the date of this prospectus, the Pre-IPO LLC Members, the Goosehead Management Holders and the Texas Wasatch Holders have the right to require us to register the sale of the registrable securities held by them on Form S-3, subject to offering size and other restrictions. If we propose to register any of our securities under the Securities Act for our own account or the account of any other holder (excluding any registration related to employee benefit plan or a corporate reorganization or other Rule 145 transaction), the Pre-IPO LLC Members, the Goosehead Management Holders and the Texas Wasatch Holders are entitled to notice of such registration and to request that we include registrable securities for resale on such registration statement, and we are required, subject to certain exceptions, to include such registrable securities in such registration statement.

We will undertake in the Registration Rights Agreement to use our reasonable best efforts to file a shelf registration statement on Form S-3 to permit the resale of the shares of Class A common stock held by Pre-IPO LLC Members.

In connection with the transfer of their registrable securities, the parties to the Registration Rights Agreement may assign certain of their respective rights under the Registration Rights Agreement under certain circumstances. In connection with the registrations described above, we will indemnify any selling stockholders and we will bear all fees, costs and expenses (except underwriting discounts and spreads).

Stockholders agreement

At the closing of this offering, we will enter into a Stockholders Agreement with each of the Pre-IPO LLC Members, which will provide that, until the Substantial Ownership Requirement is no longer met, approval by the Pre-IPO LLC Members will be required for certain corporate actions. These actions include: (1) a change of control; (2) acquisitions or dispositions of assets in an amount exceeding 15% of our total assets; (3) the issuance of equity of Goosehead Insurance, Inc. or any of its subsidiaries (other than under equity incentive plans that have received the prior approval of our board of directors) in an amount exceeding $50 million; (4) amendments to our certificate of incorporation or bylaws; (5) changes to the strategic direction or scope of Goosehead Insurance, Inc.’s business; and (6) any change in the size of the board of directors. The Stockholders Agreement will also provide that, until the Substantial Ownership Requirement is no longer met, the approval of the Pre-IPO LLC Members, will be required for the hiring and termination of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Controller (including terms of compensation). Furthermore, the Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members may designate the majority of the nominees for election to our board of directors, including the nominee for election to serve as the Chairman of the board of directors.

Management fees

Prior to this offering, the LLC Agreement of Goosehead Insurance Agency, LLC and Agreement of Limited Partnership of Texas Wasatch Insurance Services, L.P. entitled the Goosehead Management Holders and Texas Wasatch Holders to certain management fees consisting of 10% of the revenues for each quarter of Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, L.P., respectively. As part of the reorganization transactions, the Goosehead Management Holders and Texas Wasatch Holders will contribute their indirect ownership interests in Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, L.P. to Goosehead Insurance, Inc., and consequently the Goosehead Management Holders and Texas Wasatch Holders will no longer be entitled to receive such management fees, which will be paid indirectly to Goosehead Financial, LLC. The amounts paid to our officers and directors who are also Goosehead Management Holders and Texas Wasatch Holders pursuant to the these agreements for the years ended December 31, 2015, 2016 and 2017 are as follows:

	Year ended December 31,		
	2015	2016	2017
Recipient			
Goosehead Management Holders[1]	$ 665,396	$ 1,026,243	$ 2,262,804
Texas Wasatch Holders[2]	3,514,393	1,967,831	2,737,196
Total	$ 4,179,789	$ 2,994,074	$ 5,000,000

(1) Goosehead Management, LLC was indirectly owned by Mark E. Jones, Robyn Jones and Michael C. Colby in 2015. Goosehead Management, LLC was indirectly owned by Mark E. Jones, Robyn Jones, Michael C. Colby, Mark Colby, P. Ryan Langston and Michael Moxley in 2016 and 2017.

(2) Texas Wasatch Insurance Holdings Group, LLC was indirectly owned by Mark E. Jones, Robyn Jones, Michael C. Colby and Jeffrey Saunders in 2015. Goosehead Management, LLC was indirectly owned by Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, Mark Colby, P. Ryan Langston and Michael Moxley in 2016 and 2017.

Indemnification agreements

We expect to enter into an indemnification agreement with each of our executive officers and directors that provides, in general, that we will indemnify them to the fullest extent permitted by law in connection with their service to us or on our behalf. See “Management—Indemnification of officers and directors.”

Related party transactions policies and procedures

Upon the consummation of this offering, we will adopt a written Related Person Transaction Policy (the “policy”), which will set forth our policy with respect to the review, approval, ratification and disclosure of all related person transactions by our Audit Committee. In accordance with the policy, our Audit Committee will have overall responsibility for implementation of and compliance with the policy.

For purposes of the policy, a “related person transaction” is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we were, are or will be a participant and the amount involved exceeded, exceeds or will exceed $120,000 and in which any related person (as defined in the policy) had, has or will have a direct or indirect material interest. A “related person transaction” does not include any employment relationship or transaction involving an executive officer and any related compensation resulting solely from that employment relationship that has been reviewed and approved by our board of directors.

The policy will require that notice of a proposed related person transaction be provided to our legal department prior to entry into such transaction. If our legal department determines that such transaction is a related person transaction, the proposed transaction will be submitted to our Audit Committee for consideration at its

next meeting. Under the policy, our Audit Committee may approve only those related person transactions that are in, or not inconsistent with, our best interests. In the event that we become aware of a related person transaction that has not been previously reviewed, approved or ratified under the policy and that is ongoing or is completed, the transaction will be submitted to the Audit Committee so that it may determine whether to ratify, rescind or terminate the related person transaction.

The policy will also provide that the Audit Committee review certain previously approved or ratified related person transactions that are ongoing to determine whether the related person transaction remains in our best interests and the best interests of our stockholders. Additionally, we will make periodic inquiries of directors and executive officers with respect to any potential related person transaction of which they may be a party or of which they may be aware.

Mark Colby (brother of Michael Colby) received compensation in the aggregate amount of $161,327, $329,554 and $411,841 in 2015, 2016 and 2017, respectively. Robyn Jones (wife of Mark Jones and mother-in-law of Ryan Langston) received compensation in the aggregate amount of $174,956, $182,202 and $202,810 in 2015, 2016 and 2017, respectively. Matthew Colby (Vice President of Agency Sales and brother of Michael Colby and Mark Colby) received compensation in the aggregate amount of $242,527, $321,142 and $325,226 in 2015, 2016 and 2017. Such compensation will be approved or ratified by the board of directors or the Audit Committee, respectively.

Also, in August 2017, an entity owned and controlled by Mark and Robyn Jones paid down the remaining balance, in an amount of $120,010, of a note receivable issued by Texas Wasatch Insurance Services, L.P., a subsidiary of Goosehead Financial, LLC, to such entity in 2007.

Principal stockholders

The following table sets forth information regarding the beneficial ownership of our common stock as of , 2018 (1) as adjusted to give effect to the reorganization transactions, but prior to this offering, and (2) as adjusted to give effect to the reorganization transactions and this offering by:

- each person or group whom we know to own beneficially more than 5% of our common stock;
- each of the directors, director nominees and named executive officers individually; and
- all directors, director nominees and executive officers as a group.

The numbers of shares of common stock beneficially owned, percentages of beneficial ownership and percentages of combined voting power before this offering that are set forth below are based on the number of shares of Class A and Class B common stock to be issued and outstanding prior to this offering after giving effect to the reorganization transactions. See “Organizational structure.” The numbers of shares of common stock beneficially owned, percentages of beneficial ownership and percentages of combined voting power after this offering that are set forth below are based on the number of shares of Class A and Class B common stock to be issued and outstanding immediately after this offering (based on the midpoint of the estimated public offering price range set forth on the cover page of this prospectus).

In connection with this offering, we will issue to each Pre-IPO LLC Member one share of Class B common stock for each LLC Unit such Pre-IPO LLC Member beneficially owns immediately prior to the consummation of this offering. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement. See “Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement.” As a result, the number of shares of Class B common stock listed in the table below correlates to the number of LLC Units each Pre-IPO LLC Member will beneficially own immediately after this offering. The number of shares of Class A common stock listed in the table below represents the Class A common stock that will be issued in connection with this offering.

In accordance with the rules of the SEC, beneficial ownership includes voting or investment power with respect to securities and includes the shares issuable pursuant to stock options that are exercisable within 60 days of , 2018. The number of shares of Class A common stock outstanding after this offering includes shares of common stock being offered for sale by us in this offering. Unless otherwise indicated, the address for each listed stockholder is: 1500 Solana Blvd, Building 4, Suite 4500, Westlake, Texas 76262. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock.

The following table assumes the underwriters' option to purchase additional shares of Class A common stock is not exercised.

The table below does not reflect any shares of our common stock that our directors and executive officers may purchase through the directed share program, described under "Underwriting."

	Class A common stock owned(1)				Class B common stock owned(2)				Combined voting power(3)	
	Before this offering		After this offering		Before this offering		After this offering		Before this offering	After this offering
Name of beneficial owner	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Directors and Executive Officers										
Mark E. Jones(4)										
Michael C. Colby(5)	—	—	—	—						
P. Ryan Langston	—	—	—	—	—	—	—	—	—	—
Robyn Jones(6)										
Other 5% Beneficial Owners										
None										
All directors and executive officers as a group (persons)										

* Less than 1%

The following table assumes the underwriters' option to purchase additional shares of Class A common stock is exercised in full.

	Class A common stock owned(1)				Class B common stock owned(2)				Combined voting power(3)	
	Before this offering		After this offering		Before this offering		After this offering		Before this offering	After this offering
Name of beneficial owner	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Directors and Executive Officers										
Mark E. Jones(4)										
Michael C. Colby(5)	—	—	—	—						
P. Ryan Langston	—	—	—	—	—	—	—	—	—	—
Robyn Jones(6)										
Other 5% Beneficial Owners										
None										
All directors and executive officers as a group (persons)										

* Less than 1%

(1) On a fully exchanged and converted basis. Subject to the terms of the amended and restated Goosehead Financial, LLC agreement, LLC Units are redeemable or exchangeable for shares of our Class A common stock on a one-for-one basis. Shares of Class B common stock will be cancelled on a one-for-one basis if we redeem or exchange LLC Units pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement. Beneficial ownership of shares of our Class A common stock reflected in this table does not include beneficial ownership of shares of our Class A common stock for which such LLC Units may be redeemed or exchanged.

(2) On a fully exchanged and converted basis. The Pre-IPO LLC Members hold all of the issued and outstanding shares of our Class B common stock.

(3) Represents percentage of voting power of the Class A common stock and Class B common stock held by such person voting together as a single class. See "Description of capital stock—Common stock."

(4) Consists of shares beneficially owned directly by Mr. Mark E. Jones, shares beneficially owned by the Mark and Robyn Jones Descendants Trust 2014, shares beneficially owned by the Lanni Elaine Romney Family Trust 2014, shares beneficially owned by the Lindy Jean Langston Family Trust 2014, shares beneficially owned by the Camille LaVaun Peterson Family Trust 2014, shares beneficially owned by the Desiree Robyn Coleman Family Trust 2014, shares beneficially owned by the Adrienne Morgan Jones Family Trust 2014 and shares

beneficially owned by the Mark Evan Jones, Jr. Family Trust 2014. This number does not include, and Mr. Mark E. Jones disclaims beneficial ownership of, shares owned by TWIP except to the extent of any pecuniary interest therein.

(5) Consists of shares beneficially owned directly by Mr. Michael C. Colby, shares beneficially owned by the Colby 2014 Family Trust, shares beneficially owned by the Preston Michael Colby 2014 Trust and shares beneficially owned by the Lyla Kate Colby 2014 Trust. This number does not include, and Mr. Michael C. Colby disclaims beneficial ownership of, shares owned by TWIP except to the extent of any pecuniary interest therein.

(6) Consists of shares beneficially owned directly by Mrs. Robyn Jones, shares beneficially owned by the Mark and Robyn Jones Descendants Trust 2014, shares beneficially owned by the Lanni Elaine Romney Family Trust 2014, shares beneficially owned by the Lindy Jean Langston Family Trust 2014, shares beneficially owned by the Camille LaVaun Peterson Family Trust 2014, shares beneficially owned by the Desiree Robyn Coleman Family Trust 2014, shares beneficially owned by the Adrienne Morgan Jones Family Trust 2014 and shares beneficially owned by the Mark Evan Jones, Jr. Family Trust 2014.

Description of capital stock

In connection with this offering, we will amend and restate our certificate of incorporation and our bylaws. The following is a description of the material terms of, and is qualified in its entirety by, our certificate of incorporation and bylaws, each of which will be in effect upon the consummation of this offering, the forms of which are filed as exhibits to the registration statement of which this prospectus forms a part. Under "Description of capital stock," "we," "us," "our," and "our company" refer to Goosehead Insurance, Inc.

Upon the consummation of this offering, our authorized capital stock will consist of shares of Class A common stock, par value $0.01 per share, shares of Class B common stock, par value $0.01 per share, and shares of preferred stock, par value $ per share. Unless our board of directors determines otherwise, we will issue all shares of our capital stock in uncertificated form.

Common stock

Class A common stock

Holders of shares of our Class A common stock are entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our Class A common stock do not have cumulative voting rights in the election of directors.

Holders of shares of our Class A common stock are entitled to receive dividends when and if declared by our board of directors out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends and to any restrictions on the payment of dividends imposed by the terms of any outstanding preferred stock.

Upon our liquidation, dissolution or winding up and after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of shares of our Class A common stock will be entitled to receive pro rata our remaining assets available for distribution.

All shares of our Class A common stock that will be outstanding at the time of the completion of the offering will be fully paid and non-assessable. The Class A common stock will not be subject to further calls or assessments by us. The rights powers and privileges of our Class A common stock will be subject to those of the holders of any shares of our preferred stock or any other series or class of stock we may authorize and issue in the future.

Class B common stock

Each share of Class B common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders. For purposes of calculating the Substantial Ownership Requirement, shares of Class A common stock and Class B common stock held by any estate, trust, partnership or limited liability company or other similar entity of which any Pre-IPO LLC Member is a trustee, partner, member or similar party will be considered held by such Pre-IPO LLC Member. If at any time the ratio at which LLC Units are redeemable or exchangeable for shares of our Class A common stock changes from one-for-one as described under "Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement," the number of votes to which Class B common stockholders are entitled will be adjusted accordingly. The holders of our Class B common stock do not have cumulative voting rights in the election of directors. Except for transfers to us pursuant to the amended and restated Goosehead Financial, LLC agreement or to certain permitted transferees, the Pre-IPO LLC Members are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock. Holders of shares of our Class B common stock will vote together with holders of our Class A common stock as a single class on all matters on which stockholders are entitled to vote generally, except as otherwise required by law.

Holders of our Class B common stock do not have any right to receive dividends or to receive a distribution upon a liquidation or winding up of Goosehead Insurance, Inc. Pursuant to the Stockholders Agreement, the initial holders of our Class B common stock, the Pre-IPO LLC Members, may approve or disapprove substantially all transactions and other matters requiring approval by our stockholders, such as a merger, consolidation, dissolution or sale of all or substantially all of our assets, the issuance or redemption of certain additional equity interests in an amount exceeding $50 million, any change in the size of the board of directors and amendments to our certificate of incorporation or bylaws. In addition, the Stockholders Agreement will provide that approval by the Pre-IPO LLC Members is required for any changes to the strategic direction or scope of Goosehead Insurance, Inc.'s business, any acquisition or disposition of any asset or business having consideration in excess of 15% of our total assets and the hiring and termination of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Controller (including terms of compensation). Furthermore, the Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members may designate the majority of the nominees for election to our board of directors, including the nominee for election to serve as the Chairman of the board of directors.

Preferred stock

No shares of preferred stock will be issued or outstanding immediately after the offering contemplated by this prospectus. Our certificate of incorporation authorizes our board of directors to establish one or more series of preferred stock (including convertible preferred stock). Unless required by law or any stock exchange, the authorized shares of preferred stock will be available for issuance without further action by holders of our Class A or Class B common stock. Our board of directors is able to determine, with respect to any series of preferred stock, the powers (including voting powers), preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, including, without limitation:

- the designation of the series;
- the number of shares of the series, which our board of directors may, except where otherwise provided in the preferred stock designation, increase (but not above the total number of authorized share of the class) or decrease (but not below the number of shares then outstanding);
- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;
- the dates at which dividends, if any, will be payable;
- the redemption rights and price or prices, if any, for shares of the series;
- the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of our company;
- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of our company or any other entity, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series; and
- the voting rights, if any, of the holders of the series.

We could issue a series of preferred stock that could, depending on the terms of the series, impede or discourage an acquisition attempt or other transaction that some, or a majority, of the holders of our common stock might

believe to be in their best interests or in which the holders of our common stock might receive a premium over the market price of the shares of common stock. Additionally, the issuance of preferred stock may adversely affect the holders of our common stock by restricting dividends on the common stock, diluting the voting power of the common stock or subordinating the liquidation rights of the common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our common stock.

Authorized but unissued capital stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the Nasdaq Global Market, which would apply so long as the shares of Class A common stock remains listed on the Nasdaq Global Market, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or the then outstanding number of shares of Class A common stock (we believe the position of the Nasdaq Global Market is that the calculation in this latter case treats as outstanding shares of Class A common stock issuable upon redemption or exchange of outstanding LLC Units not held by Goosehead Insurance, Inc.). These additional shares of Class A common stock may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock or preferred stock may be to enable our board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive the stockholders of opportunities to sell their shares at prices higher than prevailing market prices.

Dividends

The DGCL permits a corporation to declare and pay dividends out of “surplus” or, if there is no “surplus,” out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. “Surplus” is defined as the excess of the net assets of the corporation over the amount determined to be the capital of the corporation by its board of directors. The capital of the corporation is typically calculated to be (and cannot be less than) the aggregate par value of all issued shares of capital stock. Net assets equals the fair value of the total assets minus total liabilities. The DGCL also provides that dividends may not be paid out of net profits if, after the payment of the dividend, remaining capital would be less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets. Declaration and payment of any dividend will be subject to the discretion of our board of directors.

Stockholder meetings

Our certificate of incorporation and our bylaws provide that annual stockholder meetings will be held at a date, time and place, if any, as exclusively selected by our board of directors. Our bylaws provide that special meetings of the stockholders may be called only by or at the direction of the board of directors, the chairman of our board or the chief executive officer. To the extent permitted under applicable law, we may conduct meetings by remote communications, including by webcast.

Transferability, redemption and exchange

Under the amended and restated Goosehead Financial, LLC agreement, the Pre-IPO LLC Members will have the right, from and after the completion of this offering (subject to the terms of the amended and restated Goosehead Financial, LLC agreement), to require Goosehead Financial, LLC to redeem all or a portion of their LLC Units for, at our election, newly-issued shares of Class A common stock on a one-for-one basis or a cash

payment equal to the volume weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the amended and restated Goosehead Financial, LLC agreement. Additionally, in the event of a redemption request by a Pre-IPO LLC Member, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement. See “Certain relationships and related party transactions—Amended and restated Goosehead Financial, LLC agreement.” Shares of our Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement.

Except for transfers to us pursuant to the amended and restated Goosehead Financial, LLC agreement or to certain permitted transferees, the Pre-IPO LLC Members are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.

Other provisions

Neither the Class A common stock nor the Class B common stock has any preemptive or other subscription rights.

There will be no redemption or sinking fund provisions applicable to the Class A common stock or Class B common stock. Further, our Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, any redemption, repurchase or other acquisition of ownership interests (other than in connection with terms of equity compensation plans, subject to certain specified exceptions) must be approved by the Pre-IPO LLC Members.

At such time when no LLC Units remain redeemable or exchangeable for shares of our Class A common stock, our Class B common stock will be cancelled.

Corporate opportunity

Our certificate of incorporation will provide that, to the fullest extent permitted by law, the doctrine of “corporate opportunity” will only apply against our directors and officers and their respective affiliates for competing activities related to insurance brokerage activities.

Certain certificate of incorporation, by-laws and statutory provisions

The provisions of our certificate of incorporation and by-laws and of the DGCL summarized below may have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that you might consider in your best interest, including an attempt that might result in your receipt of a premium over the market price for your shares of Class A common stock.

Anti-takeover effects of our certificate of incorporation, stockholders agreement and by-laws

Our certificate of incorporation and by-laws will contain certain provisions that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors and that may have the effect

of delaying, deferring or preventing a future takeover or change in control of our company unless such takeover or change in control is approved by our board of directors. These provisions include:

No cumulative voting. Under Delaware law, the right to vote cumulatively does not exist unless the certificate of incorporation specifically authorizes cumulative voting. Our certificate of incorporation does not authorize cumulative voting. Therefore, stockholders holding a majority in voting power of the shares of our stock entitled to vote generally in the election of directors will be able to elect all our directors.

Election and removal of directors. Our certificate of incorporation will provide that our board shall consist of not less than three nor more than eleven directors. Our certificate of incorporation will also provide that, subject to the rights granted to one or more series of preferred stock then outstanding, any vacancies on our board will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum. The Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, the Pre-IPO LLC Members may designate a majority of the nominees for election to our board of directors, including the nominee for election to serve as Chairman to our board of directors. Our Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, any action to change the number of directors requires approval of the Pre-IPO LLC Members.

In addition, our certificate of incorporation will provide that, following the time when the Substantial Ownership Requirement is no longer met, and subject to obtaining any required stockholder votes, directors may only be removed for cause and by the affirmative vote of holders of 75% of the total voting power of our outstanding shares of common stock, voting together as a single class. This requirement of a super-majority vote to remove directors for cause could enable a minority of our stockholders to exercise veto power over any such removal. Prior to such time, directors may be removed with or without cause by the affirmative vote of the holders of a majority of the total voting power of our outstanding shares of common stock. Following the time when the Substantial Ownership Requirement is no longer met, our board of directors will be divided into three classes of directors, with each class as equal in number as possible, serving staggered three year terms.

Action by written consent; special meetings of stockholders. Our certificate of incorporation will provide that, following the time that the Substantial Ownership Requirement is no longer met, stockholder action can be taken only at an annual or special meeting of stockholders and cannot be taken by written consent in lieu of a meeting. Our certificate of incorporation , Stockholders Agreement and by-laws will also provide that, subject to any special rights of the holders as required by law, special meetings of the stockholders can only be called by the chairman or vice chairman of the board of directors or, until the time that the Substantial Ownership Requirement is no longer met, at the request of holders of a majority of the total voting power of our outstanding shares of common stock, voting together as a single class. Except as described above, stockholders are not permitted to call a special meeting or to require the board of directors to call a special meeting.

Advance notice procedures. Our by-laws will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to the board of directors. Stockholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the board of directors or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given our Secretary timely written notice, in proper form, of the stockholder’s intention to bring that business before the meeting. Although the by-laws will not give our board of directors the power to approve or disapprove stockholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, the by-laws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of our company.

Super-majority approval requirements. The DGCL generally provides that the affirmative vote of the holders of a majority of the total voting power of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or by-laws, unless either a corporation's certificate of incorporation or by-laws require a greater percentage. Our Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, any amendment to our certificate of incorporation or by-laws must be approved by the Pre-IPO LLC Members. Our certificate of incorporation and by-laws will provide that, following the time that the Substantial Ownership Requirement is no longer met, the affirmative vote of holders of 75% of the total voting power of our outstanding common stock eligible to vote in the election of directors, voting together as a single class, will be required to amend, alter, change or repeal specified provisions, including those relating to actions by written consent of stockholders, calling of special meetings of stockholders, business combinations and amendment of our certificate of incorporation and by-laws. This requirement of a super-majority vote to approve amendments to our certificate of incorporation and by-laws could enable a minority of our stockholders to exercise veto power over any such amendments.

Authorized but unissued shares. The authorized but unissued shares of common stock and preferred stock are available for future issuance without stockholder approval, subject to any limitations imposed by the listing rules of the Nasdaq Global Market. The existence of authorized but unissued and unreserved common stock and preferred stock could make more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise. See "—Preferred stock" and "—Authorized but unissued capital stock" above.

Business combinations with interested stockholders. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the corporation's voting stock for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. We have expressly elected not to be governed by the "business combination" provisions of Section 203 of the DGCL, until after the Substantial Ownership Requirement is no longer met. At that time, such election shall be automatically withdrawn and we will thereafter be governed by the "business combination" provisions of Section 203 of the DGCL. Further, our Stockholders Agreement will provide that, until the Substantial Ownership Requirement is no longer met, any business combination resulting the merger, consolidation or sale of all, or substantially all, of our assets, and any acquisition or disposition of any asset or business having consideration in excess of 15% of our total assets, must be approved by the Pre-IPO LLC Members.

Directors' liability; indemnification of directors and officers

Our certificate of incorporation will limit the liability of our directors to the fullest extent permitted by the DGCL and provides that we will provide them with customary indemnification. We expect to enter into customary indemnification agreements with each of our executive officers and directors that provide them, in general, with customary indemnification in connection with their service to us or on our behalf.

Transfer agent and registrar

The transfer agent and registrar for our Class A common stock will be Computershare Trust Company, N.A.

Securities exchange

We have applied to have our Class A common stock approved for listing on the Nasdaq Global Market under the symbol "GSHD."

U.S. federal tax considerations

The following is a general discussion of the material U.S. federal income and estate tax consequences of the purchase, ownership and disposition of our Class A common stock by a "non-U.S. holder." A "non-U.S. holder" is a beneficial owner of a share of our Class A common stock that is, for U.S. federal income tax purposes:

- a non-resident alien individual, other than a former citizen or resident of the United States subject to U.S. tax as an expatriate,
- a foreign corporation, or
- a foreign estate or trust.

If a partnership or other pass-through entity (including an entity or arrangement treated as a partnership or other type of pass-through entity for U.S. federal income tax purposes) owns our Class A common stock, the tax treatment of a partner or beneficial owner of the entity may depend upon the status of the owner, the activities of the entity and certain determinations made at the partner or beneficial owner level. Partners and beneficial owners in partnerships or other pass-through entities that own our Class A common stock should consult their own tax advisors as to the particular U.S. federal income and estate tax consequences applicable to them.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), and administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein (possibly with retroactive effect). This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to non-U.S. holders in light of their particular circumstances and does not address any tax consequences arising under the laws of any state, local or foreign jurisdiction. Prospective holders are urged to consult their tax advisors with respect to the particular tax consequences to them of owning and disposing of our Class A common stock, including the consequences under the laws of any state, local or foreign jurisdiction.

Dividends

To the extent that we make a distribution of cash or other property (other than certain pro rata distributions of our stock) in respect of our Class A common stock, the distribution generally will be treated as a dividend for U.S. federal income tax purposes to the extent it is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Any portion of a distribution that exceeds our current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing a reduction in the adjusted tax basis of a non-U.S. holder's Class A common stock, and to the extent the amount of the distribution exceeds a non-U.S. holder's adjusted tax basis in our Class A common stock, the excess will be treated as gain from the disposition of our Class A common stock (the tax treatment of which is discussed below under "—Gain on disposition of Class A common stock").

Dividends paid to a non-U.S. holder generally will be subject to U.S. federal withholding tax at a 30% rate, or a reduced rate specified by an applicable income tax treaty, subject to the discussion of FATCA withholding taxes below. In order to obtain a reduced rate of withholding under an applicable income tax treaty, a non-U.S. holder generally will be required to provide a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, certifying its entitlement to benefits under the treaty.

Dividends paid to a non-U.S. holder that are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States) will not be subject to U.S. federal withholding tax if the non-U.S. holder provides a properly executed IRS Form W-8ECI.

Instead, the effectively connected dividend income will generally be subject to regular U.S. income tax as if the non-U.S. holder were a U.S. person as defined under the Code. A non-U.S. holder that is a treated as a corporation for U.S. federal income tax purposes receiving effectively connected dividend income may also be subject to an additional "branch profits tax" imposed at a rate of 30% (or a lower treaty rate) on its effectively connected earnings and profits (subject to certain adjustments).

A non-U.S. holder eligible for a reduced rate of U.S. federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Gain on disposition of Class A common stock

Subject to the discussions of backup withholding and FATCA withholding taxes below, a non-U.S. holder generally will not be subject to U.S. federal income tax on gain realized on a sale or other disposition of Class A common stock unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable tax treaty, the gain is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States), in which case the gain will be subject to U.S. federal income tax generally in the same manner as effectively connected dividend income as described above;
- the non-U.S. holder is an individual present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met, in which case the gain (net of certain US-source losses) generally will be subject to U.S. federal income tax at a rate of 30% (or a lower treaty rate), which gain may be offset by certain U.S.-source capital losses even though the individual is not considered a resident of the United States; or
- we are or have been a "United States real property holding corporation" (as described below), at any time within the five-year period preceding the disposition or the non-U.S. holder's holding period, whichever period is shorter, and either (i) our Class A common stock is not regularly traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs or (ii) the non-U.S. holder has owned or is deemed to have owned, at any time within the five-year period preceding the disposition or the non-U.S. holder's holding period, whichever period is shorter, more than 5% of our Class A common stock.

We will be a United States real property holding corporation at any time that the fair market value of our "United States real property interests," as defined in the Code and applicable Treasury Regulations, equals or exceeds 50% of the aggregate fair market value of our worldwide real property interests and our other assets used or held for use in a trade or business (all as determined for the U.S. federal income tax purposes). We believe that we are not, and do not anticipate becoming in the foreseeable future, a United States real property holding corporation.

Information reporting requirements and backup withholding

Distributions paid to a non-U.S. holder and the amount of any tax withheld with respect to such distributions generally will be reported to the IRS. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will not be subject to backup withholding on dividends received if such holder certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a U.S. person as defined under the Code), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholdings will apply to the proceeds of a sale or other disposition of our Class A common stock made within the U.S. or conducted through certain U.S.-related financial intermediaries, unless the non-U.S. holder complies with certification procedures to establish that it is not a U.S. person in order to avoid additional information reporting and backup withholding. The certification procedures required to claim a reduced rate of withholding under a treaty will generally satisfy the certification requirements necessary to avoid backup withholding as well.

Backup withholding is not an additional tax and the amount of any backup withholding from a payment to a non-U.S. holder will be allowed as a credit against the non-U.S. holder's U.S. federal income tax liability and may entitle the non-U.S. holder to a refund, provided that the required information is furnished to the IRS in a timely manner.

FATCA withholding taxes

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as "FATCA"), payments of dividends on and (for dispositions after December 31, 2018) the gross proceeds of dispositions of Class A common stock of a U.S. issuer paid to (i) a "foreign financial institution" (as specifically defined in the Code) or (ii) a "non-financial foreign entity" (as specifically defined in the Code) will be subject to a withholding tax (separate and apart from, but without duplication of, the withholding tax described above) at a rate of 30%, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied or an exemption from these rules applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Dividends," the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax. Non-U.S. holders should consult their tax advisors regarding the possible implications of this withholding tax on their investment in our Class A common stock.

Federal estate tax

Individual non-U.S. holders (as specifically defined for U.S. federal estate tax purposes) and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that the Class A common stock will be treated as U.S. situs property subject to U.S. federal estate tax, unless an applicable estate tax treaty provides otherwise.

Shares eligible for future sale

Prior to this offering, there has been no public market for our Class A common stock. We cannot make any prediction as to the effect, if any, that sales of Class A common stock or the availability of Class A common stock for future sales will have on the market price of our Class A common stock. The market price of our Class A common stock could decline because of the sale of a large number of shares of our Class A common stock or the perception that such sales could occur in the future. These factors could also make it more difficult to raise funds through future offerings of Class A common stock. See “Risk factors—Risks relating to ownership of our Class A common stock—If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our Class A common stock could decline.”

Sale of restricted shares

Upon the consummation of this offering, we will have shares of Class A common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) outstanding. Of these shares, the shares sold in this offering (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) will be freely tradable, other than any shares sold pursuant to our directed share program that are subject to “lock-up” restrictions as described under “Underwriting”, without further restriction or registration under the Securities Act, except any shares held by our “affiliates,” as that term is defined in Rule 144 under the Securities Act. In the absence of registration under the Securities Act, shares held by affiliates may only be sold in compliance with the limitations of Rule 144 described below or another exemption from the registration requirements of the Securities Act. As defined in Rule 144, an affiliate of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the issuer. Upon the completion of this offering, approximately of our outstanding shares of Class A common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full), will be deemed “restricted securities,” as that term is defined under Rule 144, and would also be subject to the “lock-up” period noted below.

In addition, upon the consummation of the offering, the Pre-IPO LLC Members will own an aggregate of LLC Units (or LLC Units if the underwriters exercise their option to purchase additional shares of Class A common stock in full and giving effect to the use of the net proceeds therefrom) and all of the shares of our Class B common stock. The Pre-IPO LLC Members, from time to time following the offering may require Goosehead Financial, LLC to redeem or exchange all or a portion of their LLC Units for newly-issued shares of Class A common stock on a one-for-one basis. Shares of our Class B common stock will be cancelled on a one-for-one basis if we, at the election of a Pre-IPO LLC Member, redeem or exchange LLC Units of such Pre-IPO LLC Member pursuant to the terms of the amended and restated Goosehead Financial, LLC agreement. Shares of our Class A common stock issuable to the Pre-IPO LLC Members upon a redemption or exchange of LLC Units would be considered “restricted securities,” as that term is defined under Rule 144 and would also be subject to the “lock-up” period noted below.

Restricted securities may be sold in the public market only if they qualify for an exemption from registration under Rule 144 under the Securities Act, which is summarized below, or any other applicable exemption under the Securities Act, or pursuant to a registration statement that is effective under the Securities Act. Immediately following the consummation of this offering, the holders of approximately shares of our Class B common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full and giving effect to the use of the net proceeds therefrom) (on an assumed as-exchanged basis) will be entitled to dispose of their shares following the expiration of an initial 180-day underwriter “lock-up” period pursuant to the holding period, volume and other restrictions of

Rule 144. J.P. Morgan, as a representative of the underwriters, is entitled to waive these lock-up provisions at their discretion prior to the expiration dates of such lock-up agreements.

Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, the sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, the sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of the following:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering (or approximately shares if the underwriters exercise their purchase option in full); or
- the average weekly trading volume of our common stock on the Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale and notice provisions of Rule 144 to the extent applicable.

Lock-up agreements

Our executive officers, directors, the Goosehead Management Holders and the Texas Wasatch Holders have agreed that, for a period of 180 days from the date of this prospectus, they will not, without the prior written consent of the representatives of the underwriters, dispose of or hedge any shares of our common stock or any securities convertible into or exchangeable for our common stock (including LLC Units) subject to certain exceptions (including dispositions in connection with the reorganization transactions). In addition, participants in the directed share program described under “Underwriting” who purchase more than $ of common stock will be subject to similar restrictions during the - day period beginning on the date of this prospectus, except with the prior written consent of .

Immediately following the consummation of this offering, stockholders subject to lock-up agreements will hold shares of our Class A common stock (assuming the Pre-IPO LLC Members redeem or exchange all their LLC Units for shares of our Class A common stock), representing approximately % of our then-outstanding shares of Class A common stock (or shares of Class A common stock, representing approximately % of our then-outstanding shares of Class A common stock if the underwriters exercise their option to purchase additional shares of Class A common stock in full and giving effect to the use of the net proceeds therefrom).

We have agreed, subject to certain exceptions, not to issue, sell or otherwise dispose of any shares of our Class A common stock or any securities convertible into or exchangeable for our Class A common stock (including LLC Units) during the 180-day period following the date of this prospectus.

Registration rights

Our Registration Rights Agreement grants registration rights to the Pre-IPO LLC Members. See “Certain relationships and related party transactions—Registration rights agreement.”

Underwriting

We are offering the shares of Class A common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as joint book-running managers of the offering and as representatives of the underwriters. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of Class A common stock listed next to its name in the following table:

Name	Number of shares
J.P. Morgan Securities LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Keefe, Bruyette & Woods, Inc.	
William Blair & Company, L.L.C.	
Total	

The underwriters are committed to purchase all the shares of Class A common stock offered by us if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the shares of Class A common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. Any such dealers may resell shares to certain other brokers or dealers at a discount of up to $ per share from the initial public offering price. After the initial public offering of the shares, the offering price and other selling terms may be changed by the underwriters. Sales of shares made outside of the United States may be made by affiliates of the underwriters.

The underwriters have an over-allotment option to buy up to additional shares of Class A common stock from us to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this over-allotment option. If any shares are purchased with this over-allotment option, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of Class A common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of Class A common stock less the amount paid by the underwriters to us per share of Class A common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' over-allotment option to purchase additional shares.

	Without over-allotment exercise	With full over-allotment exercise
Per share	$	$
Total	$	$

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be

approximately $. We have also agreed to reimburse the underwriters for certain of their expenses relating to clearance of this offering with FINRA in an amount up to $ as set forth in the underwriting agreement.

At our request, the underwriters have reserved up to % of the shares of Class A common stock being offered by this prospectus for sale at the initial public offering price to our directors, officers, certain employees and certain other persons associated with us. The sales will be made by J.P. Morgan Securities LLC, an underwriter of this offering, through a directed share program. We do not know if these persons will choose to purchase all or any portion of these reserved shares, but any purchases they do make will reduce the number of shares of Class A common stock available to the general public. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of Class A common stock.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that for a period of 180 days after the date of this prospectus, subject to certain exceptions, we will not (i) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to, any shares of our Class A common stock or securities convertible into or exchangeable or exercisable for any shares of our Class A common stock or any securities convertible into or exercisable or exchangeable for our Class A common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (ii) enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of Class A common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of Class A common stock or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities LLC.

Our directors and executive officers, and our significant stockholders have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons or entities, with certain exceptions, for a period of 180 days after the date of this prospectus, may not, without the prior written consent of J.P. Morgan Securities LLC, (1) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of our Class A common stock or any securities convertible into or exercisable or exchangeable for our Class A common stock (including, without limitation, Class A common stock or such other securities which may be deemed to be beneficially owned by such directors, executive officers, managers and members in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant) or (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Class A common stock or such other securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Class A common stock or such other securities, in cash or otherwise, or (3) make any demand for or exercise any right with respect to the registration of any shares of our Class A common stock or any security convertible into or exercisable or exchangeable for our Class A common stock.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or contribute payments that the underwriters may be required to make in that respect.

We have applied to have our Class A common stock approved for listing on the Nasdaq Global Market under the symbol “GSHD”.

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of Class A common stock in the open market for the purpose of preventing or retarding a decline in the market price of the Class A common stock while this offering is in progress. These stabilizing transactions may include making short sales of the Class A common stock, which involves the sale by the underwriters of a greater number of shares of Class A common stock than they are required to purchase in this offering, and purchasing shares of Class A common stock on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ over-allotment option referred to above, or may be “naked” shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their over-allotment option, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the over-allotment option. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the Class A common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase Class A common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discounts and commissions received by them.

These activities may have the effect of raising or maintaining the market price of the Class A common stock or preventing or retarding a decline in the market price of the Class A common stock, and, as a result, the price of the Class A common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the Nasdaq Global Market, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our Class A common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for our common shares, or that the shares will trade in the public market at or above the initial public offering price.

Selling restrictions

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to prospective investors in the European Economic Area

In relation to each Member State of the European Economic Area (each, a "Relevant Member State"), no offer of shares of Class A common stock may be made to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of Class A common stock shall require the Company or the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State who initially acquires any shares of Class A common stock or to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive. In the case of any shares of Class A common stock being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares of Class A common stock acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares of Class A common stock to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

The Company, the representatives and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgments and agreements.

This prospectus has been prepared on the basis that any offer of shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of shares of Class A common stock. Accordingly any person making or intending to make an offer in that Relevant Member State of shares of Class A common stock which are the subject of the offering

contemplated in this prospectus may only do so in circumstances in which no obligation arises for the Company or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Company nor the underwriters have authorized, nor do they authorize, the making of any offer of shares of Class A common stock in circumstances in which an obligation arises for the Company or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression “an offer to the public” in relation to any shares of Class A common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares of Class A common stock to be offered so as to enable an investor to decide to purchase or subscribe the shares of Class A common stock, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Notice to prospective investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”).

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

Notice to prospective investors in Canada

The shares of common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of shares of common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (“NI 33-105”), the

underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to prospective investors in Switzerland

The shares of common stock may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares of common stock or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares of common stock have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares of common stock will not be supervised by, the Swiss Financial Market Supervisory Authority, and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to prospective investors in the United Arab Emirates

The shares of common stock have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

Notice to prospective investors in Australia

This prospectus:

- does not constitute a disclosure document under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "Corporations Act");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("ASIC"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Corporations Act.

The shares of common stock may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares of common stock may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares of common stock under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to prospective investors in Japan

The shares of common stock have not been and will not be registered under the Financial Instruments and Exchange Act. Accordingly, the shares of common stock may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

Notice to prospective investors in Hong Kong

The shares of common stock have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Notice to prospective investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or;
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Other relationships

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Legal matters

The validity of the issuance of the shares of Class A common stock offered hereby will be passed upon for Goosehead Insurance, Inc. by Davis Polk & Wardwell LLP, New York, New York. Simpson Thacher & Bartlett LLP, Washington, D.C., is representing the underwriters in this offering.

Experts

The consolidated and combined financial statements of Goosehead Financial, LLC and subsidiaries and affiliates included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the registration statement. Such financial statements are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Where you can find more information

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the Class A common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to the company and its Class A common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits and schedules thereto, may be read and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at www.sec.gov, from which interested persons can electronically access the registration statement, including the exhibits and any schedules thereto.

As a result of the offering, we will be required to file periodic reports and other information with the SEC. We also maintain an website at goosehead.com. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

Index to consolidated and combined financial statements

Goosehead Financial, LLC and Subsidiaries and Affiliates

Annual consolidated and combined financial statements

Report of Independent Registered Public Accounting Firm

To the Members of Goosehead Financial, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated and combined balance sheets of Goosehead Financial, LLC and subsidiaries and affiliates (the “Company”) as of December 31, 2016 and 2017, the related consolidated and combined statements of income, members’ equity (deficit), and cash flows, for each of the two years in the period ended December 31, 2017, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2016 and 2017, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

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 Public Company Accounting Oversight Board (United States) (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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

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.

/s/ Deloitte & Touche LLP

Dallas, Texas

March 15, 2018

We have served as the Company’s auditor since 2017.

Goosehead Financial, LLC and subsidiaries and affiliates Consolidated and combined balance sheets

	December 31	
	2016	2017
Assets		
Current Assets		
Cash and cash equivalents	$ 3,778,098	$ 4,947,671
Restricted cash	300,284	417,911
Commissions and agency fees receivable, net	1,010,454	1,268,172
Receivable from franchisees, net	577,413	564,087
Member note receivable	2,233	—
Prepaid expenses	309,256	521,362
Note receivable from affiliate	120,010	—
Total current assets	6,097,748	7,719,203
Receivable from franchisees, net of current portion	1,004,459	1,360,686
Member note receivable, net of current portion	12,414	—
Property and equipment, net of accumulated depreciation	1,438,317	6,845,121
Intangible assets, net of accumulated amortization	47,098	216,468
Other assets	94,487	565,191
Total assets	$ 8,694,523	$ 16,706,669
Liabilities and Members' Equity		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,428,944	$ 2,759,241
Premiums payable	300,284	417,911
Unearned revenue	755,000	1,062,050
Dividends payable	500,000	550,000
Deferred rent	191,972	477,818
Note payable	300,000	500,000
Total current liabilities	3,476,200	5,767,020
Deferred rent, net of current portion	385,508	3,916,257
Note payable, net of current portion	29,073,000	48,156,340
Total liabilities	32,934,708	57,839,617
Commitments and contingencies (see note 12)		
Members' deficit	(24,240,185)	(41,132,948)
Total liabilities and members' deficit	$ 8,694,523	$ 16,706,669

See Notes to the Consolidated and Combined Financial Statements

Goosehead Financial, LLC and subsidiaries and affiliates Consolidated and combined statements of income

	Year ended December 31	
	2016	2017
Revenues:		
Commissions and agency fees	$21,283,457	$27,030,018
Franchise revenues	10,101,065	15,437,753
Interest income	99,426	242,700
Total revenues	31,483,948	42,710,471
Operating Expenses:		
Employee compensation and benefits	19,469,456	24,544,425
General and administrative expenses	5,731,599	8,596,546
Bad debts	658,990	1,083,374
Depreciation and amortization	488,334	876,053
Total operating expenses	26,348,379	35,100,398
Income from operations	5,135,569	7,610,073
Other Income (Expense):		
Other Income	—	3,540,932
Interest expense	(413,042)	(2,474,110)
Net Income	$ 4,722,527	$ 8,676,895

See Notes to the Consolidated and Combined Financial Statements

Goosehead Financial, LLC and subsidiaries and affiliates Consolidated and combined statements of members' equity (deficit)

	Total Members' Equity (Deficit)
Members' equity, January 1, 2016	$ 466,524
Net income	4,722,527
Capital withdrawn	(29,429,236)
Members' deficit, December 31, 2016	$ (24,240,185)
Net income	8,676,895
Capital withdrawn	(25,569,658)
Members' deficit, December 31, 2017	$ (41,132,948)

See Notes to the Consolidated and Combined Financial Statements

Goosehead Financial, LLC and subsidiaries and affiliates
Consolidated and combined statements of cash flows

	Year ended December 31	
	2016	**2017**
Cash flows from operating activities:		
Net income	$ 4,722,527	$ 8,676,895
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	488,334	876,053
Bad Debt Expense	658,990	1,083,374
Changes in operating assets and liabilities:		
Commissions and agency fees receivable	(355,904)	(907,183)
Receivable from franchisees	(1,241,457)	(1,076,156)
Prepaid expenses	(247,804)	(212,106)
Other assets	(14,123)	(470,704)
Accounts payable and accrued expenses	180,269	1,330,299
Deferred rent	(88,546)	3,816,595
Premiums payable	41,574	117,627
Unearned revenue	258,000	307,050
Net cash provided by operating activities	4,401,860	13,541,744
Cash flows from investing activities:		
Changes in restricted cash	(41,574)	(117,627)
Proceeds from member and affiliate note receivable	2,156	134,657
Issuance of notes receivable	(100,000)	—
Proceeds from notes receivable	118,739	299,346
Purchase of software	(9,019)	(235,521)
Purchase of property and equipment	(666,696)	(6,215,801)
Net cash used for investing activities	(696,394)	(6,134,946)
Cash flows from financing activities:		
Repayment of operating line of credit, net of proceeds	(501,514)	—
Loan origination fees	(627,000)	(342,567)
Proceeds from notes payable	30,000,000	20,000,000
Repayment of note payable	(876,385)	(375,000)
Capital withdrawn	(28,960,333)	(25,519,658)
Net cash used for financing activities	(965,232)	(6,237,225)
Net increase in cash and cash equivalents	2,740,234	1,169,573
Cash, beginning of period	1,037,864	3,778,098
Cash, end of period	$ 3,778,098	$ 4,947,671
Supplemental disclosure of cash flow data:		
Cash paid during the year for interest	$ 380,042	$ 2,000,918
Cash received as lease incentives	$ —	$ 3,375,900

See Notes to the Consolidated and Combined Financial Statements

Goosehead Financial, LLC and subsidiaries and affiliates
Notes to the consolidated and combined financial statements
For the years ended December 31, 2016 and 2017

1. Organization

The accompanying financial statements have been prepared in connection with the proposed initial public offering (the "Offering") of Class A common stock of Goosehead Insurance, Inc., which will become the sole managing member of Goosehead Financial, LLC ("GF"). The operations of GF represent the predecessor to Goosehead Insurance, Inc. prior to the offering, and the consolidated and combined entities of GF are described in more detail below.

GF was organized on January 1, 2016 as a Delaware Limited Liability Company and is headquartered in Westlake, TX. GF (collectively with its combined and consolidated subsidiaries and affiliates, the "Company") provides personal and commercial property and casualty insurance brokerage services for its clients through a network of corporate-owned and franchise units across the nation.

The operations of the corporate-owned units are reflected in the financial statements of Texas Wasatch Insurance Services, L.P. ("TWIS")—a Texas limited partnership headquartered in Westlake, TX and operating since 2003. TWIS is 99.6% owned by Goosehead Insurance Holdings, LLC ("GIH"), a wholly owned subsidiary of GF. The Company had four and seven corporate-owned locations in operation at December 31, 2016 and 2017.

The operations of the franchise units are reflected in the financial statements of Goosehead Insurance Agency, LLC ("GIA")—a Delaware limited liability company headquartered in Westlake, TX and operating since 2011. GIA is 100% owned by GIH. Franchisees are provided access to insurance carrier appointments, product training, technology infrastructure, a client service center and back office services. During 2016 and 2017, the Company sold 92 and 140 franchise locations and had 193 and 293 operating franchise locations at December 31, 2016 and 2017. No franchises were purchased by the Company during 2016 or 2017.

All intercompany accounts and transactions have been eliminated in consolidation of GF.

Basis of combination

In connection with the initial public offering, both Goosehead Management, LLC ("GM") and Texas Wasatch Insurance Holdings Group LLC ("TWIHG") will become wholly owned indirect subsidiaries of GF. Both GM and TWIHG are non-operating holding companies created to receive management fees from the operating entities TWIS and GIA.

GF combines its financials with TWIHG for the purpose of financial statement presentation, as TWIHG is a company under common ownership and control. TWIHG is a Texas limited liability company organized in October 2003 and headquartered in Westlake, TX.

GF also combines its financials with GM for the purpose of financial statement presentation, as GM is a company under common ownership and control. GM is a Delaware limited liability company organized in August 2014 and headquartered in Westlake, TX.

All intercompany accounts and transactions have been eliminated in combination of the Company.

Goosehead Financial, LLC and subsidiaries and affiliates
Notes to the consolidated and combined financial statements
For the years ended December 31, 2016 and 2017

2. Summary of significant accounting policies

Accounting estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates as more information becomes known.

Cash and cash equivalents

The Company maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits; however, the Company has not historically experienced any losses in these accounts. The Company believes it is not exposed to any significant credit risk. The Company currently holds no financial instruments that would be considered cash equivalents.

Restricted cash

In the capacity as an insurance broker, the Company will occasionally collect premiums from the insured and, after deducting any agency fees, will then remit the premiums to insurance carriers. The Company holds unremitted insurance premiums in a fiduciary capacity until they are disbursed.

Commissions and agency fees receivable

Upon issuance of a new policy, the Company typically collects the first premium payment from the insured, and then will remit the full premium amount to the insurance carriers. The insurance carriers collect the remaining premiums directly from the insureds and remit the applicable commissions to the Company. Accordingly, as reported in the accompanying consolidated and combined balance sheet, “commissions” are receivables from the insurance carriers. These direct-bill arrangements consist of a high volume of transactions with small premium amounts, with the billing controlled by the insurance carriers. The income statement and balance sheet effects of the commissions are recorded when collectability can be reasonably assured and determined from the commission statement and the commission payment received from the insurance carriers. The payment and commission statements are generally received within 30 days of the effective date of the policy. During 2017, the Company wrote with 85 insurance carriers, of which 30 provided national coverage. In 2016, three carriers represented more than 10% of total revenue at 18%, 14% and 11%. In 2017, three carriers represented more than 10% of total revenue at 18%, 15% and 11%.

In select states, agents have the option to charge an agency fee for the placement of the insurance policy. The income statement and balance sheet effect of these non-refundable fees are recorded on the date the policy is placed with the insurance carrier.

Reserve for Policy Cancellations

Management establishes the policy cancellation reserve based on historical and current data on cancellations, and records the amount net of commissions and agency fees receivable. The reserve was $149,689 and $337,388 at December 31, 2016 and 2017, respectively.

Goosehead Financial, LLC and subsidiaries and affiliates
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Allowance for uncollectible agency fees

The Company records agency fees receivable net of an allowance for estimated uncollectible accounts to reflect any loss anticipated for the related agency fees receivable balances and charge to bad debts. The agency fees receivable balance consists of numerous small-balance, homogenous accounts. The Company calculates the allowance based on collection history and writes off all uncollected agency fee balances outstanding for ninety days.

Receivable from franchisees

Receivable from franchisees consists of franchise fees receivable, net of allowance for uncollectible franchise fees and unamortized discount on franchise fees, royalty fees receivable, and notes receivable from franchisees.

Franchise fees receivable

When a franchisee concludes training and all material services and conditions related to the fee have been substantially performed, revenue is recorded as franchise fees within Franchise revenues, and a corresponding entry to Franchise fees receivable is recorded. Franchisees have the option to pay the full amount of franchise fees up front or to pay a deposit up front and the remaining balance by payment plan over time. The franchisees that elect to pay the initial franchise fee over a term extending greater than one year, pay in total an amount that exceeds the amount due had they paid the full amount up front. As such, the payment plan option is treated as a zero-interest rate note, which creates an imputation of interest. The imputed interest is recorded as a discount on the franchise fee receivable and amortized using the interest rate method over the life of the payment plan. The amount of interest recorded in 2016 and 2017 related to franchise fees on a payment plan was $70,338 and $230,983, respectively, and is included in Interest income.

Allowance for uncollectible franchise fees receivable

The Company records franchise fees receivable net of an allowance for estimated uncollectible accounts to reflect any loss anticipated related to the franchise fees receivable balances and charged to bad debts. The franchise fees receivable balance consists of numerous small-balance, homogenous accounts. The Company calculates the allowance based on our history of write offs for all franchise accounts. Franchise fees receivable and the related allowance is written off once the franchisee owing the balance terminates. Impairment is not recorded.

Royalty fees receivable

The Company collects and reconciles commissions and agency fees on behalf of the franchisees, then calculates the Company’s royalty fees. Royalty fees are recorded monthly when the amounts can be determined from the carrier commission statements reconciled by the Company. The royalty fees are secured by the commissions of the franchisee with no historical losses incurred for uncollectible royalty fees. As such, there is no allowance for doubtful accounts relating to royalty fees.

Goosehead Financial, LLC and subsidiaries and affiliates
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For the years ended December 31, 2016 and 2017

Property & equipment

The Company carries fixed assets at cost, less accumulated depreciation, as stated in the accompanying consolidated and combined balance sheet. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful life of five years for furniture, fixtures and equipment and three years for computer equipment. Leasehold improvements are also amortized using the straight-line method and are amortized over the shorter of the remaining term of the lease or the useful life of the improvement. Expenditures for improvements are capitalized, and expenditures for maintenance and repairs are expensed as incurred. Upon sale or retirement, the cost and related accumulated depreciation and amortization is removed from the related accounts, and the resulting gain or loss, if any, is reflected in income.

Intangible assets & software

Intangible assets are stated at cost less accumulated amortization and reflect amounts paid for the Company's web domain and computer software costs. The web domain is amortized over a useful life of fifteen years and software costs are amortized over a useful life of three years.

Premiums payable

Premiums payable represent premium payments that have been received from insureds, but not yet remitted to the insurance carriers.

Unearned revenue

When the Company collects initial franchise fees prior to the franchisee being trained and fully onboarded, the amount collected is recognized as unearned revenue until the Company fulfills its performance obligation and is able to recognize the revenue.

Deferred financing costs

Deferred financing costs incurred in connection with the issuance of notes payable are capitalized and amortized to interest expense in accordance with the related debt agreements. Deferred financing costs are included as a reduction in notes payable on the accompanying consolidated and combined balance sheet.

Deferred rent

Deferred rent consists of rent abatement affecting the timing of cash rent payments related to the Company's corporate office leases, as well as lease incentives such as construction allowances. Deferred rent is record as a liability and is amortized over the lease term as a reduction to rent expense.

Goosehead Financial, LLC and subsidiaries and affiliates
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Members' deficit

The Company has two distinct classes of equity, each with varying rights. Class A units are fully vested and include voting rights. Class B units are non-vesting and non-voting. Total units and amounts of Class A and Class B equity as of December 31, 2016 and 2017 are as follows:

	Year ended December 31, 2016		
	GF Class A	**GF Class B**	**Total GF**
Units	100,000	4,425	104,425
Deficit	$ (23,213,009)	$ (1,027,176)	$ (24,240,185)

	Year ended December 31, 2017		
	GF Class A	**GF Class B**	**Total GF**
Units	100,000	4,425	104,425
Deficit	$ (39,389,943)	$ (1,743,005)	$ (41,132,948)

In order to facilitate the members' quarterly tax payments, the Company makes estimated quarterly distributions to the members. These amounts totaled $2,703,090 and $3,026,214 in 2016 and 2017, including a dividend declared but not paid of $460,090 and $503,291 as of December 31, 2016 and 2017. Additionally, as part of the note payable transaction, the Company paid a special dividend of $23,924,698 in 2016 and $17,844,392 in 2017. TWIHG made distributions of $1,804,103 and $2,504,074, respectively, during 2016 and 2017. GM made distributions of $997,345 and $2,194,979 in 2016 and 2017, respectively.

In accordance with accounting guidance, any dividends paid to Class B equity holders are recognized as compensation expense when declared, as the Class B non-vesting equity is considered to be a non-substantive class of equity. Dividends paid to Class B equity holders, included in employee compensation and benefits for the years ended December 31, 2016 and 2017, totaled $2,487,773 and $2,230,791. These amounts include dividends declared but not paid of $39,910 and $46,709 as of December 31, 2016 and 2017.

Revenue recognition

Commissions and fees

Commissions and contingent commissions from insurance carriers, net of estimated cancellations, are recognized as revenue when the data necessary to reasonably determine such amounts is made available to the Company. Billing is controlled by the insurance carriers, therefore these types of revenue cannot be reasonably determined until the cash or the related policy detail is received by the Company from the insurance carrier. Subsequent commission adjustments, such as endorsements and policy changes, are recognized when the adjustments become known. Agency Fees are recognized as revenue on the date coverage is agreed upon with the client.

Franchise revenues

Franchise revenues include initial franchise fees and ongoing royalty fees from franchisees. Initial franchise fees are contracted fees paid by franchisees to compensate Goosehead for direct training and onboarding costs,

Goosehead Financial, LLC and subsidiaries and affiliates
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plus a markup for overhead and profit, as part of the initial launch of the franchise unit. The initial franchise fee can either be paid up front at or before the franchisee comes to training, or for a higher initial franchise fee, paid over a term not to exceed five years. Initial franchise fees are recognized as revenue in the month the agency owner or initial agency representative attends training, which is the time in which Goosehead's performance obligations are substantially complete. Initial franchise fee revenue was $3,177,500 and $4,370,000 for the years ended December 31, 2016 and 2017, respectively.

Royalty fees are a set percentage of commissions received from franchisees for consideration of their use of such business processes, trade secrets, know-how, trade names, trademarks, service marks, logos, emblems, trade dress, intellectual property, and back office support functions provided by Goosehead. For policies in their first term, the Company receives 20% of the initial commission and agency fees collected; for renewal policies, the Company receives 50% of the renewal commission collected. Royalty fees are recognized as revenue as earned and as the amounts become determinable by the Company. Royalty fee revenue was $6,923,565 and $11,067,753 for the years ended December 31, 2016 and 2017, respectively.

Income taxes

The Company is treated as a partnership for U.S. federal and applicable state and local income tax purposes. As a partnership, the Company's taxable income or loss is included in the taxable income of its members. Accordingly, no income tax expense has been recorded for federal and state and local jurisdictions.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expense for the years ended December 31, 2016 and 2017 was $166,759 and $270,104.

Recently issued accounting pronouncements

Statement of Cash Flows (ASU 2016-18): This standard requires that the Statement of Cash Flows explain the changes during the period of cash and cash equivalents inclusive of amounts categorized as Restricted Cash. As such, upon adoption, the Company's consolidated and combined statement of cash flows will show the sources and uses of cash that explain the movement in the balance of cash and cash equivalents, inclusive of restricted cash, over the period presented. As an emerging growth company ("EGC"), ASU 2016-18 is effective for periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.

Statement of Cash Flows (ASU 2016-15): This standard addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified and applies to all entities, including both business entities and not-for-profit entities that are required to present a statement of cash flows under Topic 230. ASU 2016-15 will take effect for the Company for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The Company has evaluated the impact of ASU 2016-15 and has determined the impact to be immaterial. The Company does not, at this time, engage in the activities being addressed.

Leases (ASU 2016-02): This standard establishes a new lease accounting model, which introduces the recognition of lease assets and liabilities for those leases classified as operating leases under previous GAAP. It

Goosehead Financial, LLC and subsidiaries and affiliates
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should be applied using a modified retrospective approach, with the option to elect various practical expedients. Early adoption is permitted. The standard is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. The Company is currently evaluating the impact this standard will have on our consolidated and combined financial statements.

Revenue from Contracts with Customers (ASU 2014-09): This standard supersedes the existing revenue recognition guidance and provides a new framework for recognizing revenue. The core principle of the standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The new standard also requires significantly more comprehensive disclosures than the existing standard. Guidance subsequent to ASU 2014-09 has been issued to clarify various provisions in the standard, including principal versus agent considerations, identifying performance obligations, licensing transactions, as well as various technical corrections and improvements. This standard may be adopted using either a retrospective or modified retrospective method. According to the superseding standard ASU 2015-14 that deferred the effective dates of the preceding, the standard is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019, with early adoption permitted. The Company is currently in the process of evaluating the impact this standard is expected to have on the consolidated and combined financial statements. As the Company continues the evaluation, we will further clarify the expected impact of the adoption of the standard.

3. Franchise fees receivable

The balance of Franchise fees receivable included in Receivable from franchisees consisted of the following at December 31:

	Year ended December 31	
	2016	**2017**
Franchise fees receivable	$1,367,374	$ 2,501,00
Less: Unamortized discount	(395,201)	(823,391)
Less: Allowance for uncollectible franchise fees	(193,204)	(335,522)
	$ 778,969	$1,342,087

Activity in the allowance for uncollectible franchise fees was as follows:

Allowance for Uncollectible Franchise Fees	
Balance at January 1, 2016	$ 261,180
Charges to bad debts	192,524
Write offs	(260,500)
Balance at December 31, 2016	$ 193,204
Charges to bad debts	433,909
Write offs	(291,591)
Balance at December 31, 2017	$ 335,522

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4. Allowance for uncollectible agency fees

Activity in the allowance for uncollectible agency fees was as follows:

Allowance for Uncollectible Franchise Fees	
Balance at January 1, 2016	$ 139,660
Charges to bad debts	466,466
Write offs	(439,445)
Balance at December 31, 2016	$ 166,681
Charges to bad debts	649,465
Write offs	(633,637)
Balance at December 31, 2017	$ 182,509

5. Member note receivable

An officer of the Company made a capital contribution during 2012 in the form of a note receivable. The contribution was made pursuant to the terms of the officer's membership acquisition. The note dated December 14, 2012 has a 10-year maturity with payments due each year in December. The note bears interest at 3.5% per annum. In August 2017, the officer paid off the entire balance of the note receivable totaling $14,647. The balance of the note receivable at December 31, 2016 and 2017 was $14,647 and $0.

6. Note receivable from affiliate

The Company held an unsecured promissory note from a related party under common ownership and control. In August 2017, the related party paid down the remaining balance of the note receivable in the amount of $120,010, accruing interest at a rate of 6% per annum. The balance of the note receivable at December 31, 2016 and 2017 was $120,010 and $0. Interest income related to this note was $7,165 and $4,800 for the year ended December 31, 2016 and 2017, respectively.

7. Notes receivable

The Company entered into a $500,000 revolving line of credit with a franchisee in the form of a note receivable on July 2, 2014 with a 5-year maturity and payments due monthly. The note was secured by the franchisee's commissions and bore interest at 7% per annum. The note receivable was paid off in full in June, 2017. As of December 31, 2016 and 2017, the note balance totaled $276,480 and $0.

In 2015, the Company entered into a $100,000 revolving line of credit with another franchisee in the form of a note receivable. The note dated December 14, 2015 has a 5-year maturity with payments due monthly and is secured by the franchisee's commissions. The note bears interest at 7% per annum. As of December 31, 2016 and 2017, the note balance was $88,285 and $66,919, of which $21,366 and $21,704 was current.

Notes receivable is included in Receivable from franchisees on the accompanying Consolidated and Combined Balance Sheet. The amount of interest recorded in 2016 and 2017 related to Notes receivable was $28,273 and $5,578, which is included in Interest income.

Goosehead Financial, LLC and subsidiaries and affiliates
Notes to the consolidated and combined financial statements
For the years ended December 31, 2016 and 2017

8. Property and equipment

Property and equipment consist of the following at December 31:

	Year ended December 31	
	2016	2017
Furniture & fixtures	$ 718,821	$ 1,976,869
Computer equipment	469,182	661,659
Network equipment	202,882	242,172
Phone system	614,514	709,809
Leasehold improvements	1,156,615	5,788,211
Total	3,162,014	9,378,720
Less accumulated depreciation	(1,723,697)	(2,533,599)
Property and equipment, net	$ 1,438,317	$ 6,845,121

9. Intangible assets

Intangible assets consist of the following at December 31:

	Year ended December 31	
	2016	2017
Computer software & web domain	$ 295,016	$ 530,538
Less accumulated amortization	(247,919)	(314,070)
Intangible assets, net	$ 47,097	$ 216,468

Expected amortization over the next five years is as follows:

	Amount
Year Ending December 31,	
2018	$ 88,174
2019	80,542
2020	43,028
2021	733
2022	733
	$213,210

10. Employee benefit obligation

The Company has adopted a qualified deferred compensation plan under section 401(k) of the Internal Revenue Code. Full-time employees over the age of 21 with six months of service are eligible to participate. Under the plan, the Company's contribution is based on matching 100% of salary deferral elected by each eligible employee up to a maximum of 3% of compensation. The Company's matching portion vests over a four-year period, after which time the employee becomes fully vested and all future contributions will vest immediately.

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Matching contributions may be changed at the discretion of the Company. Company contributions totaled $263,595 and $372,655 for the years ended December 31, 2016 and 2017.

11. Note payable

On October 27, 2016, the Company entered into a credit agreement consisting of a revolving credit facility and a note payable used to pay off existing debt and fund a distribution to members.

The $3,000,000 revolving credit facility accrues interest on amounts drawn at LIBOR plus 5.50%. At December 31, 2016 and 2017, the Company had a letter of credit of $500,000 applied against the maximum borrowing availability, at an interest rate of 5.50%, thus amounts available to draw totaled $2,500,000. No interest was paid during 2016 or 2017 on the revolving credit facility. The revolving credit facility is collateralized by substantially all the Company's assets, which includes rights to future commissions.

The note payable on the consolidated and combined balance sheets includes a $30,000,000 term note payable in quarterly installments of $75,000 with a balloon payment of $28,575,000 on October 27, 2021. Interest is calculated at LIBOR plus 5.5% (6.5% and 6.9% at December 31, 2016 and 2017), and the note is collateralized by substantially all of the Company's assets, which includes rights to future commissions.

On July 14, 2017, the Company executed the first amendment to the credit agreement to borrow an additional $10,000,000 for payment of a dividend to shareholders. On December 20, 2017 the Company executed the second amendment to the credit agreement to borrow an additional $10,000,000 for payment of a dividend to shareholders and to extend the maturity date of the note one year. Interest is calculated at LIBOR plus 5.5%, and the note is collateralized by substantially all the Company's assets, which includes rights to future commissions. The note payable after the second additional borrowing was $49,750,000 payable in quarterly installments of $125,000 with a balloon payment of $47,250,000 on October 27, 2022. At December 31, 2017, the balance of the note payable was $49,625,000, of which $500,000 was current.

Included as a reduction to the note payable are capitalized loan origination fees, the unamortized balance of which was $627,000 and $969,567 as of December 31, 2016 and 2017, respectively. The amortization of these loan origination fees is included in interest expense and totaled $33,000 and $157,433 in 2016 and 2017, respectively.

Maturities of note payable for the next five years are as follows:

	Amount
Year Ending December 31,	
2018	$ 500,000
2019	500,000
2020	500,000
2021	500,000
2022	47,625,000
	$ 49,625,000

The Company's note payable agreement contains certain restrictions and covenants. Under these restrictions, the Company is limited in the amount of debt incurred and distributions payable. In addition, the credit

Goosehead Financial, LLC and subsidiaries and affiliates
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For the years ended December 31, 2016 and 2017

agreement contains certain change of control provisions that, if broken, would trigger a default. Finally, the Company must maintain certain financial ratios. As of December 31, 2016 and 2017, the Company was in compliance with these covenants. Because of both instruments' origination date, variable interest rate, and the relatively low volatility of LIBOR in 2016 and 2017, the note payable balance at December 31, 2016 and 2017 approximates fair value using Level 2 inputs, described below.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1—Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets.
- Level 2—Significant other observable inputs other than Level 1 prices such as quoted prices in markets that are not active, quoted prices for similar assets or other inputs that are observable, either directly or indirectly, for substantially the full term of the asset.
- Level 3—Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

12. Commitments and contingencies

The Company leases its facilities under non-cancelable operating leases. In addition to monthly lease payments, the lease agreements require the Company to reimburse the lessors for its portion of operating costs each year. Rent expense was $637,546 and $1,001,655 for the years ended December 31, 2016 and 2017.

The following is a schedule of future minimum lease payments as of December 31, 2017:

	Amount
Year ending December 31:	
2018	$ 1,321,101
2019	1,251,306
2020	1,690,476
2021	1,761,524
2022	1,604,230
Thereafter	8,233,711
	$ 15,862,348

13. Litigation

From time to time, the Company may be involved in various legal proceedings, lawsuits and claims incidental to the conduct of our business. The amount of any loss from the ultimate outcomes is not probable or reasonably

Goosehead Financial, LLC and subsidiaries and affiliates
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estimable. It is the opinion of management that the resolution of outstanding claims will not have a material adverse effect on the financial position or results of operations of the Company.

14. Other income

On June 1, 2017, the Company executed a buyout agreement with a franchisee per the terms of a franchise agreement from 2014. As part of the buyout, the departing franchisee purchased Goosehead's economic interests in future royalty fees. Goosehead recognized a $3,540,932 gain on the transaction in June 2017 which is included in Other income on the consolidated and combined statement of income. The franchisee also paid off the outstanding note to Goosehead in the amount of $242,257.

15. Segment information

The Company has two reportable segments: Corporate Channel and Franchise Channel. The Corporate Channel consists of company-owned and financed operations with employees who are hired, trained, and managed by Goosehead. The Franchise Channel network consists of franchisee operations that are owned and managed by individual business owners. These business owners have a contractual relationship with Goosehead to use our processes, systems, and back-office support team to sell insurance and manage their business. In exchange, Goosehead is entitled to an initial franchise fee and ongoing royalty fees. Allocations of contingent commissions and certain operating expenses are based on reasonable assumptions and estimates primarily using revenue, headcount and other information. The Company's chief operating decision maker uses earnings before interest, income taxes, depreciation and amortization, adjusted to exclude Class B share compensation and other income ("Adjusted EBITDA") as a performance measure to manage resources and make decisions about the business. Summarized financial information concerning the Company's reportable segments is shown in the following table. There are no intersegment sales, only interest income and interest expense related to an intersegment line of credit, all of which eliminate in consolidation. The "Other" column includes any income and expenses not allocated to reportable segments and corporate-related items, including certain legal expenses and interest related to the note payable entered into on October 27, 2016.

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For the years ended December 31, 2016 and 2017

	Corporate Channel	Franchise Channel	Other	Total
Year Ended December 31, 2016:				
Revenues:				
Commissions and fees	$20,269,882	$ 1,013,575	$ —	$21,283,457
Franchise revenues	—	10,101,065	—	10,101,065
Interest income	217	99,209	—	99,426
Total	20,270,099	11,213,849	—	31,483,948
Operating expenses:				
Employee compensation and benefits, excluding Class B share compensation	10,361,945	6,544,737	75,001	16,981,683
General and administrative expenses	3,342,230	1,775,655	613,714	5,731,599
Bad debts	466,466	192,524	—	658,990
Total	14,170,641	8,512,916	688,715	23,372,272
Adjusted EBITDA	6,099,458	2,700,933	(688,715)	8,111,676
Class B share compensation	—	—	(2,487,773)	(2,487,773)
Interest expense	(17,157)	(16,219)	(379,666)	(413,042)
Depreciation and amortization	(418,200)	(70,134)	—	(488,334)
Net income	$ 5,664,101	$ 2,614,580	$(3,556,154)	$ 4,722,527
At December 31, 2016:				
Total Assets	$ 2,829,498	$ 4,169,421	$ 1,695,604	$ 8,694,523

Goosehead Financial, LLC and subsidiaries and affiliates
Notes to the consolidated and combined financial statements
For the years ended December 31, 2016 and 2017

	Corporate Channel	Franchise Channel	Other	Total
Year Ended December 31, 2017:				
Revenues:				
Commissions and fees	$25,520,542	$ 1,509,476	$ —	$27,030,018
Franchise revenues	—	15,437,753	—	15,437,753
Interest income	—	242,700	—	242,700
Total	25,520,542	17,189,929	—	42,710,471
Operating expenses:				
Employee compensation and benefits, excluding Class B share compensation	13,469,485	8,844,148	—	22,313,633
General and administrative expenses	5,035,294	3,219,385	341,867	8,596,546
Bad debts	649,465	433,909	—	1,083,374
Total	19,154,244	12,497,442	341,867	31,993,553
Adjusted EBITDA	6,366,298	4,692,487	(341,867)	10,716,918
Other income (expense)	—	3,540,932	—	3,540,932
Class B share compensation	—	—	(2,230,792)	(2,230,792)
Interest expense	—	—	(2,474,110)	(2,474,110)
Depreciation and amortization	(657,059)	(218,994)	—	(876,053)
Net income	$ 5,709,239	$ 8,014,425	$(5,046,769)	$ 8,676,895
At December 31, 2017:				
Total Assets	$ 7,855,074	$ 6,944,858	$ 1,906,737	$16,706,669

16. Correction of prior period financial statements

Subsequent to the issuance of the Company's 2016 consolidated and combined financial statements, the Company determined that tenant improvement reimbursements and allowances, and lease modifications impacting straight-line rent expense, related to certain of the Company's leases were not correctly recorded, resulting in errors in the consolidated and combined balance sheet as of December 31, 2016 and in the consolidated and combined statements of income, members' equity (deficit), and cash flows for the year ended December 31, 2016. These errors also affected Note 2 "Summary of significant accounting policies", Note 8 "Property and equipment", Note 12 "Commitments and contingencies", and Note 15 "Segment information" to the consolidated and combined financial statements for the year ended December 31, 2016. The Company determined the effect of these errors was not material to previously issued financial statements but for comparability purposes the Company determined it should be corrected. The previously reported amounts within the 2016 consolidated and combined financial statements and corresponding notes have been revised to reflect the correct balances as presented below.

Goosehead Financial, LLC and subsidiaries and affiliates
Notes to the consolidated and combined financial statements
For the years ended December 31, 2016 and 2017

	As Previously Reported	Adjustment	As Restated
Consolidated and Combined Balance Sheet			
December 31, 2016			
Property and equipment, net of accumulated depreciation	$ 1,055,844	$ 382,473	$ 1,438,317
Total assets	8,312,050	382,473	8,694,523
Accounts payable and accrued expenses	1,729,357	(300,413)	1,428,944
Deferred rent	—	191,972	191,972
Total current liabilities	3,584,641	(108,441)	3,476,200
Deferred rent, net of current portion	—	385,508	385,508
Total liabilities	32,657,641	277,067	32,934,708
Members' deficit	(24,345,591)	105,406	(24,240,185)
Total liabilities and members' deficit	8,312,050	382,473	8,694,523
Consolidated and Combined Statement of Income			
Year ended December 31, 2016			
General and administrative expenses	$ 5,820,403	$ (88,804)	$ 5,731,599
Depreciation and amortization	368,076	120,258	488,334
Total operating expenses	26,316,925	31,454	26,348,379
Income from operations	5,167,023	(31,454)	5,135,569
Net Income	4,753,981	(31,454)	4,722,527
Consolidated and Combined Statement of Member's Equity (Deficit)			
Members' equity, January 1, 2016	329,664	136,860	466,524
Net Income	4,753,981	(31,454)	4,722,527
Members' deficit, December 31, 2016	(24,345,591)	105,406	(24,240,185)
Consolidated and Combined Statement of Cash Flows			
Year ended December 31, 2016			
Net Income	$ 4,753,981	$ (31,454)	$ 4,722,527
Depreciation and amortization	368,076	120,258	488,334
Changes in operating assets and liabilities:			
Accounts payable and accrued expenses	143,358	36,911	180,269
Deferred rent	—	(88,546)	(88,546)
Net cash provided by operating activities	4,364,690	37,170	4,401,860
Cash flows from investing activities:			
Purchase of property and equipment	(629,526)	(37,170)	(666,696)
Net cash used for investing activities	(659,224)	(37,170)	(696,394)

17. Subsequent events

We have evaluated subsequent events through March 15, 2018, the date financial statements were available for issuance.

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shares

Goosehead Insurance, Inc.

Preliminary prospectus

J.P. Morgan

Keefe, Bruyette & Woods
A Stifel Company

BofA Merrill Lynch

William Blair

, 2018

Until , 2018, all dealers that buy, sell or trade our Class A common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Part II

Information not required in the prospectus

Item 13. Other expenses of issuance and distribution

	Amount to be paid
SEC registration fee	$ *
FINRA filing fee	*
Listing fee	*
Transfer agent's fees	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Miscellaneous	*
Total	$ *

* To be completed by amendment.

Each of the amounts set forth above, other than the SEC registration fee and the FINRA filing fee, is an estimate.

Item 14. Indemnification of directors and officers

Section 145 of the DGCL provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the Registrant. The DGCL provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The Registrant's certificate of incorporation provides for indemnification by the Registrant of its directors, officers and employees to the fullest extent permitted by the DGCL. The Registrant has entered into indemnification agreements with each of its current directors and executive officers to provide these directors and executive officers additional contractual assurances regarding the scope of the indemnification set forth in the Registrant's certificate of incorporation and to provide additional procedural protections. There is no pending litigation or proceeding involving a director or executive officer of the Registrant for which indemnification is sought.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock purchases, redemptions or other distributions, or (iv) for any transaction from which the director derived an improper personal benefit. The Registrant's Certificate of Incorporation provides for such limitation of liability.

The Registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to the Registrant with respect to payments which may be made by the Registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of directors and officers of the Registrant by the underwriters against certain liabilities.

Item 15. Recent sales of unregistered securities

The following list sets forth information regarding all securities sold or issued by the predecessors to the registrant in the three years preceding the date of this registration statement. No underwriters were involved in these sales. There was no general solicitation of investors or advertising, and we did not pay or give, directly or indirectly, any commission or other remuneration, in connection with the offering of these shares In each of the transactions described below, the recipients of the securities represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were affixed to the securities issued in these transactions.

1. On January 1, 2016, Goosehead Financial, LLC was created and issued 100,000 Class A units to its Class A Members in exchange for the Class A Members' interests in Goosehead Insurance Agency, LLC and Texas Wasatch Insurance Services, LP. These shares were issued to a limited number of investors, all of which have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of the prospective investment.

2. On April 8, 2016, Goosehead Financial, LLC granted 4,425 Class B units to an executive of Goosehead Financial, LLC.

3. On February 1, 2016, Goosehead Management, LLC granted 309 Class B units to executives of Goosehead Financial, LLC.

4. On February 1, 2016, Texas Wasatch Insurance Holdings Group, LLC granted 29.7 Class B units to executives of Goosehead Financial, LLC.

5. Class A Common Stock: Following the effectiveness of this registration statement, we expect to issue shares of our Class A common stock in connection with the transactions that we refer to as the offering reorganization. These shares will be issued to a limited number of investors, all of which have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of the prospective investment.

6. Class B Common Stock: Following the effectiveness of this registration statement, we expect to issue shares of our Class B common stock in connection with the transactions that we refer to as the offering reorganization. These shares will be issued to a limited number of investors, all of which have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of the prospective investment. The issued shares will be exchanged on a pro rata basis and the consideration will represent the same investment in the Goosehead Financial LLC business already held by such investors, but in a different form.

The offers, sales and issuances of the securities described in (1) through (6) above were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act as transactions by an issuer not involving any public offering. The recipients in each of these transactions acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof.

Item 16. Exhibits and financial statement schedules

(a) The following exhibits are filed as part of this Registration Statement:

Exhibit number	Description
1.1*	Form of Underwriting Agreement
3.1	Form of Amended and Restated Certificate of Incorporation of Goosehead Insurance, Inc. to be in effect prior to the consummation of the offering made under this Registration Statement
3.2	Form of Amended and Restated By-Laws of Goosehead Insurance, Inc. to be in effect prior to the consummation of the offering made under this Registration Statement
5.1*	Opinion of Davis Polk & Wardwell LLP
10.1	Form of Amended and Restated Goosehead Financial, LLC Agreement
10.2	Form of Registration Rights Agreement between Goosehead Insurance, Inc. and the Pre-IPO LLC Members
10.3	Form of Reorganization Agreement between Goosehead Insurance, Inc., Goosehead Financial, LLC and the Pre-IPO LLC Members
10.4	Form of Tax Receivable Agreement between Goosehead Insurance, Inc. and the Pre-IPO LLC Members
10.5	Form of Stockholders Agreement between Goosehead Insurance, Inc. and the Pre-IPO LLC Members
10.6	Form of Franchise Agreement
10.7	Form of Goosehead Insurance, Inc. Omnibus Incentive Plan
10.8*	Form of Goosehead Insurance, Inc. Omnibus Incentive Plan Stock Option Award Agreement
10.9	Form of Goosehead Insurance, Inc. Employee Stock Purchase Plan
10.10	Form of Director Indemnification Agreement
21*	Subsidiaries of the Registrant
23.1	Consent of Deloitte & Touche LLP
23.2*	Consent of Davis Polk & Wardwell LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on signature page)

* To be filed by amendment.

(b) No financial statement schedules are provided because the information called for is not required or is shown either in the financial statements or the notes hereto.

Item 17. Undertakings

The undersigned Registrant hereby undertakes:

(a) The undersigned Registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions referenced in Item 14 of

this registration statement, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Exhibit index

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24.1	Power of Attorney (included on signature page)

* To be filed by amendment.

Signatures

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Dallas, Texas, on the 2nd day of April, 2018.

By: /s/ Mark E. Jones
Name: Mark E. Jones
Title: Chairman, Director and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Jones, Michael C. Colby, Mark S. Colby and P. Ryan Langston, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Mark E. Jones Mark E. Jones	Chairman, Director and Chief Executive Officer (principal executive officer)	April 2, 2018
/s/ Robyn Jones Robyn Jones	Vice Chairman and Director	April 2, 2018
/s/ Peter Lane Peter Lane	Director	April 2, 2018
/s/ Mark Miller Mark Miller	Director	April 2, 2018
/s/ James Reid James Reid	Director	April 2, 2018
/s/ Mark S. Colby Mark S. Colby	Chief Financial Officer (principal financial officer and principal accounting officer)	April 2, 2018

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

of

GOOSEHEAD INSURANCE, INC.

(Pursuant to Section 242 and 245 of
the General Corporation Law of the State of Delaware)

Goosehead Insurance, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

FIRST: The name of the Corporation is Goosehead Insurance, Inc. The date of filing of its original certificate of incorporation with the Secretary of State of the State of Delaware was November 13, 2017.

SECOND: This Amended and Restated Certificate of Incorporation (this "Certificate of Incorporation") amends and restates in its entirety the Corporation's certificate of incorporation as currently in effect and has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (as from time to time in effect, the "General Corporation Law"), by written consent of the holders of all of the outstanding stock entitled to vote thereon in accordance with the provisions of Section 228 of the General Corporation Law. The effective date of this Certificate of Incorporation shall be the date it is filed with the Secretary of State of the State of Delaware.

THIRD: This Certificate of Incorporation amends and restates in its entirety the original certificate of incorporation of the Corporation to read as follows:

1. Name. The name of the Corporation is Goosehead Insurance, Inc.

2. Address; Registered Office and Agent. The address of the Corporation's registered office in the State of Delaware is c/o Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, State of Delaware 19808 and the name of its registered agent at such address is the Corporation Service Company.

3. Purposes. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

4. Number of Shares.

4.1 The total number of shares of all classes of stock that the Corporation shall have authority to issue is [_____] shares, consisting of: (i) [_____]

shares of common stock, divided into (a) [_____] shares of Class A common stock, with the par value of $0.01 per share (the "Class A Common Stock") and (b) [_____] shares of Class B common stock, with the par value of $0.01 per share (the "Class B Common Stock" and, together with Class A Common Stock, the "Common Stock"); and (ii) [_____] shares of preferred stock, with the par value of $0.01 per share (the "Preferred Stock").

4.2 Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding, the number of authorized shares of any class of the Common Stock or the Preferred Stock may be increased or decreased, in each case by the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon, voting together as a single class, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law, and no vote of the holders of any class of the Common Stock or the Preferred Stock voting separately as a class will be required therefor. Notwithstanding the immediately preceding sentence, the number of authorized shares of any particular class may not be decreased below the number of shares of such class then outstanding, plus:

(i) in the case of Class A Common Stock, the number of shares of Class A Common Stock issuable in connection with (x) the exchange of all outstanding shares of Class B Common Stock, together with the corresponding LLC Units, pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement and (y) the exercise of outstanding options, warrants, exchange rights, conversion rights or similar rights for Class A Common Stock;

(ii) in the case of Class B Common Stock, the number of shares of Class B Common Stock issuable in connection with the exercise of outstanding options, warrants, exchange rights, conversion rights or similar rights for Class B Common Stock.

5. Classes of Shares. The designation, relative rights, preferences and limitations of the shares of each class of stock are as follows:

5.1 Common Stock.

(i) Voting Rights.

(1) Each holder of Class A Common Stock will be entitled to one vote for each share of Class A Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote, and each holder of Class B Common Stock will be entitled to one vote for each share of Class B Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote, except that, in each case, to the fullest extent permitted by law and subject to Section 5.1(i)(2), holders of shares of each class of Common Stock, as such, will have no voting power with respect to, and will not be entitled to vote on, any amendment to this Certificate of Incorporation (including any certificate of designations

relating to any series of Preferred Stock) that relates solely to the terms of any outstanding Preferred Stock if the holders of such Preferred Stock are entitled to vote as a separate class thereon under this Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) or under General Corporation Law.

(2) (a) The holders of the outstanding shares of Class A Common Stock shall be entitled to vote separately upon any amendment to this Certificate of Incorporation (including by merger, consolidation, reorganization or similar event) that would alter or change the powers, preferences or special rights of such class of Common Stock in a manner that is disproportionately adverse as compared to the Class B Common Stock and (b) the holders of the outstanding shares of Class B Common Stock shall be entitled to vote separately upon any amendment to this Certificate of Incorporation (including by merger, consolidation, reorganization or similar event) that would alter or change the powers, preferences or special rights of such class of Common Stock in a manner that is disproportionately adverse as compared to the Class A Common Stock, it being understood that any merger, consolidation or other business combination shall not be deemed an amendment hereof if such merger, consolidation or other business combination (x) constitutes a Disposition Event in which holders of Paired Interests are required to exchange such Paired Interests pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement in such Disposition Event and receive consideration in such Disposition Event in accordance with the terms of the Amended and Restated Goosehead Financial, LLC Agreement as in effect prior to such Disposition Event and (y) provides for payments under or in respect of the tax receivable or similar agreement entered by the Corporation from time to time with any holders of Common Stock and/or securities of Goosehead Financial, LLC to be made in connection with any such merger, consolidation or other business combination in accordance with the terms of such tax receivable or similar agreement as in effect prior to such merger, consolidation or other business combination.

(3) Except as otherwise required in this Certificate of Incorporation or by applicable law, the holders of Common Stock will vote together as a single class on all matters (or, if any holders of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with the holders of Preferred Stock).

(ii) Dividends; Stock Splits or Combinations.

(1) Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference senior to or the right to participate with the Class A Common Stock with respect to the payment of dividends, dividends of cash or property may be declared and paid on the Class A Common Stock out of the assets of the Corporation that are by law available therefor, at the times and in the amounts as the board of directors of the Corporation (the "Board") in its discretion may determine.

(2) Except as provided in Section 5.1(ii)(3) with respect to stock dividends, dividends of cash or property may not be declared or paid on shares of Class B Common Stock.

(3) In no event will any stock dividend, stock split, reverse stock split, combination of stock, reclassification or recapitalization be declared or made on any class of Common Stock (each, a "Stock Adjustment") unless (a) a corresponding Stock Adjustment for all other classes of Common Stock not so adjusted at the time outstanding is made in the same proportion and the same manner and (b) the Stock Adjustment has been reflected in the same economically equivalent manner on all LLC Units. Stock dividends with respect to each class of Common Stock may only be paid with shares of stock of the same class of Common Stock.

(iii) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and of the preferential and other amounts, if any, to which the holders of Preferred Stock are entitled, if any, the holders of all outstanding shares of Class A Common Stock will be entitled to receive, *pari passu*, an amount per share equal to the par value thereof, and thereafter the holders of all outstanding shares of Class A Common Stock will be entitled to receive the remaining assets of the Corporation available for distribution ratably in proportion to the number of shares of Class A Common Stock. Without limiting the rights of the holders of Class B Common Stock to exchange their shares of Class B Common Stock, together with the corresponding LLC Units constituting the remainder of any Paired Interests in which such shares are included, for shares of Class A Common Stock in accordance with Section [•] of the Amended and Restated Goosehead Financial, LLC Agreement (or for the consideration payable in respect of shares of Class A Common Stock in such voluntary or involuntary liquidation, dissolution or winding-up), the holders of shares of Class B Common Stock, as such, will not be entitled to receive, with respect to such shares, any assets of the Corporation in excess of the par value thereof, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

5.2 Preferred Stock. Shares of Preferred Stock may be issued from time to time in one or more series of any number of shares, provided that the aggregate number of shares issued and not retired of any and all such series shall not exceed the total number of shares of Preferred Stock hereinabove authorized, and with such powers, including voting powers, if any, and the designations, preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, all as shall hereafter be stated and expressed in the resolution or resolutions providing for the designation and issue of such shares of Preferred Stock from time to time adopted by the Board pursuant to authority so to do which is hereby expressly vested in the Board. The powers, including voting powers, if any, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. Each series of shares of Preferred Stock: (i) may have such voting rights or powers, full or limited, if

any; (ii) may be subject to redemption at such time or times and at such prices, if any; (iii) may be entitled to receive dividends (which may be cumulative or noncumulative) at such rate or rates, on such conditions and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or series of stock, if any; (iv) may have such rights upon the voluntary or involuntary liquidation, winding-up or dissolution of, upon any distribution of the assets of, or in the event of any merger, sale or consolidation of, the Corporation, if any; (v) may be made convertible into or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation (or any other securities of the Corporation or any other Person) at such price or prices or at such rates of exchange and with such adjustments, if any; (vi) may be entitled to the benefit of a sinking fund to be applied to the purchase or redemption of shares of such series in such amount or amounts, if any; (vii) may be entitled to the benefit of conditions and restrictions upon the creation of indebtedness of the Corporation or any subsidiary, upon the issue of any additional shares (including additional shares of such series or of any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the Corporation or any subsidiary of, any outstanding shares of the Corporation, if any; (viii) may be subject to restrictions on transfer or registration of transfer, or on the amount of shares that may be owned by any Person or group of Persons; and (ix) may have such other relative, participating, optional or other special rights, qualifications, limitations or restrictions thereof, if any; all as shall be stated in said resolution or resolutions of the Board providing for the designation and issue of such shares of Preferred Stock.

6. Class B Common Stock.

6.1 Retirement of Class B Shares. No holder of Class B Common Stock may transfer shares of Class B Common Stock to any person unless such holder transfers a corresponding number of LLC Units to the same person in accordance with the provisions of the Amended and Restated Goosehead Financial, LLC Agreement, as such agreement may be amended from time to time in accordance with the terms thereof. If any outstanding share of Class B Common Stock ceases to be held by a holder of an LLC Unit, such share shall automatically and without further action on the part of the Corporation or any holder of Class B Common Stock be transferred to the Corporation for no consideration and retired.

6.2 Reservation of Shares of Class A Common Stock. The Corporation will at all times reserve and keep available out of its authorized and unissued shares of Class A Common Stock, solely for the purpose of the issuance upon exchange of Paired Interests, the number of shares of Class A Common Stock that are issuable upon conversion of all outstanding Paired Interests, pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement. The Corporation covenants that all the shares of Class A Common Stock that are issued upon the exchange of such Paired Interests will, upon issuance, be validly issued, fully paid and non-assessable.

6.3 Taxes. The issuance of shares of Class A Common Stock upon the exercise by holders of shares of Class B Common Stock of their right under Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement to exchange Paired Units will be made without charge to the holders of the shares of Class B Common Stock for any transfer taxes, stamp taxes or duties or other similar tax in respect of the issuance; provided, however, that if any such shares of Class A Common Stock are to be issued in a name other than that of the then record holder of the shares of Class B Common Stock being exchanged (or The Depository Trust Company or its nominee for the account of a participant of The Depository Trust Company that will hold the shares for the account of such holder), then such holder and/or the Person in whose name such shares are to be delivered, shall pay to the Corporation the amount of any tax that may be payable in respect of any transfer involved in the issuance or shall establish to the reasonable satisfaction of the Corporation that the tax has been paid or is not payable.

6.4 Preemptive Rights. To the extent LLC Units are issued pursuant to the Amended and Restated Goosehead Financial, LLC Agreement to anyone other than the Corporation or a wholly owned subsidiary of the Corporation (including pursuant to Section 9.03 (or any equivalent successor provision) of the Amended and Restated Goosehead Financial, LLC Agreement), an equivalent number of shares of Class B Common Stock (subject to adjustment as set forth herein) shall be issued to the same Person to which such LLC Units are issued at par.

7. Board of Directors.

7.1 Number of Directors.

(i) The business and affairs of the Corporation shall be managed by, or under the direction of, the Board. Unless and except to the extent that the Amended and Restated By-laws of the Corporation (as such By-laws may be amended from time to time, the "By-laws") shall so require, the election of the directors of the Corporation (the "Directors") need not be by written ballot. Until such time as the Substantial Ownership Requirement is no longer met, the Board will consist of a single class of Directors each elected annually at the annual meeting of stockholders. Except as otherwise provided for or fixed pursuant to the provisions of Section 5.2 of this Certificate of Incorporation relating to the rights of the holders of any series of Preferred Stock to elect additional Directors, the total number of Directors constituting the entire Board shall be not less than three (3) nor more than eleven (11), with the then authorized number of Directors constituting the entire Board being fixed from time to time by the Board.

(ii) During any period when the holders of any series of Preferred Stock have the right to elect additional Directors as provided for or fixed pursuant to the provisions of Section 5.2 ("Preferred Stock Directors"), upon the commencement, and for the duration, of the period during which such right continues: (i) the then total authorized number of Directors shall automatically be increased by such specified number of Preferred Stock Directors, and the holders of the related Preferred

Stock shall be entitled to elect the Preferred Stock Directors pursuant to the provisions of the Board's designation for the series of Preferred Stock and (ii) each such Preferred Stock Director shall serve until such Preferred Stock Director's successor shall have been duly elected and qualified, or until such Preferred Stock Director's right to hold such office terminates pursuant to such provisions, whichever occurs earlier, subject to his or her earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect Preferred Stock Directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such Preferred Stock Directors elected by the holders of such Preferred Stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such Preferred Stock Directors, shall forthwith terminate and the total and authorized number of Directors shall be reduced accordingly.

7.2 Staggered Board. Following the time when the Substantial Ownership Requirement is no longer met, the Board (other than Preferred Stock Directors) shall be divided into three (3) classes, as nearly equal in number as possible, designated Class I, Class II and Class III. Class I Directors shall initially serve until the first annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met; Class II Directors shall initially serve until the second annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met; and Class III Directors shall initially serve until the third annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met. Commencing with the first annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met, each Director of each class the term of which shall then expire shall be elected to hold office for a term ending on the date of the third annual meeting of stockholders next following the annual meeting at which such director was elected. In case of any increase or decrease, from time to time, in the number of Directors (other than Preferred Stock Directors), the number of Directors in each class shall be apportioned as nearly equal as possible. Immediately following the time when the Substantial Ownership Requirement is no longer met, the Board is authorized to designate the members of the Board then in office as Class I directors, Class II directors or Class III directors. In making such designation, the Board shall equalize, as nearly as possible, the number of directors in each class. In the event of any change in the number of directors, the Board shall apportion any newly created directorships among, or reduce the number of directorships in, such class or classes as shall equalize, as nearly as possible, the number of directors in each class. In no event will a decrease in the number of directors shorten the term of any incumbent director.

7.3 Vacancies and Newly Created Directorships. Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding and subject to the terms of the Stockholders Agreement (as long as such agreement is in effect), newly created directorships resulting from any increase in the authorized number of Directors or any vacancies on the Board resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled only by the affirmative vote of a majority of the remaining Directors then in office, even if less than a quorum of

the Board, or, until the Substantial Ownership Requirement is no longer met, by the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class. Any Director so chosen shall hold office until the next election of the class for which such Director shall have been chosen and until his or her successor shall be duly elected and qualified or until such Director's earlier death, disqualification, resignation or removal. No decrease in the number of Directors shall shorten the term of any Director then in office.

7.4 Removal of Directors. Except for Preferred Stock Directors and subject to the terms of the Stockholders Agreement (as long as such agreement is in effect), any Director or the entire Board may be removed from office at any time, but only for cause by the affirmative vote of the holders of seventy-five percent (75%) of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class; provided, however, that until the Substantial Ownership Requirement is no longer met, any Director may be removed with or without cause by the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class.

8. Meetings of Stockholders.

8.1 Action by Written Consent. From and after the date that the Substantial Ownership Requirement is no longer met, any action required or permitted to be taken by the stockholders of the Corporation may be effected only at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders; provided, however, that any action required or permitted to be taken by the holders of Class B Common Stock, voting separately as a class, may be effected by the consent in writing of the holders of a majority of the total voting power of the Class B Common Stock entitled to vote thereon, voting together as a single class in lieu of a duly called annual or special meeting of holders of Class B Common Stock. Until the Substantial Ownership Requirement is no longer met, any action required or permitted to be taken by the stockholders of the Corporation may be effected by the consent in writing of the holders of a majority of the total voting power of the Corporation entitled to vote thereon, voting together as a single class in lieu of a duly called annual or special meeting of stockholders.

8.2 Meetings of Stockholders. (i) An annual meeting of stockholders for the election of directors to succeed those whose terms expire and for the

transaction of such other business as may properly come before the meeting shall be held at such place, on such date, and at such time as the Board shall determine.

(ii) Subject to any special rights of the holders of any series of Preferred Stock, and to the requirements of applicable law, special meetings of stockholders of the Corporation may be called only (1) by or at the direction of the Board pursuant to a written resolution adopted by a majority of the total number of Directors that the Corporation would have if there were no vacancies or (2) by or at the direction of the Chairman, the Vice Chairman or the Chief Executive Officer. In addition, until the Substantial Ownership Requirement is no longer met, special meetings of stockholders of the Corporation may be called by the Secretary of the Corporation at the request of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class. Any business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

8.3 No Cumulative Voting; Election of Directors by Written Ballot. There shall be no cumulative voting in the election of directors. Unless and except to the extent that the By-laws shall so require, the election of the Directors need not be by written ballot.

9. Business Combinations.

9.1 Section 203 of the General Corporation Law. The Corporation will not be subject to the provisions of Section 203 of the General Corporation Law until the Substantial Ownership Requirement is no longer met. At that time, such election shall be automatically withdrawn and the Corporation will thereafter be governed by Section 203 of the General Corporation Law; provided that it shall only apply to a "person" that became an "interested stockholder" (each as defined in Section 203 of the General Corporation Law) after the Corporation became subject to Section 203 of the General Corporation Law.

10. Limitation of Liability.

10.1 To the fullest extent permitted under the General Corporation Law, as amended from time to time, no Director shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director.

10.2 Any amendment or repeal of Section 10.1 shall not adversely affect any right or protection of a Director hereunder in respect of any act or omission occurring prior to the time of such amendment or repeal.

11. Indemnification.

11.1 Right to Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any Person (a "Covered Person") who was or is a party or

is threatened to be made a party to or otherwise involved any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she, or a Person for whom he or she is the legal representative, is or was a Director or officer of the Corporation or, while a Director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another entity or enterprise, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including, without limitation, attorneys' fees and expenses, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, as amended, and amounts paid or to be paid in settlement) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 11.3 with respect to Proceedings to enforce rights to indemnification or advancement of expenses or with respect to any compulsory counterclaim brought by such indemnitee, the Corporation shall be required to indemnify a Covered Person in connection with a Proceeding (or part thereof) commenced by such Covered Person only if the commencement of such Proceeding (or part thereof) by the Covered Person was authorized by the Board.

Any reference to an officer of the Corporation in this Article 11 shall be deemed to refer exclusively to the Chairman, Vice Chairman, Chief Executive Officer, President, Vice Presidents, Secretary, Treasurer and any other officers of the Corporation appointed pursuant to Section 5.01 of the Corporation's By-laws, and any reference to an officer of any other entity or other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors or equivalent governing body of such other entity pursuant to the certificate of incorporation and by-laws or equivalent organizational documents of such other entity or enterprise.

11.2 Prepayment of Expenses. To the extent not prohibited by applicable law, the Corporation shall pay the expenses (including attorneys' fees) incurred by a Covered Person in appearing at, participating in or defending any Proceeding in advance of its final disposition or in connection with a Proceeding brought to establish or enforce a right to indemnification or advancement of expenses under this Article 11 (which shall be governed by Section 11.3); provided, however, that to the extent required by applicable law or in the case of advance made in a Proceeding brought to establish or enforce a right to indemnification or advancement, such payment of expenses in advance of the final disposition of the Proceeding shall be made solely upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified or entitled to advancement of expenses under this Article 11 or otherwise.

11.3 Claims. If a claim for indemnification or advancement of expenses under this Article 11 is not paid in full within thirty (30) days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim or to obtain an advancement of expenses, as applicable. To the fullest extent permitted by law, if successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Covered

Person shall be entitled to be paid the expense of prosecuting or defending such claim. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law. In (i) any suit brought by a Covered Person to enforce a right to indemnification hereunder (but not in a suit brought by a Covered Person to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, such Person has not met any applicable standard for indemnification set forth in the General Corporation Law. Neither the failure of the Corporation (including by its Directors who are not parties to such action, a committee of such Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Covered Person is proper in the circumstances because the Covered Person has met the applicable standard of conduct set forth in the General Corporation Law, nor an actual determination by the Corporation (including by its Directors who are not parties to such action, a committee of such Directors, independent legal counsel or its stockholders) that the Covered Person has not met such applicable standard of conduct, shall create a presumption that such Person has not met the applicable standard of conduct or, in the case of such a suit brought by the Covered Person, be a defense to such suit.

11.4 Nonexclusivity of Rights. The rights conferred on any Covered Person by this Article 11 shall not be exclusive of any other rights that such Covered Person may have or hereafter acquire under any statute, provision of this Certificate of Incorporation, the By-laws, agreement, vote of stockholders or disinterested Directors or otherwise.

11.5 Other Sources. Subject to Section 11.6, the Corporation's obligation, if any, to indemnify or to advance expenses to any Covered Person who was or is serving at its request as a director, officer, employee or agent of another entity or enterprise shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from such other entity or enterprise.

11.6 Indemnitor of First Resort. In all events, (i) the Corporation hereby agrees that it is the indemnitor of first resort (i.e., its obligation to a Covered Person to provide advancement and/or indemnification to such Covered Person is primary and any obligation of any Principal Stockholder (including any Affiliate thereof other than the Corporation) to provide advancement or indemnification hereunder or under any other indemnification agreement (whether pursuant to contract, by-laws or charter), or any obligation of any insurer of any Principal Stockholder to provide insurance coverage, for the same expenses, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such expenses, liabilities, judgments, penalties, fines and amounts paid in settlement) incurred by such Covered Person are secondary) and (ii) if any Principal Stockholder (or any Affiliate thereof, other than the Corporation) pays or causes to be paid, for any reason, any amounts otherwise indemnifiable hereunder or under any other indemnification agreement (whether pursuant

to contract, by-laws or charter) with such Covered Person, then (x) such Principal Stockholder (or such Affiliate, as the case may be) shall be fully subrogated to all rights of such Covered Person with respect to such payment, (y) the Covered Person shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable such Principal Stockholder (or such Affiliate) effectively to bring suit to enforce such rights and (z) the Corporation shall fully indemnify, reimburse and hold harmless such Principal Stockholder (or such other Affiliate, as the case may be) for all such payments actually made by such Principal Stockholder (or such other Affiliate). Each of the Principal Stockholders (and any Affiliate thereof) shall be third-party beneficiaries with respect to this Section 11.6, entitled to enforce this Section 11.6.

11.7 Amendment or Repeal. Any amendment or repeal of the foregoing provisions of this Article 11 shall not adversely affect any right or protection hereunder of any Covered Person in respect of any act or omission occurring prior to the time of such amendment or repeal.

11.8 Other Indemnification and Prepayment of Expenses. This Article 11 shall not limit the right of the Corporation, to the extent and in the manner permitted by applicable law, to indemnify and to advance expenses to Persons other than Covered Persons when and as authorized by appropriate corporate action.

11.9 Reliance. Covered Persons who after the date of the adoption of this provision become or remain a Covered Person described in Article 11 will be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this Article 11 in entering into or continuing the service. The rights to indemnification and to the advance of expenses conferred in this Article 11 will apply to claims made against any Covered Person described in this Article 11 arising out of acts or omissions in respect of the Corporation or one of its subsidiaries that occurred or occur both prior and subsequent to the adoption hereof. The rights conferred upon Covered Persons in this Article 11 shall be contract rights and such rights shall continue as to a Covered Person who has ceased to be a Director or officer and shall inure to the benefit of the Covered Person’s heirs, executors and administrators. Any amendment, alteration or repeal of this Article 11 that adversely affects any right of a Covered Person or its successors shall be prospective only and shall not limit, eliminate or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

11.10 Insurance. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law.

12. Adoption, Amendment or Repeal of By-Laws. In furtherance and not in limitation of the powers conferred by law, the Board is expressly authorized to make, alter, amend or repeal the By-laws subject to the power of the stockholders of the Corporation entitled to vote with respect thereto to make, alter, amend or repeal the By-laws; provided, that with respect to the powers of stockholders entitled to vote with respect thereto to make, alter, amend or repeal the By-laws, from and after the date that the Substantial Ownership Requirement is no longer met, in addition to any other vote otherwise required by law, the affirmative vote of the holders of seventy-five percent (75%) of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class, shall be required to make, alter, amend or repeal the By-laws.

13. Adoption, Amendment and Repeal of Certificate. Subject to Article 5, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by the General Corporation Law, and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, Directors or any other Persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended, are granted and held subject to this reservation. Notwithstanding anything to the contrary contained in this Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, no provision of Sections 7.2, 7.3 and 7.4 of Article 7, Sections 8.1 and 8.2 of Article 8 or Article 9, 12, 13 or 14 may be altered, amended or repealed in any respect, nor may any provision or by-law inconsistent therewith be adopted, unless in addition to any other vote required by this Certificate of Incorporation or otherwise required by law, (i) until the Substantial Ownership Requirement is no longer met, such alteration, amendment, repeal or adoption is approved by, in addition to any other vote otherwise required by law, the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class and (ii) from and after the date that the Substantial Ownership Requirement is no longer met, such alteration, amendment, repeal or adoption is approved by, in addition to any other vote otherwise required by law, the affirmative vote of the holders of seventy-five percent (75%) of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class, at a meeting of the stockholders called for that purpose.

14. Forum for Adjudication of Disputes. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any Director, officer or other employee of the Corporation to the Corporation or the Corporation’s stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law or (iv) any action asserting a claim governed by the internal affairs doctrine. Any Person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of consent to the provision of this Article 14.

15. Severability. If any provision or provisions of this Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its Directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

16. Definitions. As used in this Certificate of Incorporation, unless the context otherwise requires or as set forth in another Article or Section of this Certificate of Incorporation, the term:

(a) "Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person; provided, that (i) neither the Corporation nor any of its subsidiaries will be deemed an Affiliate of any stockholder of the Corporation or any of such stockholders' Affiliates and (ii) no stockholder of the Corporation will be deemed an Affiliate of any other stockholder of the Corporation, in each case, solely by reason of any investment in the Corporation or any rights conferred on such stockholder pursuant to the Stockholder Agreement (including any representatives of such stockholder serving on the Board).

(b) "Amended and Restated Goosehead Financial, LLC Agreement" means the Amended and Restated Goosehead Financial, LLC Limited Liability Company Agreement, dated as of [●], 2018, by and among the Corporation, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, Mark E. Jones, Robyn Jones, Michael C. Colby, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Jeffrey Saunders, the estate of Doug Jones, Texas Wasatch Insurance Partners, L.P., Max and Dane, LLC and Evan and Jake, LLC and the other Persons that may become parties thereto from time to time, as the same may be amended, restated, supplemented and/or otherwise modified, from time to time.

(c) "Board" is defined in Section 5.1(ii)(1).

(d) "By-laws" is defined in Section 7.1.

(e) "Certificate of Incorporation" is defined in the recitals.

(f) "Chairman" means the Chairman of the Board.

(g) "Chief Executive Officer" means the Chief Executive Officer of the Corporation.

(h) "Class A Common Stock" is defined in Section 4.1.

(i) "Class B Common Stock" is defined in Section 4.1.

(j) "Common Stock" is defined in Section 4.1.

(k) "control" (including the terms "controlling" and "controlled"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

(l) "Corporation" means Goosehead Insurance, Inc.

(m) "Covered Person" is defined in Section 11.1.

(n) "Director" is defined in Section 7.1.

(o) "Disposition Event" means any merger, consolidation or other business combination of the Corporation, whether effectuated through one transaction or series of related transactions (including a tender offer followed by a merger in which holders of Class A Common Stock receive the same consideration per share paid in the tender offer), unless, following such transaction, all or substantially all of the holders of the voting power of all outstanding classes of Common Stock and series of Preferred Stock that are generally entitled to vote in the election of Directors prior to such transaction or series of transactions, continue to hold a majority of the voting power of the surviving entity (or its parent) resulting from such transaction or series of transactions in substantially the same proportions as immediately prior to such transaction or series of transactions.

(p) "Exchange Act" means the Securities Exchange Act of 1934, as amended, and any successor law or statute, together with the rules and regulations promulgated thereunder.

(q) "General Corporation Law" is defined in the recitals.

(r) "LLC Unit" means a nonvoting interest unit of Goosehead Financial, LLC.

(s) "Goosehead Financial, LLC" means Goosehead Financial, LLC, a Delaware limited liability company or any successor thereto.

(t) "Goosehead Management Holders" means The Mark and Robyn Jones Descendants Trust 2014, The Colby 2014 Family Trust, Mark Colby, P. Ryan Langston and Michael Moxley.

(u) "Paired Interest" means one LLC Unit together with one share of Class B Common Stock, subject to adjustment pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement.

(v) "Permitted Transferee" means (i) in the case of any transferor that is not a natural person, any Person that is an Affiliate of such transferor and (ii) in the case of any transferor that is a natural person, (A) any Person to whom Common Stock is transferred from such transferor (1) by will or the laws of descent and distribution or (2) by gift without consideration of any kind; provided that, in the case of clause (2), such transferee is the spouse, the lineal descendant, sibling, parent, heir, executor, administrator, testamentary trustee, legatee or beneficiary of such transferor, (B) a trust that is for the exclusive benefit of such transferor or its Permitted Transferees under (A) above or (C) any institution qualified as tax-exempt under Section 501(c)(3) of the Code.

(w) "Person" means any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity.

(x) "Post-IPO LLC Members" means Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P., Max and Dane, LLC and Evan and Jake, LLC.

(y) "Preferred Stock" is defined in Section 4.1.

(z) "Preferred Stock Directors" is defined in Section 7.1.

(aa) "Principal Stockholders" means the Post-IPO LLC Members, the Goosehead Management Holders and the Texas Wasatch Holders and each of their respective Permitted Transferees.

(bb) "Proceeding" is defined in Section 11.1.

(cc) "Stock Adjustment" is defined in Section 5.1(ii)(3).

(dd) "Stockholder Agreement" means the Stockholders Agreement, dated as of [●], 2018, by and among the Corporation, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants

Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P. and the other Persons who may become parties thereto from time to time, as they same may be amended, restated, supplemented and/or otherwise modified, from time to time.

(ee) "Substantial Ownership Requirement" means the beneficial ownership (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by the Post-IPO LLC Members and any Permitted Transferee collectively, of shares of Common Stock representing at least ten percent (10%) of the issued and outstanding shares of Common Stock.

(ff) "Texas Wasatch Holders" means Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, Mark Colby, P. Ryan Langston and Michael Moxley.

(gg) "Transfer" of a share of Class B Common Stock means, directly or indirectly, any sale, assignment, transfer, exchange, gift, bequest, pledge, hypothecation or other disposition or encumbrance of such share or any legal or beneficial interest in such share, in whole or in part, whether or not for value and whether voluntary or involuntary or by operation of law; provided, however, that the following shall not be considered a "Transfer": (i) the granting of a revocable proxy pursuant to the Stockholder Agreement or to officers or directors of the Corporation at the request of the Board in connection with actions to be taken at annual or special meetings of stockholders or in connection with any action by written consent of the stockholders solicited by the Board (at such times as action by written consent of stockholders is permitted under this Certificate of Incorporation); (ii) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with the Corporation and/or its stockholders that (x) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Corporation, (y) either has a term not exceeding one (1) year or is terminable by the holder of the shares subject thereto at any time and (z) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than the mutual promise to vote shares in a designated manner; (iii) entering into a customary voting or support agreement (with or without granting a proxy) in connection with any merger, consolidation or other business combination of the Corporation, whether effectuated through one transaction or series of related transactions (including a tender offer followed by a merger in which holders of Class A Common Stock receive the same consideration per share paid in the tender offer); (iv) the pledge of shares of capital stock of the Corporation by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction so long as such stockholder continues to exercise sole voting control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee shall

constitute a “Transfer”; or (v) the fact that the spouse of any holder of Class B Common Stock possesses or obtains an interest in such holder’s shares of Class B Common Stock arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a “Transfer” of such shares of Class B Common Stock.

(hh) “Vice Chairman” means the Vice Chairman of the Board.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation of Goosehead Insurance, Inc. has been duly executed by the officer below this [___] day of [____], 2018.

By: _____
Name: Mark E. Jones
Title: Chairman and Chief Executive Officer

[Signature Page to Amended and Restated Certificate of Incorporation]

AMENDED AND RESTATED BY-LAWS

of

GOOSEHEAD INSURANCE, INC.

(A Delaware Corporation)

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ARTICLE 1
DEFINITIONS

As used in these By-laws, unless the context otherwise requires, the term:

"**Assistant Secretary**" means an Assistant Secretary of the Corporation.

"**Assistant Treasurer**" means an Assistant Treasurer of the Corporation.

"**Board**" means the Board of Directors of the Corporation.

"**By-laws**" means the By-laws of the Corporation, as amended and restated.

"**Certificate of Incorporation**" means the Certificate of Incorporation of the Corporation, as amended and restated.

"**Chairman**" means the Chairman of the Board and includes any Executive Chairman.

"**Chief Executive Officer**" means the Chief Executive Officer of the Corporation.

"**control**" (including the terms "controlling" and "controlled"), with respect to the relationship between or among two or more persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"**Corporation**" means Goosehead Insurance, Inc.

"**Derivative**" is defined in Section 2.02(d)(iii).

"**Directors**" means the directors of the Corporation.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and any successor law or statute, and the rules and regulations promulgated thereunder.

"**Executive Chairman**" means the Executive Chairman of the Board.

"**General Corporation Law**" means the General Corporation Law of the State of Delaware, as amended.

"**law**" means any U.S. or non-U.S. federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a governmental authority (including any department, court, agency or official, or non-governmental self-regulatory organization, agency or authority and any political subdivision or instrumentality thereof).

"**Nominating Stockholder**" is defined in Section 3.03(b).

"**Notice of Business**" is defined in Section 2.02(c).

"**Notice of Nomination**" is defined in Section 3.03(c).

"**Notice Record Date**" is defined in Section 2.04(a).

"**Office of the Corporation**" means the executive office of the Corporation, anything in Section 131 of the General Corporation Law to the contrary notwithstanding.

"**President**" means the President of the Corporation.

"**Proponent**" is defined in Section 2.02(d)(i).

"**Public Disclosure**" is defined in Section 2.02(i).

"**SEC**" means the Securities and Exchange Commission.

"**Secretary**" means the Secretary of the Corporation.

"**Stockholder Associated Person**" is defined in Section 2.02(j).

"**Stockholder Business**" is defined in Section 2.02(b).

"**Stockholder Information**" is defined in Section 2.02(d)(iii).

"**Stockholder Nominees**" is defined in Section 3.03(b).

"**Stockholders**" means the stockholders of the Corporation.

"**Stockholders Agreement**" means the Stockholders Agreement, dated as of [●], 2018, by and among the Corporation, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust and the other Persons who may become parties thereto from time to time, as it may be amended, supplemented or modified.

"**Treasurer**" means the Treasurer of the Corporation.

"**Vice Chairman**" means the Vice Chairman of the Board.

"**Vice President**" means a Vice President of the Corporation.

"**Voting Commitment**" is defined in Section 3.04.

"**Voting Record Date**" is defined in Section 2.04(a).

ARTICLE 2
STOCKHOLDERS

Section 2.01. *Place of Meetings*. Meetings of Stockholders may be held within or without the State of Delaware, at such place or solely by means of remote communication or otherwise, as may be designated by the Board from time to time.

Section 2.02. *Annual Meetings; Stockholder Proposals.*

(a) A meeting of Stockholders for the election of Directors and other business shall be held annually at such date and time as may be designated by the Board from time to time.

(b) At an annual meeting of the Stockholders, only business (other than business relating to the nomination or election of Directors, which is governed by Section 3.03) that has been properly brought before the Stockholder meeting in accordance with the procedures set forth in this Section 2.02 shall be conducted. To be properly brought before a meeting of Stockholders, such business must be brought before the meeting (i) by or at the direction of the Board or any committee thereof or (ii) by a Stockholder who (A) was a Stockholder of record of the Corporation when the notice required by this Section 2.2 is delivered to the Secretary and at the time of the meeting, (B) is entitled to vote at the meeting and (C) complies with the notice and other provisions of this Section 2.02. Subject to Section 2.02(k), and except with respect to nominations or elections of Directors, which are governed by Section 3.03, Section 2.02(b)(ii) is the exclusive means by which a Stockholder may bring business before a meeting of Stockholders; *provided* that if Rule 14a-8 of the Exchange Act (or any successor rule) is applicable, a Stockholder may not bring business before any meeting if the Stockholder fails to meet the requirements of such rule. Any business brought before a meeting in accordance with Section 2.02(b)(ii) is referred to as "**Stockholder Business**."

(c) Subject to Section 2.02(k), at any annual meeting of Stockholders, all proposals of Stockholder Business must be made by timely written notice given by or on behalf of a Stockholder of record of the Corporation (the "**Notice of Business**") and must otherwise be a proper matter for Stockholder action. To be timely, the Notice of Business must be delivered personally or mailed to, and received at, the Office of the Corporation, addressed to the Secretary, by no earlier than one hundred and twenty (120) days and no later than ninety (90) days before the first anniversary of the date of the prior year's annual meeting of Stockholders; *provided*, *however*, that if (i) the annual meeting of Stockholders is advanced by more than thirty (30) days, or delayed by more than sixty (60) days, from the first anniversary of the prior year's annual meeting of Stockholders or (ii) no annual meeting was held during the prior year, the notice by the Stockholder to be timely must be received (A) no earlier than one hundred and twenty (120) days before such annual meeting and (B) no later than the later of ninety (90) days before such annual meeting and the tenth day after the day on which the notice of such annual meeting was made by mail or Public Disclosure; *provided*, *further*, that, solely for the purposes of the notice requirements under this Section 2.02(c), with respect to the annual meeting of stockholders of the Corporation for 2019, the date of the preceding year's annual meeting of stockholders shall be deemed to be [●], 2018. In no event shall an adjournment, postponement or deferral, or Public Disclosure of an adjournment, postponement or deferral, of a Stockholder

meeting commence a new time period (or extend any time period) for the giving of the Notice of Business.

(d) The Notice of Business must set forth:

(i) the name and record address of each Stockholder proposing Stockholder Business (the "**Proponent**"), as they appear on the Corporation's books;

(ii) the name and address of any Stockholder Associated Person;

(iii) as to each Proponent and any Stockholder Associated Person, (A) the class or series and number of shares of stock directly or indirectly held of record and beneficially by the Proponent or Stockholder Associated Person, (B) the date such shares of stock were acquired, (C) a description of any agreement, arrangement or understanding, direct or indirect, with respect to such Stockholder Business between or among the Proponent, any Stockholder Associated Person or any others (including their names) acting in concert with any of the foregoing, (D) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, hedging transactions, warrant, convertible security, stock appreciation right or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class of securities and/or borrowed or loaned shares) that has been entered into, directly or indirectly, as of the date of the Proponent's notice by, or on behalf of, the Proponent or any Stockholder Associated Person, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of the Proponent or any Stockholder Associated Person with respect to shares of stock of the Corporation or with a value derived in whole or in part from the value or decrease in value of any class or series of stock of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of stock of the Corporation or otherwise (a "**Derivative**"), (E) a description in reasonable detail of any proxy (including revocable proxies), contract, arrangement, understanding or other relationship pursuant to which the Proponent or Stockholder Associated Person has a right to vote any shares of stock of the Corporation, (F) any rights to dividends on the stock of the Corporation owned beneficially by the Proponent or Stockholder Associated Person that are separated or separable from the underlying stock of the Corporation, (G) any proportionate interest in stock of the Corporation or Derivatives held, directly or indirectly, by a general or limited partnership in which the Proponent or Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (H) any performance-related fees (other than an asset-based fee) that the Proponent or Stockholder Associated Person is entitled to based on any increase or decrease in the value of stock of the Corporation or Derivatives thereof, if any, as of the date of such notice. The information specified in Section 2.02(d)(i) to (iii) is referred to herein as "**Stockholder Information**";

(iv) Stockholder Information with respect to any stock or other interests of the Corporation held by members of the Proponent's or Stockholder Associated Person's immediate family sharing the same household;

(v) a representation to the Corporation that each Proponent is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to propose such Stockholder Business;

(vi) a brief description of the Stockholder Business desired to be brought before the annual meeting, the text of the proposal (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend the By-laws, the language of the proposed amendment) and the reasons for conducting such Stockholder Business at the meeting;

(vii) any material interest of each Proponent and any Stockholder Associated Person in such Stockholder Business;

(viii) a representation to the Corporation as to whether the Proponent intends (A) to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt such Stockholder Business or (B) otherwise to solicit proxies from the Stockholders in support of such Stockholder Business;

(ix) all other information that would be required to be filed with the SEC if the Proponents or Stockholder Associated Persons were participants in a solicitation subject to Section 14 of the Exchange Act; and

(x) a representation and covenant for the benefit of the Corporation that the Proponents shall provide any other information reasonably requested by the Corporation.

(e) The Proponents shall also provide any other information reasonably requested by the Corporation within ten (10) business days after such request.

(f) In addition, the Proponent shall further update and supplement the information provided to the Corporation in the Notice of Business or upon the Corporation's request pursuant to Section 2.02(e) as needed, so that such information shall be true and correct as of the record date for the meeting and as of the date that is the later of ten (10) business days before the meeting or any adjournment or postponement thereof. Such update and supplement must be delivered personally or mailed to, and received at, the Office of the Corporation, addressed to the Secretary, by no later than five (5) business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than seven (7) business days before the date for the meeting (in the case of the update and supplement required to be made as of ten (10) business days before the meeting or any adjournment or postponement thereof).

(g) The person presiding over the meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the procedures set forth in this Section 2.02, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(h) If the Proponent (or a qualified representative of the Proponent) does not appear at the meeting of Stockholders to present the Stockholder Business, such business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.02, to be considered a qualified representative of the Stockholder, a person must be a duly authorized officer, manager or partner of such Stockholder or must be authorized by a writing executed by such Stockholder or an electronic transmission delivered by such Stockholder to act for such Stockholder as proxy at the meeting of Stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of Stockholders.

(i) "**Public Disclosure**" of any date or other information means disclosure thereof by a press release reported by the Dow Jones News Services, Associated Press or comparable U.S. national news service or in a document publicly filed by the Corporation with the SEC pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

(j) "**Stockholder Associated Person**" means, with respect to any Stockholder, (i) any other beneficial owner of stock of the Corporation that is owned by such Stockholder and (ii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Stockholder or such beneficial owner.

(k) The notice requirements of this Section 2.02 shall be deemed satisfied with respect to Stockholder proposals that have been properly brought under Rule 14a-8 of the Exchange Act and that are included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. Further, nothing in this Section 2.02 shall be deemed to affect any rights of the holders of any series of preferred stock of the Corporation pursuant to any applicable provision of the Certificate of Incorporation.

Section 2.03. *Special Meetings*. Special meetings of the Stockholders may be called only in the manner set forth in the Certificate of Incorporation. Notice of every special meeting of the Stockholders shall state the purpose or purposes of such meeting. Except as otherwise required by law, the business conducted at a special meeting of Stockholders shall be limited exclusively to the business set forth in the Corporation's notice of meeting, and the individual or group calling such meeting shall have exclusive authority to determine the business included in such notice.

Section 2.04. *Record Date*.

(a) For the purpose of determining the Stockholders entitled to notice of any meeting of Stockholders or any adjournment thereof, unless otherwise required by the Certificate of Incorporation or applicable law, the Board may fix a record date (the "**Notice Record Date**"), which record date shall not precede the date on which the resolution fixing the record date was adopted by the Board and shall not be more than sixty (60) or less than ten (10) days before the date of such meeting. The Notice Record Date shall also be the record date for determining the Stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such Notice Record Date, that a later date on or before the date of the meeting shall be the date for making such determination (the "**Voting Record Date**"). For the purposes of determining the Stockholders entitled to express consent to corporate action in writing without a meeting,

unless otherwise required by the Certificate of Incorporation or applicable law, the Board may fix a record date, which record date shall not precede the date on which the resolution fixing the record date was adopted by the Board and shall not be more than ten (10) days after the date on which the record date was fixed by the Board. For the purposes of determining the Stockholders entitled to (i) receive payment of any dividend or other distribution or allotment of any rights, (ii) exercise any rights in respect of any change, conversion or exchange of stock or (iii) take any other lawful action, unless otherwise required by the Certificate of Incorporation or applicable law, the Board may fix a record date, which record date shall not precede the date on which the resolution fixing the record date was adopted by the Board and shall not be more than sixty (60) days prior to such action.

(b) If no such record date is fixed:

(i) the record date for determining Stockholders entitled to notice of, and to vote at, a meeting of Stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(ii) the record date for determining Stockholders entitled to express consent to corporate action in writing without a meeting (unless otherwise provided in the Certificate of Incorporation), when no prior action by the Board is required by applicable law, shall be the first day on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law; and when prior action by the Board is required by applicable law, the record date for determining Stockholders entitled to express consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board takes such prior action; and

(iii) when a determination of Stockholders of record entitled to notice of, or to vote at, any meeting of Stockholders has been made as provided in this Section 2.04, such determination shall apply to any adjournment thereof, unless the Board fixes a new Voting Record Date for the adjourned meeting, in which case the Board shall also fix such Voting Record Date or a date earlier than such date as the new Notice Record Date for the adjourned meeting.

Section 2.05. *Notice of Meetings of Stockholders*. Whenever, under the provisions of applicable law, the Certificate of Incorporation or these By-laws, Stockholders are required or permitted to take any action at a meeting, notice shall be given stating the place, if any, date and hour of the meeting; the means of remote communication, if any, by which Stockholders and proxy holders may be deemed to be present in person and vote at such meeting; the Voting Record Date, if such date is different from the Notice Record Date; and, in the case of a special meeting, the purposes for which the meeting is called. Unless otherwise provided by these By-laws or applicable law, notice of any meeting shall be given, not less than ten (10) nor more than sixty (60) days before the date of the meeting, to each Stockholder entitled to vote at such meeting as of the Notice Record Date. If mailed, such notice shall be deemed to be given when deposited in the U.S. mail, with postage prepaid, and directed to the Stockholder at his or her address as it appears on the records of the Corporation. An affidavit of the Secretary, an

Assistant Secretary or the transfer agent of the Corporation that the notice required by this Section 2.05 has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. Any business that might have been transacted at the meeting as originally called may be transacted at the adjourned meeting. If, however, the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Stockholder of record entitled to vote at the meeting. If, after the adjournment, a new Voting Record Date is fixed for the adjourned meeting, the Board shall fix a new Notice Record Date in accordance with Section 2.04(b)(iii) hereof and shall give notice of such adjourned meeting to each Stockholder entitled to vote at such meeting as of the Notice Record Date.

Section 2.06. *Waivers of Notice*. Whenever the giving of any notice to Stockholders is required by applicable law, the Certificate of Incorporation or these By-laws, a waiver thereof, given by the person entitled to said notice, whether before or after the event as to which such notice is required, shall be deemed equivalent to notice. Attendance by a Stockholder at a meeting shall constitute a waiver of notice of such meeting except when the Stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting has not been lawfully called or convened. Neither the business to be transacted at, nor the purposes of, any regular or special meeting of the Stockholders need be specified in any waiver of notice.

Section 2.07. *List of Stockholders*. The Secretary shall prepare and make available, at least ten (10) days before every meeting of Stockholders, a complete, alphabetical list of the Stockholders entitled to vote at the meeting, and showing the address of each Stockholder and the number of shares registered in the name of each Stockholder. Such list may be examined by any Stockholder, the Stockholder's agent or attorney, at the Stockholder's expense, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting, during ordinary business hours at the principal place of business of the Corporation or on a reasonably accessible electronic network as provided by applicable law. If the meeting is to be held at a place, the list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any Stockholder who is present. If the meeting is held solely by means of remote communication, the list shall also be open for inspection as provided by applicable law. Except as provided by applicable law, the stock ledger shall be the only evidence as to who are the Stockholders entitled to examine the list of Stockholders or to vote in person or by proxy at any meeting of Stockholders.

Section 2.08. *Quorum of Stockholders; Adjournment*. Except as otherwise provided by these By-laws, at each meeting of Stockholders, the presence in person or by proxy of the holders of a majority of the voting power of all outstanding shares of stock entitled to vote at the meeting of Stockholders shall constitute a quorum for the transaction of any business at such meeting, except that, where a separate vote by a class or series of classes of shares is required, a quorum shall consist of no less than a majority of the voting power of all outstanding shares of stock of such class or series of classes, as applicable. In the absence of a quorum, the holders of a majority in voting power of the shares of stock present in person or represented by proxy at any meeting of Stockholders, including an adjourned meeting, may adjourn such meeting to another time and place. Shares of its own stock belonging to the Corporation or to another corporation,

if a majority of the shares entitled to vote in the election of Directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; *provided*, *however*, that the foregoing shall not limit the right of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 2.09. *Voting; Proxies*. Unless otherwise provided by the General Corporation Law or in the Certificate of Incorporation, every Stockholder entitled to vote at any meeting of Stockholders shall be entitled to one vote for each share of stock (and 10 votes for each share of Class B Common Stock until the Substantial Ownership Requirement is no longer met (each as defined in the Certificate of Incorporation)) held by such Stockholder which has voting power upon the matter in question. At any meeting of Stockholders, all matters other than the election of Directors, except as otherwise provided by the Certificate of Incorporation, these By-laws or any applicable law, shall be decided by the affirmative vote of a majority in voting power of shares of stock present in person or represented by proxy and entitled to vote thereon. At all meetings of Stockholders for the election of Directors, a plurality of the votes cast shall be sufficient to elect Directors. Each Stockholder entitled to vote at a meeting of Stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such Stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy expressly provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only so long as, it is coupled with an interest sufficient in law to support an irrevocable power. A Stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary a revocation of the proxy or by delivering a new proxy bearing a later date.

Section 2.10. *Voting Procedures and Inspectors at Meetings of Stockholders*. The Board, in advance of any meeting of Stockholders, shall ppoint one or more inspectors, who may be employees of the Corporation, to act at the meeting and make a written report thereof. The Board may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall (a) ascertain the number of shares outstanding and the voting power of each, (b) determine the shares represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors and (e) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of their duties. Unless otherwise provided by the Board, the date and time of the opening and the closing of the polls for each matter upon which the Stockholders will vote at a meeting shall be determined by the person presiding at the meeting and shall be announced at the meeting. No ballot, proxies, votes or any revocation thereof or change thereto, shall be accepted by the inspectors after the closing of the polls unless the Court of Chancery of the State of Delaware upon application by a Stockholder shall determine otherwise. In determining the validity and counting of proxies and ballots cast at any meeting of Stockholders, the inspectors

may consider such information as is permitted by applicable law. No person who is a candidate for office at an election may serve as an inspector at such election.

Section 2.11. *Conduct of Meetings; Adjournment*. The Board may adopt such rules and procedures for the conduct of Stockholder meetings as it deems appropriate. At each meeting of Stockholders, the Chairman or, in the absence of the Chairman, the Vice Chairman or, in the absence of or if there is no Vice Chairman, the Chief Executive Officer or, in the absence of the Chairman, the Vice Chairman and the Chief Executive Officer, the President or, if there is no Chairman, Vice Chairman, Chief Executive Officer or President, or if they are absent, a Vice President and, in the case that more than one Vice President shall be present, that Vice President designated by the Board (or in the absence of any such designation, the most senior Vice President present), shall preside over the meeting. Except to the extent inconsistent with the rules and procedures as adopted by the Board, the person presiding over the meeting of Stockholders shall have the right and authority to convene, adjourn and reconvene the meeting from time to time, to prescribe such additional rules and procedures and to do all such acts as, in the judgment of such person, are appropriate for the proper conduct of the meeting. Such rules and procedures, whether adopted by the Board or prescribed by the person presiding over the meeting, may include (a) the establishment of an agenda or order of business for the meeting, (b) rules and procedures for maintaining order at the meeting and the safety of those present, (c) limitations on attendance at or participation in the meeting to Stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the person presiding over the meeting shall determine, (d) restrictions on entry to the meeting after the time fixed for the commencement thereof and (e) limitations on the time allotted to questions or comments by participants. The person presiding over any meeting of Stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, may determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, he or she shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the person presiding over the meeting, meetings of Stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The Secretary or, in his or her absence, one of the Assistant Secretaries, shall act as secretary of the meeting. If none of the officers above designated to act as the person presiding over the meeting or as secretary of the meeting shall be present, a person presiding over the meeting or a secretary of the meeting, as the case may be, shall be designated by the Board and, if the Board has not so acted, in the case of the designation of a person to act as secretary of the meeting, designated by the person presiding over the meeting. To the extent permitted by applicable law, meetings of stockholders may be conducted by remote communications, including by webcast.

Section 2.12. *Order of Business*. The order of business at all meetings of Stockholders shall be as determined by the person presiding over the meeting.

Section 2.13. *Written Consent of Stockholders Without a Meeting*. If, and only if, the Certificate of Incorporation expressly permits action to be taken at any annual or special meeting of Stockholders without a meeting, without prior notice and without a vote, then a consent or consents in writing, setting forth the action to be so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to

authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the Corporation by delivery to its registered office in the State of Delaware, the Office of the Corporation or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of Stockholders are recorded. Every written consent shall bear the date of signature of each Stockholder who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this Section 2.13, written consents signed by a sufficient number of holders to take action are delivered to the Corporation as aforesaid. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall, to the extent required by applicable law, be given to those Stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Corporation.

ARTICLE 3
DIRECTORS

Section 3.01. *General Powers*. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board. The Board may adopt such rules and procedures, not inconsistent with the Certificate of Incorporation, these By-laws or applicable law, as it may deem proper for the conduct of its meetings and the management of the Corporation.

Section 3.02. *Term of Office*. The Board shall consist of members as determined in accordance with the Certificate of Incorporation. Subject to obtaining any required stockholder votes or consents under the Stockholders Agreement (as long as such agreement is in effect), each Director shall hold office until a successor is duly elected and qualified or until the Director's earlier death, resignation, disqualification or removal.

Section 3.03. *Nominations of Directors*.

(a) Subject to Section 3.03(k) and obtaining any required stockholder votes or consents under the Stockholders Agreement and except as otherwise provided by the Stockholders Agreement (as long as such agreement is in effect), only persons who are nominated in accordance with the procedures set forth in this Section 3.03 are eligible for election as Directors.

(b) Nominations of persons for election to the Board may only be made at a meeting properly called for the election of Directors and only (i) by or at the direction of the Board or any committee thereof or (ii) by a Stockholder who (A) was a Stockholder of record of the Corporation when the notice required by this Section 3.03 is delivered to the Secretary and at the time of the meeting, (B) is entitled to vote for the election of Directors at the meeting and (C) complies with the notice and other provisions of this Section 3.03. Subject to Section 3.03(k) and obtaining any required stockholder votes or consents under the Stockholders Agreement (as long as such agreement is in effect), Section 3.03(b)(ii) is the exclusive means by which a

Stockholder may nominate a person for election to the Board. Persons nominated in accordance with Section 3.03(b)(ii) are referred to as "**Stockholder Nominees**." A Stockholder nominating persons for election to the Board is referred to as the "**Nominating Stockholder**."

(c) Subject to Section 3.03(k) and obtaining any required stockholder votes or consents under the Stockholders Agreement and except as otherwise provided by the Stockholders Agreement (as long as such agreement is in effect), all nominations of Stockholder Nominees must be made by timely written notice given by or on behalf of a Stockholder of record of the Corporation (the "**Notice of Nomination**"). To be timely, the Notice of Nomination must be delivered personally or mailed to and received at the Office of the Corporation, addressed to the attention of the Secretary, by the following dates:

(i) in the case of the nomination of a Stockholder Nominee for election to the Board at an annual meeting of Stockholders, no earlier than one hundred and twenty (120) days and no later than ninety (90) days before the first anniversary of the date of the prior year's annual meeting of Stockholders; *provided, however*, that if (A) the annual meeting of Stockholders is advanced by more than thirty (30) days, or delayed by more than sixty (60) days, from the first anniversary of the prior year's annual meeting of Stockholders or (B) no annual meeting was held during the prior year, the notice by the Stockholder to be timely must be received (1) no earlier than one hundred and twenty (120) days before such annual meeting and (2) no later than the later of ninety (90) days before such annual meeting and the tenth day after the day on which the notice of such annual meeting was made by mail or Public Disclosure; *provided, further*, that, solely for the purposes of the notice requirements under this Section 2.02(c), with respect to the annual meeting of stockholders of the Corporation for 2019, the date of the preceding year's annual meeting of stockholders shall be deemed to be [●], 2018; and

(ii) in the case of the nomination of a Stockholder Nominee for election to the Board at a special meeting of Stockholders, no earlier than one hundred and twenty (120) days before and no later than the later of ninety (90) days before such special meeting and the tenth day after the day on which the notice of such special meeting was made by mail or Public Disclosure.

(d) Notwithstanding anything to the contrary, if the number of Directors to be elected to the Board at a meeting of Stockholders is increased and there is no Public Disclosure by the Corporation naming the nominees for the additional directorships at least one hundred (100) days before the first anniversary of the preceding year's annual meeting, a Notice of Nomination shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered personally and received at the Office of the Corporation, addressed to the attention of the Secretary, no later than the close of business on the tenth day following the day on which such Public Disclosure is first made by the Corporation.

(e) In no event shall an adjournment, postponement or deferral, or Public Disclosure of an adjournment, postponement or deferral, of an annual or special meeting commence a new time period (or extend any time period) for the giving of the Notice of Nomination.

(f) The Notice of Nomination shall set forth:

(i) the Stockholder Information with respect to each Nominating Stockholder and Stockholder Associated Person;

(ii) a representation to the Corporation that each Nominating Stockholder is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to propose such nomination;

(iii) all information regarding each Stockholder Nominee and Stockholder Associated Person that would be required to be disclosed in a solicitation of proxies subject to Section 14 of the Exchange Act, the written consent of each Stockholder Nominee to being named in a proxy statement as a nominee and to serve if elected and a completed signed questionnaire, representation and agreement required by Section 3.04;

(iv) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among a Nominating Stockholder, Stockholder Associated Person or their respective associates, or others acting in concert therewith, including all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the Nominating Stockholder, Stockholder Associated Person or any person acting in concert therewith were the "registrant" for purposes of such rule and the Stockholder Nominee were a director or executive of such registrant;

(v) Stockholder Information with respect to any stock or other interests of the Corporation held by members of the Nominating Stockholder's or its Stockholder Associated Person's immediate family sharing the same household;

(vi) a representation to the Corporation as to whether each Nominating Stockholder intends (A) to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve the nomination or (B) otherwise to solicit proxies from Stockholders in support of such nomination;

(vii) all other information that would be required to be filed with the SEC if the Nominating Stockholders and Stockholder Associated Persons were participants in a solicitation subject to Section 14 of the Exchange Act; and

(viii) a representation and covenant for the benefit of the Corporation that the Nominating Stockholders shall provide any other information reasonably requested by the Corporation.

(g) The Nominating Stockholders shall also provide any other information reasonably requested by the Corporation within ten (10) business days after such request.

(h) In addition, the Nominating Stockholders shall further update and supplement the information provided to the Corporation in the Notice of Nomination or upon the Corporation's request pursuant to Section 3.03(g) as needed, so that such information shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days before the

meeting or any adjournment or postponement thereof. Such update and supplement must be delivered personally or mailed to, and received at, the Office of the Corporation, addressed to the Secretary, by no later than five (5) business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than seven (7) business days before the date for the meeting (in the case of the update and supplement required to be made as of ten (10) business days before the meeting or any adjournment or postponement thereof).

(i) The person presiding over the meeting shall, if the facts warrant, determine and declare to the meeting, that the nomination was not made in accordance with the procedures set forth in this Section 3.03, and, if he or she should so determine, he or she shall so declare to the meeting and the defective nomination shall be disregarded.

(j) If the Stockholder (or a qualified representative of the Stockholder) does not appear at the applicable Stockholder meeting to nominate the Stockholder Nominees, such nomination shall be disregarded and such business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 3.03, to be considered a qualified representative of the Stockholder, a person must be a duly authorized officer, manager or partner of such Stockholder or must be authorized by a writing executed by such Stockholder or an electronic transmission delivered by such Stockholder to act for such Stockholder as proxy at the meeting of Stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of Stockholders.

(k) Nothing in this Section 3.03 shall be deemed to affect any rights of the holders of any series of preferred stock of the Corporation pursuant to any applicable provision of the Certificate of Incorporation.

Section 3.04. *Nominee and Director Qualifications.* Unless the Board determines otherwise or the Stockholders Agreement provides otherwise (as long as such agreement is in effect), to be eligible to be a nominee for election or reelection as a Director, a person must deliver (in accordance with the time periods prescribed for delivery of notice by the Board) to the Secretary at the Office of the Corporation a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such person (a) is not and will not become a party to (i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person will act or vote as a Director on any issue or question (a "**Voting Commitment**") that has not been disclosed to the Corporation or (ii) any Voting Commitment that could limit or interfere with such person's ability to comply with such person's fiduciary duties as a Director under applicable law, (b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a Director that has not been disclosed therein, and (c) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, and will comply with all

applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading and other policies and guidelines of the Corporation that are applicable to Directors.

Section 3.05. *Resignation.* Any Director may resign at any time by notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect at the date of receipt of such notice or at such later time as is therein specified, and, unless otherwise specified in such resignation, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.06. *Compensation.* Each Director, in consideration of his or her service as such, shall be entitled to receive from the Corporation such amount per annum or such fees (payable in cash or equity) for attendance at Directors' meetings, or both, as the Board may from time to time determine, together with reimbursement for the reasonable out-of-pocket expenses, if any, incurred by such Director in connection with the performance of his or her duties. Each Director who shall serve as a member of any committee of Directors in consideration of serving as such shall be entitled to such additional amount per annum or such fees for attendance at committee meetings, or both, as the Board may from time to time determine, together with reimbursement for the reasonable out-of-pocket expenses, if any, incurred by such Director in the performance of his or her duties. Nothing contained in this Section 3.06 shall preclude any Director from serving the Corporation or its subsidiaries in any other capacity and receiving proper compensation therefor.

Section 3.07. *Regular Meetings.* Regular meetings of the Board may be held without notice at such times and at such places within or without the State of Delaware as may be determined from time to time by the Board or its Chairman.

Section 3.08. *Special Meetings.* Special meetings of the Board may be held at such times and at such places within or without the State of Delaware as may be determined by the Chairman, the Vice Chairman or the Chief Executive Officer on at least twenty-four (24) hours' notice to each Director given by one of the means specified in Section 3.11 hereof other than by mail, or on at least three (3) days' notice if given by mail. Special meetings shall be called by the Chairman, the Vice Chairman, the Chief Executive Officer, the President or the Secretary in like manner and on like notice on the written request of any two or more Directors.

Section 3.09. *Telephone Meetings.* Board or Board committee meetings may be held by means of telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation by a Director in a meeting pursuant to this Section 3.09 shall constitute presence in person at such meeting.

Section 3.10. *Adjourned Meetings.* A majority of the Directors present at any meeting of the Board, including an adjourned meeting, whether or not a quorum is present, may adjourn and reconvene such meeting to another time and place. At least twenty-four (24) hours' notice of any adjourned meeting of the Board shall be given to each Director whether or not present at the time of the adjournment, if such notice shall be given by one of the means specified in Section 3.11 hereof other than by mail, or at least three (3) days' notice if by mail. Any business

may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called.

Section 3.11. *Notice Procedure.* Subject to Section 3.08 and 3.12 hereof, whenever notice is required to be given to any Director by applicable law, the Certificate of Incorporation or these By-laws, such notice shall be deemed given effectively if given in person or by telephone, mail or electronic mail addressed to such Director at such Director's address or email address, as applicable, as it appears on the records of the Corporation, facsimile or by other means of electronic transmission.

Section 3.12. *Waiver of Notice.* Whenever the giving of any notice to Directors is required by applicable law, the Certificate of Incorporation or these By-laws, a waiver thereof, in writing signed by the Director entitled to the notice, whether before or after such notice is required, shall be deemed equivalent to notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except when the Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special Board or committee meeting need be specified in any waiver of notice.

Section 3.13. *Organization.* At each meeting of the Board, the Chairman or, in the absence of the Chairman, the Vice Chairman or, in the absence of or if there is no Vice Chairman, the Chief Executive Officer or, in the absence of the Chairman, the Vice Chairman and the Chief Executive Officer, another Director selected by the Board shall preside. The Secretary shall act as secretary at each meeting of the Board. If the Secretary is absent from any meeting of the Board, an Assistant Secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the Secretary and all Assistant Secretaries, the person presiding at the meeting may appoint any person to act as secretary of the meeting.

Section 3.14. *Quorum of Directors.* The presence in person of a majority of the total members of the Board shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board.

Section 3.15. *Action by Majority Vote.* Except as otherwise expressly required by these By-laws, or the Certificate of Incorporation, the vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board; provided that to the extent one or more Directors recuses himself or herself from an act, the act of a majority of the remaining Directors present shall be the act of the Board.

Section 3.16. *Action Without Meeting.* Unless otherwise restricted by these By-laws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all Directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board or committee.

ARTICLE 4
COMMITTEES OF THE BOARD

The Board may, by resolution, designate one or more committees, each committee to consist of one or more of the Directors of the Corporation. The Board may, by resolution, adopt charters for one or more of such committees. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. If a member of a committee shall be absent from any meeting, or disqualified from voting thereat, the remaining member or members present at the meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may, by a unanimous vote, appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent permitted by applicable law, and to the extent provided in the resolution of the Board designating such committee or the charter for such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers that may require it to the extent so authorized by the Board. The Board may remove any Director from any committee at any time, with or without cause. Unless the Board provides otherwise, at all meetings of such committee, a majority of the then authorized members of the committee shall constitute a quorum for the transaction of business, and the vote of a majority of the members of the committee present at any meeting at which there is a quorum shall be the act of the committee. Each committee shall keep regular minutes of its meetings. Unless the Board provides otherwise, each committee designated by the Board may make, alter and repeal rules and procedures for the conduct of its business. In the absence of such rules and procedures, each committee shall conduct its business in the same manner as the Board conducts its business pursuant to Article 3.

ARTICLE 5
OFFICERS

Section 5.01. *Positions; Election.* The Board may from time to time elect officers of the Corporation, which may include a Chairman, Vice Chairman, Chief Executive Officer, President, Vice Presidents, Secretary, Treasurer and any other officers as it may deem proper or may delegate to any elected officer of the Corporation the power to appoint and remove any such officers and to prescribe their respective terms of office, authorities and duties. Any number of offices may be held by the same person. Should the Corporation or any of its Subsidiaries enter into any management services or similar agreement with another entity (each as may be amended, supplemented, restated or replaced from time to time), the officers of the Corporation may be the officers or employees of such entity to the extent permitted by applicable law.

Section 5.02. *Term of Office.* Each officer of the Corporation shall hold office for such terms as may be determined by the Board or, except with respect to his or her own office, the Chief Executive Officer, or until such officer’s successor is elected and qualifies or until such officer’s earlier death, resignation or removal. Any officer may resign at any time upon written notice to the Corporation. Such resignation shall take effect at the date of receipt of such notice or at such later time as is therein specified, and, unless otherwise specified, the acceptance of

such resignation shall not be necessary to make it effective. The resignation of an officer shall be without prejudice to the contract rights of the Corporation, if any. Any officer may be removed at any time with or without cause by the Board or, in the case of appointed officers, by any elected officer upon whom such power of removal shall have been conferred by the Board. Any vacancy occurring in any office of the Corporation may be filled by the Board or, in the case of appointed officers, by any elected officer upon whom such power of appointment shall have been conferred by the Board. The election or appointment of an officer shall not of itself create contract rights.

Section 5.03. *Chairman.* The Chairman shall preside at all meetings of the Stockholders and at all meetings of the Board and shall exercise such powers and perform such other duties as shall be determined from time to time by the Board. In addition to the responsibilities, powers and duties of the Chairman, an Executive Chairman (if there be one) shall exercise such powers and perform such other duties as shall be determined from time to time by the Board and may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by resolution of the Board or by these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed.

Section 5.04. *Vice Chairman.* The Vice Chairman (if there be one) shall preside at all meetings of the Stockholders and at all meetings of the Board at which the Chairman is not present and shall exercise such powers and perform such other duties as shall be determined from time to time by the Board.

Section 5.05. *Chief Executive Officer.* The Chief Executive Officer shall have general supervision over, and direction of, the business and affairs of the Corporation, subject, however, to the control of the Board and of any duly authorized committee of the Board. The Chief Executive Officer shall preside at all meetings of the Stockholders and at all meetings of the Board at which the Chairman and the Vice Chairman (if there be one) are not present. The Chief Executive Officer may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by resolution of the Board or by these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed and, in general, the Chief Executive Officer shall perform all duties incident to the office of Chief Executive Officer of a corporation and such other duties as may be determined from time to time by the Board.

Section 5.06. *President.* The President shall have duties incident to the office of President, and any other duties as may from time to time be assigned to the President by the Chief Executive Officer (if the President and Chief Executive Officer are not the same person) or the Board and subject to the control of the Chief Executive Officer (if the President and Chief Executive Officer are not the same person) and the Board in each case. The President shall preside at all meetings of the Stockholders at which the Chairman, the Vice Chairman (if there be one) and the Chief Executive Officer are not present. The President may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by

these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed.

Section 5.07. *Vice Presidents.* Vice Presidents shall have the duties incident to the office of Vice President and any other duties that may from time to time be assigned to the Vice President by the Chief Executive Officer, the President or the Board. A Vice President shall preside at all meetings of the Stockholders at which the Chairman, the Vice Chairman (if there be one), the Chief Executive Officer and the President are not present. Any Vice President may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts or other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed.

Section 5.08. *Secretary.* The Secretary shall attend all meetings of the Board and of the Stockholders, record all the proceedings of the meetings of the Board and of the Stockholders in a book to be kept for that purpose and perform like duties for committees of the Board, when required. The Secretary shall give, or cause to be given, notice of all special meetings of the Board and of the Stockholders and perform such other duties as may be prescribed by the Board, the Chief Executive Officer or the President. The Secretary shall have custody of the corporate seal of the Corporation and the Secretary or an Assistant Secretary shall have authority to affix the same on any instrument that may require it, and when so affixed, the seal may be attested by the signature of the Secretary or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the same by such officer's signature. The Secretary or an Assistant Secretary may also attest all instruments signed by the Executive Chairman, Chief Executive Officer, President or any Vice President. The Secretary shall have charge of all the books, records and papers of the Corporation relating to its organization and management, see that the reports, statements and other documents required by applicable law are properly kept and filed and, in general, perform all duties incident to the office of secretary of a corporation and such other duties as may from time to time be assigned to the Secretary by the Board, the Chief Executive Officer or the President.

Section 5.09. *Treasurer.* The Treasurer shall have charge and custody of, and be responsible for, all funds, securities and notes of the Corporation, receive and give receipts for moneys due and payable to the Corporation from any sources whatsoever; deposit all such moneys and valuable effects in the name and to the credit of the Corporation in such depositaries as may be designated by the Board, against proper vouchers, cause such funds to be disbursed by checks or drafts on the authorized depositaries of the Corporation signed in such manner as shall be determined by the Board and be responsible for the accuracy of the amounts of all moneys so disbursed, regularly enter or cause to be entered in books or other records maintained for the purpose full and adequate account of all moneys received or paid for the account of the Corporation, have the right to require from time to time reports or statements giving such information as the Treasurer may desire with respect to any and all financial transactions of the Corporation from the officers or agents transacting the same, render to the Chief Executive Officer, the President or the Board, whenever the Chief Executive Officer, the President or the Board shall require the Treasurer so to do, an account of the financial condition of the Corporation and of all financial transactions of the Corporation, disburse the funds of the

Corporation as ordered by the Board and, in general, perform all duties incident to the office of Treasurer of a corporation and such other duties as may from time to time be assigned to the Treasurer by the Board, the Chief Executive Officer or the President.

Section 5.10. *Assistant Secretaries and Assistant Treasurers.* Assistant Secretaries and Assistant Treasurers shall perform such duties as shall be assigned to them by the Secretary or by the Treasurer, respectively, or by the Board, the Chief Executive Officer or the President.

ARTICLE 6
GENERAL PROVISIONS

Section 6.01. *Certificates Representing Shares.* The shares of stock of the Corporation may be represented by certificates or all of such shares shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock, or a combination of both. If shares are represented by certificates (if any), such certificates shall be in the form approved by the Board. The certificates representing shares of stock of each class shall be signed by, or in the name of, the Corporation by the Chairman, the Chief Executive Officer, the President or any Vice President, and by the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer. Any or all such signatures may be facsimiles. Although any officer, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such officer, transfer agent or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if such officer, transfer agent or registrar were still such at the date of its issue.

Section 6.02. *Transfer and Registry Agents.* The Corporation may from time to time maintain one or more transfer offices or agents and registry offices or agents at such place or places as may be determined from time to time by the Board.

Section 6.03. *Lost, Stolen or Destroyed Certificates.* The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate or his legal representative to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 6.04. *Form of Records.* Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be maintained on any information storage device or method; *provided* that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

Section 6.05. *Seal.* The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

Section 6.06. *Fiscal Year.* The fiscal year of the Corporation shall be determined by the Board.

Section 6.07. *Amendments.* These By-laws may be altered, amended or repealed in accordance with the Certificate of Incorporation and the General Corporation Law.

Section 6.08. *Conflict with Applicable Law or Certificate of Incorporation.* These By-laws are adopted subject to any applicable law and the Certificate of Incorporation. Whenever these By-laws may conflict with any applicable law or the Certificate of Incorporation, such conflict shall be resolved in favor of such law or the Certificate of Incorporation.

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

of

GOOSEHEAD FINANCIAL, LLC

Dated as of [●], 2018

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AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this "**Agreement**") OF GOOSEHEAD FINANCIAL, LLC, a Delaware limited liability company (the "**Company**"), dated as of [ ], 2018, by and among the Company, Goosehead Insurance, Inc., a Delaware corporation ("**Pubco**"), and the other Persons listed on the signature pages hereto.

W I T N E S S E T H:

WHEREAS, the Company has been heretofore formed as a limited liability company under the Delaware Act (as defined below) pursuant to a certificate of formation which was executed and filed with the Secretary of State of the State of Delaware on December 22, 2015;

WHEREAS, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Holdings Group, LLC and Texas Wasatch Insurance Partners, L.P. entered into the initial Limited Liability Company Agreement of the Company, dated as of January 1, 2016 (the "**Initial LLC Agreement**");

WHEREAS, pursuant to the terms of the Reorganization Agreement, dated as of the date hereof, by and among the Company, Pubco and the other Persons listed on the signature pages thereto (the "**Reorganization Agreement**"), the parties thereto have agreed to consummate the reorganization of the Company and to take the other actions contemplated in such Reorganization Agreement (collectively, the "**Reorganization**"); and

WHEREAS, the parties listed on the signature pages hereto and listed on Schedule A (as defined below) represent all of the holders of limited liability company interests in the Company (the "**Members**").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and other good and valuable consideration, the Members hereto hereby agree, to amend and restate the Initial LLC Agreement in its entirety as follows:

ARTICLE 1
DEFINITIONS AND USAGE

Section 1.01. *Definitions*.

(a) The following terms shall have the following meanings for the purposes of this Agreement:

"**Additional Member**" means any Person admitted as a Member of the Company pursuant to Section 3.02 in connection with the new issuance of Units to such Person.

"**Adjusted Capital Account Deficit**" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts that such Member is deemed to be obligated to restore pursuant to the penultimate sentence in Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person; *provided* that no Member nor any Affiliate of any Member shall be deemed to be an Affiliate of any other Member or any of its Affiliates solely by virtue of such Members' Units.

"**Affiliated Transferee**" means (i) in the case of any Member that is an individual, any Transferee of such Member that is (x) an immediate family member of such Member, (y) a trust, family-partnership or estate-planning vehicle for the benefit of such Member and/or any of its immediate family members or (z) otherwise an Affiliate of such Member or (ii) in the case of any Member that is a limited liability company or other entity, any Transferee of such Member that is (x) an immediate family member of the individual that controls a majority of the voting or economic interest in such Member, (y) a trust, family-partnership or estate-planning vehicle for the benefit of such individual and/or any of its immediate family members or (z) otherwise an Affiliate of such Member. For the purposes of this definition, none of Pubco, the Company or any of their respective Controlled Affiliates shall be deemed to be an "Affiliate" of any Member and vice versa.

"**Applicable Law**" means, with respect to any Person, any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person or its assets, as amended unless expressly specified otherwise.

"**Business**" means the business of distributing, and franchising the distribution of, personal lines insurance products and services as conducted by the Company and its Subsidiaries.

"**Business Day**" means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

"**Capital Account**" means the capital account established and maintained for each Member pursuant to Section 5.02.

"**Capital Contribution**" means, with respect to any Member, the amount of money and the initial Carrying Value of any Property (other than money) contributed to the Company.

"**Carrying Value**" means with respect to any Property (other than money), such Property's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Carrying Value of any such Property contributed by a Member to the Company shall be the gross fair market value of such Property, as reasonably determined by the Managing Member;

(ii) The Carrying Values of all such Properties shall be adjusted to equal their respective gross fair market values (taking Section 7701(g) of the Code into account), as reasonably determined by the Managing Member, at the time of any Revaluation pursuant to Section 5.02(c);

(iii) The Carrying Value of any item of such Properties distributed to any Member shall be adjusted to equal the gross fair market value (taking Section 7701(g) of the Code into account) of such Property on the date of distribution as reasonably determined by the Managing Member; and

(iv) The Carrying Values of such Properties shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such Properties pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and subparagraph (vi) of the definition of "Net Income" and "Net Loss" or Section 5.04(b)(vi); *provided*, *however*, that Carrying Values shall not be adjusted pursuant to this subparagraph (iv) to the extent that an adjustment pursuant to subparagraph (ii) is required in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv). If the Carrying Value of such Property has been determined or adjusted pursuant to subparagraph (i), (ii) or (iv), such Carrying Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset, for purposes of computing Net Income and Net Loss.

"**Class A Common Stock**" means Class A common stock, $0.01 par value per share, of Pubco.

"**Class B Common Stock**" means Class B common stock, $0.01 par value per share, of Pubco.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time.

"**Common Equivalents**" means (i) with respect to Units, the number of Units, (ii) with respect to any Equity Securities that are convertible into or exchangeable for Units, the number of Units issuable in respect of the conversion or exchange of such securities into Units.

"**Company Minimum Gain**" means "partnership minimum gain," as defined in Treasury Regulation Sections 1.704-2(b)(2) and 1.704-2(d).

"**Competitive Activity**" means (i) any business that competes with the business of the Company or any of its subsidiaries, or (ii) acquiring directly or through an Affiliate in the aggregate directly or beneficially, whether as a shareholder, partner, member or otherwise, any equity (including stock options or warrants, whether or not exercisable), voting or profit participation interests (collectively, "**Ownership Interests**") in a Competitive Enterprise (it being understood that this clause (ii) shall not apply to prohibit the holding of an Ownership Interest if (a) at the time of acquisition of such Ownership Interest, the Person in which such direct or indirect Ownership Interest is acquired is not a Competitive Enterprise and the Member is not aware at the time of such acquisition, after reasonable inquiry, that such Person has any plans to become a Competitive Enterprise or (b) such Ownership Interest is a passive ownership position of less than five percent (5%) in any company whose shares are publicly traded).

"**Competitive Enterprise**" means any Person or business enterprise (in any form, including without limitation as a corporation, partnership, limited liability company or other Person), or subsidiary, division, unit, group or portion thereof, whose primary business is engaging in a Competitive Activity (as reasonably determined by the Managing Member). For the sake of clarity, in the case of a subsidiary, division, unit, group or portion whose primary business is described above: (1) the larger business enterprise or Person owning such subsidiary, division, unit, group or portion shall not be deemed to be a Competitive Enterprise unless the primary business of such larger business enterprise or Person is engaged in a Competitive Activity and (2) the subsidiary, division, unit, group or portion whose primary business is engaging in a Competitive Activity shall be deemed a Competitive Enterprise.

"**Control**" (including the terms "**controlling**" and "**controlled**"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"**Covered Person**" means (i) each Member or an Affiliate thereof, in each case in such capacity, (ii) each officer, director, shareholder, member, partner, employee, representative, agent or trustee of a Member or an Affiliate thereof, in all cases in such capacity, and (iii) each officer, director, shareholder (other than any public shareholder of Pubco that is not a Member), member, partner, employee, representative, agent or trustee of the Managing Member, Pubco (in the event Pubco is not the Managing Member), the Company or an Affiliate controlled thereby, in all cases in such capacity.

"**Delaware Act**" means the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq*.

"**Depreciation**" means, for each Fiscal Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Fiscal Year, except that if the Carrying Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year, Depreciation shall be an amount that bears the same ratio to such beginning Carrying Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning adjusted tax basis; *provided*, *however*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero, Depreciation shall be determined with reference to such beginning Carrying Value using any reasonable method selected by the Managing Member.

"**DGCL**" means the State of Delaware General Corporation Law, as amended from time to time.

"**Equity Securities**" means, with respect to any Person, any (i) membership interests or shares of capital stock, (ii) equity, ownership, voting, profit or participation interests or (iii) similar rights or securities in such Person or any of its Subsidiaries, or any rights or securities convertible into or exchangeable for, options or other rights to acquire from such Person or any of its Subsidiaries, or obligation on the part of such Person or any of its Subsidiaries to issue, any of the foregoing.

"**Family Member**" shall mean with respect to any natural person, the spouse, parents, grandparents, lineal descendants, siblings of such person or such person's spouse, and lineal descendants of siblings of such person or such person's spouse. Lineal descendants shall include adopted persons, but only so long as they are adopted during minority.

"**Fiscal Year**" means the Company's fiscal year, which shall initially be the calendar year and which may be changed from time to time as determined by the Managing Member.

"**Governmental Authority**" means any transnational, domestic or foreign federal, state or local governmental, regulatory or administrative authority, department, court, agency or official, including any political subdivision thereof.

"**Indebtedness**" means (a) all indebtedness for borrowed money (including capitalized lease obligations, sale-leaseback transactions or other similar transactions,

however evidenced), (b) any other indebtedness that is evidenced by a note, bond, debenture, draft or similar instrument, (c) notes payable and (d) lines of credit and any other agreements relating to the borrowing of money or extension of credit.

"**Involuntary Transfer**" means any Transfer of Units by a Member resulting from (i) any seizure under levy of attachment or execution, (ii) any bankruptcy (whether voluntary or involuntary), (iii) any Transfer to a state or to a public officer or agency pursuant to any statute pertaining to escheat or abandoned property, (iv) any divorce or separation agreement or a final decree of a court in a divorce action or (v) death or permanent disability.

"**IPO**" means the initial underwritten public offering of Pubco.

"**IRS**" means the Internal Revenue Service of the United States.

"**Liens**" means any pledge, encumbrance, security interest, purchase option, conditional sale agreement, call or similar right.

"**LLC Unit**" means a common limited liability interest in the Company.

"**Managing Member**" means (i) Pubco so long as Pubco has not withdrawn as the Managing Member pursuant to Section 7.02 and (ii) any successor thereof appointed as Managing Member in accordance with Section 7.02.

"**Member**" means any Person named as a Member of the Company on the Member Schedule and the books and records of the Company, as the same may be amended from time to time to reflect any Person admitted as an Additional Member or a Substitute Member, for so long as such Person continues to be a Member of the Company.

"**Member Nonrecourse Debt**" has the same meaning as the term "partner nonrecourse debt" in Treasury Regulations Section 1.704-2(b)(4).

"**Member Nonrecourse Debt Minimum Gain**" means an amount with respect to each "partner nonrecourse debt" (as defined in Treasury Regulation Section 1.704-2(b)(4)) equal to the Company Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulation Section 1.752-1(a)(2)) determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

"**Member Nonrecourse Deductions**" has the same meaning as the term "partner nonrecourse deductions" in Treasury Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

"**Net Income**" and "**Net Loss**" mean, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such Fiscal Year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section

703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments (without duplication):

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of "Net Income" and "Net Loss" shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Section 705(a)(2)(B) of the Code or treated as Section 705(a)(2)(B) of the Code expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income and Net Loss pursuant to this definition of "Net Income" and "Net Loss," shall be treated as deductible items;

(iii) In the event the Carrying Value of any Company asset is adjusted pursuant to subparagraphs (ii) or (iii) of the definition of "Carrying Value," the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Carrying Value of the asset) or an item of loss (if the adjustment decreases the Carrying Value of the asset) from the disposition of such asset and shall be taken into account, immediately prior to the event giving rise to such adjustment, for purposes of computing Net Income and/or Net Loss;

(iv) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Carrying Value of the Property disposed of, notwithstanding that the adjusted tax basis of such Property differs from its Carrying Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year, computed in accordance with the definition of Depreciation;

(vi) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) of the Code is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Net Income or Net Loss; and

(vii) Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.04(b), Section 5.04(c)

and Section 5.04(d) shall not be taken into account in computing Net Income and Net Loss.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.04(b), Section 5.04(c) and Section 5.04(d) shall be determined by applying rules analogous to those set forth in subparagraphs (i) through (vi) above.

"**Non-Pubco Member**" means any Member that is not a Pubco Member.

"**Nonrecourse Deductions**" has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

"**Owned Shares**" with respect to each of the Members, as the case may be, the total number of shares of Class A Common Stock beneficially owned (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by such Member, in the aggregate and without duplication, as of the date of such calculation (determined on an "as-converted" basis taking into account any and all securities then convertible into, or exercisable or exchangeable for, shares of Class A Common Stock (including LLC Units and shares of Class B Common Stock exchangeable pursuant to Section [·] of this Agreement).

"**Percentage Interest**" means, with respect to any Member, a fractional amount, expressed as a percentage: (i) the numerator of which is the aggregate number of LLC Units owned of record thereby and (ii) the denominator of which is the aggregate number of LLC Units issued and outstanding. The sum of the outstanding Percentage Interests of all Members shall at all times equal 100%.

"**Permitted Transferee**" means, other than with respect to Pubco, Max and Dane, LLC and Evan and Jake, LLC, (a) any Member and (b) (i) in the case of any Member that is not a natural person, any Person that is an Affiliate of such Member, and (ii) in the case of any Member that is a natural person, (A) any Person to whom LLC Units are Transferred from such Member (1) by will or the laws of descent and distribution or (2) by gift without consideration of any kind; provided that, in the case of clause (2), such transferee is the spouse, the lineal descendant, sibling, parent, heir, executor, administrator, testamentary trustee, legatee or beneficiary of such Member, (B) a trust that is for the exclusive benefit of such Member or its Permitted Transferees under (A) above or (C) any institution qualified as tax-exempt under Section 501(c)(3) of the Code.

"**Person**" means any individual, firm, corporation, partnership, limited liability company, trust, estate, joint venture, governmental authority or other entity.

"**Prime Rate**" means the rate of interest from time to time identified by JP Morgan Chase, N.A. as being its "prime" or "reference" rate.

"**Property**" means an interest of any kind in any real, personal or intellectual (or mixed) property, including cash, and any improvements thereto, and shall include both tangible and intangible property.

"**Pubco Common Stock**" means all classes and series of common stock of Pubco, including the Class A Common Stock and Class B Common Stock.

"**Pubco Member**" means (i) Pubco and (ii) any Subsidiary of Pubco (other than the Company and its Subsidiaries) that is a Member.

"**Redeemed Units Equivalent**" means the product of (a) the Share Settlement, times (b) the Unit Redemption Price.

"**Registration Rights Agreement**" means the Registration Rights Agreement, dated as of the date hereof, by and among Pubco and each of the Non-Pubco Members.

"**Relative Percentage Interest**" means, with respect to any Member relative to another Member or Members, a fractional amount, expressed as a percentage, the numerator of which is the Percentage Interest of such Member; and the denominator of which is (x) the Percentage Interest of such Member plus (y) the aggregate Percentage Interest of such other Member or Members.

"**Reorganization Date Capital Account Balance**" means, with respect to any Member, the positive Capital Account balance of such Member as of immediately following the Reorganization, the amount or deemed value of which is set forth on the Member Schedule.

"**Reorganization Agreement**" means the Reorganization Agreement, dated as of [·], by and among Pubco, the Company and each of the Non-Pubco Members.

"**Reorganization Documents**" means the Reorganization Agreement; the Max and Dane, LLC Contribution Agreement; the First Evan and Jake, LLC Contribution Agreement; the Second Evan and Jake, LLC Contribution Agreement; the GHM Holdings, LLC Contribution Agreement; the TWIHG Holdings, LLC Contribution Agreement; the Class B Securities Purchase Agreement; the Goosehead Management Note Exchange Agreement; the Goosehead Management Note; the Texas Wasatch Note Exchange Agreement; the Texas Wasatch Note; the Max and Dane, LLC Exchange Agreement; the Evan and Jake, LLC Exchange Agreement; this Agreement the Tax Receivable Agreement; the Registration Rights Agreement; the Securities Purchase Agreement and the Stockholders Agreement.

"**Reserves**" means, as of any date of determination, amounts allocated by the Managing Member, in its reasonable judgment, to reserves maintained for working capital of the Company, for contingencies of the Company, for operating expenses and debt reduction of the Company.

"**SEC**" means the United States Securities and Exchange Commission.

"**Stockholders Agreement**" means the Stockholders Agreement, dated as of the date hereof, by and among Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille

LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P. and Goosehead Insurance, Inc.

"**Subsidiary**" means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of Equity Securities or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof.

"**Substantial Ownership Requirement**" means the beneficial ownership (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P. and any Permitted Transferees, collectively, of shares of common stock of Pubco representing at least ten percent (10%) of the issued and outstanding shares of the common stock of Pubco.

"**Substitute Member**" means any Person admitted as a Member of the Company pursuant to Section 3.02 in connection with the Transfer of then-existing Units to such Person.

"**Tax Distribution**" means a distribution made by the Company pursuant to Section 5.03(e)(i) or Section 5.03(e)(iii) or a distribution made by the Company pursuant to another provision of Section 5.03 but designated as a Tax Distribution pursuant to Section 5.03(e)(ii).

"**Tax Distribution Amount**" means, with respect to a Member's Units, whichever of the following applies with respect to the applicable Tax Distribution, in each case in amount not less than zero:

(i) With respect to a Tax Distribution pursuant to Section 5.03(e)(i), the excess, if any, of (A) such Member's required annualized income installment for such estimated payment date under Section 6655(e) of the Code, assuming that (w) such Member is a corporation (which assumption, for the avoidance of doubt, shall not affect the determination of the Tax Rate), (x) Section

6655(e)(2)(C)(ii) is in effect, (y) such Member's only income is from the Company, and (z) the Tax Rate applies, which amount shall be calculated based on the projections believed by the Managing Member in good faith to be, reasonable projections of the net taxable income to be allocated to such Units pursuant to this Agreement and without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code over (B) the aggregate amount of Tax Distributions designated by the Company pursuant to Section 5.03(e)(ii) with respect to such Units since the date of the previous Tax Distribution pursuant to Section 5.03(e)(i) (or if no such Tax Distribution was required to be made, the date such Tax Distribution would have been made pursuant to Section 5.03(e)(i)).

(ii) With respect to the designation of an amount as a Tax Distribution pursuant to Section 5.03(e)(ii), the product of (x) the net taxable income, determined without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code projected, in the good faith belief of the Managing Member, to be allocated to such Units pursuant to this Agreement during the period since the date of the previous Tax Distribution (or, if more recent, the date that the previous Tax Distribution pursuant to Section 5.03(e)(i) would have been made or, in the case of the first distribution pursuant to Section 5.03(e)(i)Section 5.03(b), the date of this Agreement), and (y) the Tax Rate.

(iii) With respect to an entire Fiscal Year to be calculated for purposes of Section 5.03(e)(iii), the excess, if any, of (A) the product of (x) the net taxable income, determined without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code, allocated to such Units pursuant to this Agreement for the relevant Fiscal Year, and (y) the Tax Rate, over (B) the aggregate amount of Tax Distributions (other than Tax Distributions under Section 5.03(e)(iii) with respect to a prior Fiscal Year) with respect to such Units made with respect to such Fiscal Year.

For purposes of this Agreement, in determining the Tax Distribution Amount of a Member, the taxable income allocated to such Member's Units shall be offset by any taxable losses (determined without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code) previously allocated to such Units to the extent such losses were not allocated in the same proportion as the Member's Percentage Interests and have not previously offset taxable income in the determination of the Tax Distribution Amount.

"**Tax Rate**" means the highest marginal tax rates for an individual or corporation that is resident in the State of Texas applicable to ordinary income, qualified dividend income or capital gains, as appropriate, taking into account the holding period of the assets disposed of and the year in which the taxable net income is recognized by the Company, and taking into account the deductibility of state and local income taxes as applicable at the time for federal income tax purposes and any limitations thereon including pursuant to Section 68 of the Code, which Tax Rate shall be the same for all Members.

"**Tax Receivable Agreement**" means the Tax Receivable Agreement, dated as of the date hereof, by and among Pubco and each of the Non-Pubco Members.

"**Trading Day**" means a day on which the principal U.S. securities exchange on which the Class A Common Stock is listed or admitted to trading is open for the transaction of business (unless such trading shall have been suspended for the entire day).

"**Transfer**" means any sale, assignment, transfer, exchange, gift, bequest, pledge, hypothecation or other disposition or encumbrance, direct or indirect, in whole or in part, by operation of law or otherwise, and shall include all matters deemed to constitute a Transfer under Article 8. The terms "**Transferred**", "**Transferring**", "**Transferor**", "**Transferee**" and "**Transferable**" have meanings correlative to the foregoing.

"**Treasury Regulations**" mean the regulations promulgated under the Code, as amended from time to time.

"**Units**" means LLC Units or any other class of limited liability interests in the Company designated by the Company after the date hereof in accordance with this Agreement; *provided* that any type, class or series of Units shall have the designations, preferences and/or special rights set forth or referenced in this Agreement, and the membership interests of the Company represented by such type, class or series of Units shall be determined in accordance with such designations, preferences and/or special rights.

"**Unit Redemption Price**" means the arithmetic average of the volume weighted average prices for a share of Class A Common Stock on the principal U.S. securities exchange or automated or electronic quotation system on which the Class A Common Stock trades, as reported by *The Wall Street Journal* or its successor, for each of the three (3) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the date of Redemption, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Class A Common Stock. If the Class A Common Stock no longer trades on a securities exchange or automated or electronic quotation system, then the Unit Redemption Price shall be determined in good faith by a committee of the Board composed of a majority of the directors of Pubco that do not have an interest in the LLC Units being redeemed.

(b) Each of the following terms is defined in the Section set forth opposite such term:

"Agreement"	Preamble
"Call Member"	9.02(a)
"Call Notice"	9.02(a)
"Call Units"	9.02(a)

“Cash Settlement”	Section 10.01(b)
“Company”	Preamble
“Company Parties”	9.01(b)
“Confidential Information”	13.11(b)
“Contribution Notice”	10.01(b)
“Controlled Entities”	11.02(e)
“Direct Exchange”	10.03(a)
“Dispute”	14.01
“Dissolution Event”	12.01(c)
“Economic Pubco Security”	4.01(a)
“e-mail”	13.03
“Exchange Election Notice”	10.03(b)
“Expenses”	11.02(e)
“GAAP”	3.03(b)
“Indemnification Sources”	11.02(e)
“Indemnitee-Related Entities”	11.02(e)(i)
“Initial LLC Agreement”	Recitals
“Initiating Party”	14.01
“Jointly Indemnifiable Claims”	11.02(e)(ii)
“Member Parties”	13.11
“Member Schedule”	3.01(b)
“Officers”	7.05(a)
“Panel”	14.01
“Pubco”	Preamble
“Pubco Offer”	10.04(a)

“Redeemed Units”	10.01(a)
“Redeeming Member”	10.01(a)
“Redemption”	10.01(a)
“Redemption Date”	10.01(a)
“Redemption Notice”	10.01(a)
“Redemption Right”	10.01(a)
“Regulatory Allocations”	5.04(c)
“Reorganization”	Recitals
“Reorganization Agreement”	Recitals
“Responding Party”	14.01
“Retraction Notice”	10.01(b)
“Revaluation”	5.02(c)
“Share Settlement”	Section 10.01(b)
“Tax Matters Partner”	6.01
“Tax Matters Representative”	6.01
“Transferor Member”	5.02(b)
“Withholding Advances”	5.06(b)

Section 1.02. *Other Definitional and Interpretative Provisions*. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections and Schedules are to Articles, Sections and Schedules of this Agreement unless otherwise specified. All Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to

any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to "law", "laws" or to a particular statute or law shall be deemed also to include any Applicable Law. As used in this Agreement, all references to "majority in interest" and phrases of similar import shall be deemed to refer to such percentage or fraction of interest based on the Relative Percentage Interests of the Members subject to such determination. Unless otherwise expressly provided herein, when any approval, consent or other matter requires any action or approval of any group of Members, including any holders of any class of Units, such approval, consent or other matter shall require the approval of a majority in interest of such group of Members. Except to the extent otherwise expressly provided herein, all references to any Member shall be deemed to refer solely to such Person in its capacity as such Member and not in any other capacity.

ARTICLE 2
THE COMPANY

Section 2.01. *Formation*. The Company was formed upon the filing of the certificate of formation of the Company with the Secretary of State of the State of Delaware on December 22, 2015. The authorized officer or representative, as an "authorized person" within the meaning of the Delaware Act, shall file and record any amendments and/or restatements to the certificate of formation of the Company and such other certificates and documents (and any amendments or restatements thereof) as may be required under the laws of the State of Delaware and of any other jurisdiction in which the Company may conduct business. The authorized officer or representative shall, on request, provide any Member with copies of each such document as filed and recorded. The Members hereby agree that the Company and its Subsidiaries shall be governed by the terms and conditions of this Agreement and, except as provided herein, the Delaware Act.

Section 2.02. *Name*. The name of the Company shall be Goosehead Financial, LLC; provided that the Managing Member may change the name of the Company to such other name as the Managing Member shall determine in its sole discretion, and shall have the authority to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be required by Applicable Law or as, in the reasonable judgment of the Managing Member, may be necessary or advisable to effect such change.

Section 2.03. *Term*. The Company shall have perpetual existence unless sooner dissolved and its affairs wound up as provided in Article 11.

Section 2.04. *Registered Agent and Registered Office*. The name of the registered agent of the Company for service of process on the Company in the State of

Delaware shall be Corporation Service Company, and the address of such registered agent and the address of the registered office of the Company in the State of Delaware shall be Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808. Such office and such agent may be changed to such place within the State of Delaware and any successor registered agent, respectively, as may be determined from time to time by the Managing Member in accordance with the Delaware Act.

Section 2.05. *Purposes*. The Company has been formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is to engage in the Business and to carry on any other lawful act or activities for which limited liability companies may be organized under the Delaware Act.

Section 2.06. *Powers of the Company*. The Company shall have the power and authority to take any and all actions necessary, appropriate or advisable to or for the furtherance of the purposes set forth in Section 2.05.

Section 2.07. *Partnership Tax Status*. The Members intend that the Company shall be treated as a partnership for federal, state and local income tax purposes to the extent such treatment is available, and agree to take (or refrain from taking) such actions as may be necessary to receive and maintain such treatment and refrain from taking any actions inconsistent thereof.

Section 2.08. *Regulation of Internal Affairs*. The internal affairs of the Company and the conduct of its business shall be regulated by this Agreement, and to the extent not provided for herein, shall be determined by the Managing Member.

Section 2.09. *Ownership of Property*. Legal title to all Property, conveyed to, or held by the Company or its Subsidiaries shall reside in the Company or its Subsidiaries and shall be conveyed only in the name of the Company or its Subsidiaries and no Member or any other Person, individually, shall have any ownership of such Property.

Section 2.10. *Subsidiaries*. The Company shall cause the business and affairs of each of the Subsidiaries to be managed by the Managing Member in accordance with and in a manner consistent with this Agreement.

Section 2.11. *Qualification in Other Jurisdictions*. The Managing Member shall execute, deliver and file certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in the jurisdictions in which the Company may wish to conduct business. In those jurisdictions in which the Company may wish to conduct business in which qualification or registration under assumed or fictitious names is required or desirable, the Managing Member shall cause the Company to be so qualified or registered in compliance with Applicable Law.

ARTICLE 3
UNITS; MEMBERS; BOOKS AND RECORDS; REPORTS

Section 3.01. *Units; Admission of Members*. (a) Each Member's interest in the Company, including such Member's interest, if any, in the capital, income, gain, loss, deduction and expense of the Company and the right to vote, if any, on certain Company matters as provided in this Agreement, shall be represented by Units. The ownership by a Member of Units shall entitle such Member to allocations of profits and losses and other items and distributions of cash and other property as is set forth in Article 5. Units shall be issued in non-certificated form.

(b) Effective upon the Reorganization, pursuant to Section 2.01(a)(iii) of the Reorganization Agreement, (i) Pubco has been admitted to the Company as the Managing Member and (ii) the Company has hereby reclassified all of its outstanding equity interests outstanding into an aggregate of [●] LLC Units. After giving effect to the reclassification described in clause (ii) above and the Reorganization , each of the Persons listed on Schedule A (the "**Member Schedule**") owns the number of LLC Units set forth opposite such Member's name on the Member Schedule. The Member Schedule shall be maintained by the Managing Member on behalf of the Company in accordance with this Agreement and, upon any subsequent update to the Member Schedule, the Managing Member shall promptly deliver a copy of such updated Member Schedule to each of the Members. When any Units or other Equity Securities of the Company are issued, repurchased, redeemed, converted or Transferred in accordance with this Agreement, the Member Schedule shall be amended by the Managing Member to reflect such issuance, repurchase, redemption or Transfer, the admission of additional or substitute Members and the resulting Percentage Interest of each Member. Following the date hereof, no Person shall be admitted as a Member and no additional Units shall be issued except as expressly provided herein.

(c) The Managing Member may cause the Company to authorize and issue from time to time such other Units or other Equity Securities of any type, class or series and having the designations, preferences and/or special rights as may be determined by the Managing Member. Such Units or other Equity Securities may be issued pursuant to such agreements as the Managing Member shall approve with respect to Persons employed by or otherwise performing services for the Company or any of its Subsidiaries, other equity compensation agreements, options or warrants. When any such other Units or other Equity Securities are authorized and issued, the Member Schedule and this Agreement shall be amended by the Managing Member to reflect such additional issuances and resulting dilution, which shall be borne pro rata by all Members based on their LLC Units.

Section 3.02. *Substitute Members and Additional Members*. (a) No Transferee of any Units or Person to whom any Units are issued pursuant to this Agreement shall be admitted as a Member hereunder or acquire any rights hereunder, including any voting rights or the right to receive distributions and allocations in respect of the Transferred or issued Units, as applicable, unless (i) such Units are Transferred or issued in compliance with the provisions of this Agreement (including Article 8), (ii) such Transferee or

recipient shall have executed and delivered to the Company such instruments as the Managing Member deems necessary or desirable, in its reasonable discretion, to effectuate the admission of such Transferee or recipient as a Member and to confirm the agreement of such Transferee or recipient to be bound by all the terms and provisions of this Agreement, (iii) the Managing Member shall have received the opinion of counsel, if any, required by Section 3.02(b) in connection with such Transfer and (iv) all necessary instruments reflecting such Transfer and/or admission shall have been filed in each jurisdiction in which such filling is necessary in order to qualify the company to conduct business or to preserve the limited liability of the Members. Upon complying with the immediately preceding sentence, without the need for any further action of any Person, a Transferee or recipient shall be deemed admitted to the Company as a Member. A Substitute Member shall enjoy the same rights, and be subject to the same obligations, as the Transferor; *provided* that such Transferor shall not be relieved of any obligation or liability hereunder arising prior to the consummation of such Transfer but shall be relieved of all future obligations with respect to the Units so Transferred. As promptly as practicable after the admission of any Person as a Member, the books and records of the Company shall be changed to reflect such admission of a Substitute Member or Additional Member. In the event of any admission of a Substitute Member or Additional Member pursuant to this Section 3.02(a), this Agreement shall be deemed amended to reflect such admission, and any formal amendment of this Agreement (including the Member Schedule) in connection therewith shall only require execution by the Company and such Substitute Member or Additional Member, as applicable, to be effective.

(b) As a further condition to any Transfer of all or any part of a Member's Units, the Managing Member may, in its discretion, require a written opinion of counsel to the transferring Member reasonably satisfactory to the Managing Member, obtained at the sole expense of the transferring Member, reasonably satisfactory in form and substance to the Managing Member, as to such matters as are customary and appropriate in transactions of this type, including, without limitation (or, in the case of any Transfer made to a Permitted Transferee, limited to an opinion) to the effect that such Transfer will not result in a violation of the registration or other requirements of the Securities Act or any other federal or state securities laws. No such opinion, however, shall be required in connection with a Transfer made pursuant to Section [●] of this Agreement.

(c) If a Member shall Transfer all (but not less than all) its Units, the Member shall thereupon cease to be a Member of the Company.

(d) All reasonable costs and expenses incurred by the Managing Member and the Company in connection with any Transfer of a Member's Units, including any filing and recording costs and the reasonable fees and disbursements of counsel for the Company, shall be paid by the transferring Member. In addition, the transferring Member hereby indemnifies the Managing Member and the Company against any losses, claims, damages or liabilities to which the Managing Member, the Company, or any of their Affiliates may become subject arising out of or based upon any false representation or warranty made by, or breach or failure to comply with any covenant or agreement of, such transferring Member or such transferee in connection with such Transfer.

(e) In connection with any Transfer of any portion of a Member's Units pursuant to Article 10 of this Agreement, the Managing Member shall cause the Company to take any action as may be required under Section [●] of this Agreement or requested by any party thereto to effect such Transfer promptly.

Section 3.03. *Tax and Accounting Information*. (a) *Accounting Decisions and Reliance on Others*. All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by the Managing Member in accordance with Applicable Law and with accounting methods followed for federal income tax purposes. In making such decisions, the Managing Member may rely upon the advice of the independent accountants of the Company.

(b) *Records and Accounting Maintained*. The books and records of the Company shall be kept, and the financial position and the results of its operations recorded, in all material respects in accordance with United States generally accepted accounting principles as in effect from time to time ("**GAAP**"). The Fiscal Year of the Company shall be used for financial reporting and for federal income tax purposes.

(c) *Financial Reports*.

(i) The books and records of the Company shall be audited as of the end of each Fiscal Year by the same accounting firm that audits the books and records of Pubco (or, if such firm declines to perform such audit, by an accounting firm selected by the Managing Member).

(ii) In the event neither Pubco nor the Company is required to file an annual report on Form 10-K or quarterly report on Form 10-Q, the Company shall deliver, or cause to be delivered, the following to Pubco and each of the Non-Pubco Members, in each case for so long as the Substantial Ownership Requirement is met:

(A) not later than ninety (90) days after the end of each Fiscal Year of the Company, a copy of the audited consolidated balance sheet of the Company and its Subsidiaries as of the end of such Fiscal Year and the related statements of operations and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous year, all in reasonable detail; and

(B) not later than forty five (45) days or such later time as permitted under applicable securities law after the end of each of the first three fiscal quarters of each Fiscal Year, the unaudited consolidated balance sheet of the Company and its Subsidiaries, and the related statements of operations and cash flows for such quarter and for the period commencing on the first day of the Fiscal Year and ending on the last day of such quarter.

(d) *Tax Returns*.

(i) The Company shall timely prepare or cause to be prepared by an accounting firm selected by the Managing Member all federal, state, local and foreign tax returns (including information returns) of the Company and its Subsidiaries, which may be required by a jurisdiction in which the Company and its Subsidiaries operate or conduct business for each year or period for which such returns are required to be filed and shall cause such returns to be timely filed. Upon request of any Member, the Company shall furnish to such Member a copy of each such tax return;

(ii) The Company shall furnish to each Member (a) as soon as reasonably practical after the end of each Fiscal Year and in any event by April 30, all information concerning the Company and its Subsidiaries required for the preparation of tax returns of such Members (or any beneficial owner(s) of such Member), including a report (including Schedule K-1), indicating each Member's share of the Company's taxable income, gain, credits, losses and deductions for such year, in sufficient detail to enable such Member to prepare its federal, state and other tax returns; *provided* that estimates of such information believed by the Managing Member in good faith to be reasonable shall be provided by March 10, (b) as soon as reasonably possible after the close of the relevant fiscal period, but in no event later than ten days prior to the date an estimated tax payment is due, such information concerning the Company as is required to enable such Member (or any beneficial owner of such Member) to pay estimated taxes and (c) as soon as reasonably possible after a request by such Member, such other information concerning the Company and its Subsidiaries that is reasonably requested by such Member for compliance with its tax obligations (or the tax obligations of any beneficial owner(s) of such Member) or for tax planning purposes; and

(iii) For so long as the Substantial Ownership Requirement is met, each Non-Pubco Member shall be entitled to review and comment on any tax returns or reports to be prepared pursuant to this Section 3.03(d) at least 60 days prior to the due date for the applicable tax return or report (including extensions). Each Non-Pubco Member shall notify the Company no later than 30 days after receipt of a tax return or report of any changes recommended thereby to such return or report. The Company shall consider in good faith all reasonable comments of the Non-Pubco Members to such tax returns or reports. If the Company does not accept any such comment, the Company shall notify the such Non-Pubco Member of that fact. If within five (5) days of such notification, a Non-Pubco Member request in writing a review of a rejected comment, the Company shall cause its regular tax advisors to review the comment and consult with such Non-Pubco Member. The determination of the tax advisors following such review and consultation shall definitively determine the position taken on the Company's tax return or report.

(e) *Inconsistent Positions*. No Member shall take a position on its income tax return with respect to any item of Company income, gain, deduction, loss or credit that is different from the position taken on the Company's income tax return with respect to such item unless such Member notifies the Company of the different position the Member desires to take and the Company's regular tax advisors, after consulting with the

Member, are unable to provide an opinion that (after taking into account all of the relevant facts and circumstances) the arguments in favor of the Company's position outweigh the arguments in favor of the Member's position.

Section 3.04. *Books and Records*. The Company shall keep full and accurate books of account and other records of the Company at its principal place of business. For so long as the Substantial Ownership Requirement is met, each Non-Pubco Member shall have any right to inspect the books and records of Pubco, the Company or any of its Subsidiaries; *provided* that (i) such inspection shall be at reasonable times and upon reasonable prior notice to the Company, but not more frequently than once per calendar quarter and (ii) neither Pubco, the Company nor any of its Subsidiaries shall be required to disclose (x) any information the Managing Member determines to be competitively sensitive or (y) any privileged information of Pubco, the Company or any of its Subsidiaries so long as the Company has used commercially reasonable efforts to enter into an arrangement pursuant to which it may provide such information to the Non-Pubco Members, as the case may be, without the loss of any such privilege.

ARTICLE 4
PUBCO OWNERSHIP; RESTRICTIONS ON PUBCO STOCK

Section 4.01. *Pubco Ownership*. (a) Except as otherwise determined by Pubco, if at any time Pubco issues a share of Class A Common Stock any other Equity Security of Pubco entitled to any economic rights (including in the IPO) (an "**Economic Pubco Security**") with regard thereto (other than Class B Common Stock, or other Equity Security of Pubco not entitled to any economic rights with respect thereto), (i) the Company shall issue to Pubco one LLC Unit (if Pubco issues a share of Class A Common Stock) or such other Equity Security of the Company (if Pubco issues an Economic Pubco Security other than Class A Common Stock) corresponding to the Economic Pubco Security, and with substantially the same rights to dividends and distributions (including distributions upon liquidation) and other economic rights as those of such Economic Pubco Security and (ii) the net proceeds received by Pubco with respect to the corresponding Economic Pubco Security, if any, shall be concurrently contributed to the Company; *provided*, *however*, that if Pubco issues any Economic Pubco Securities, some or all of the net proceeds of which are to be used to fund expenses or other obligations of Pubco for which Pubco would be permitted a distribution pursuant to Section 5.03(c), then Pubco shall not be required to transfer such net proceeds to the Company which are used or will be used to fund such expenses or obligations and *provided, further*, that if Pubco issues any shares of Class A Common Stock (including in the IPO) in order to purchase or fund the purchase from a Non-Pubco Member of a number of LLC Units (and shares of Class B Common Stock) or to purchase or fund the purchase of shares of Class A Common Stock, in each case equal to the number of shares of Class A Common Stock issued, then the Company shall not issue any new LLC Units in connection therewith and Pubco shall not be required to transfer such net proceeds to the Company (it being understood that such net proceeds shall instead be transferred to such Non-Pubco Member as consideration for such purchase).

(b) For the avoidance of doubt, this Article 4 shall apply to the issuance and distribution to holders of shares of Pubco Common Stock of rights to purchase Equity Securities of Pubco under a "poison pill" or similar shareholders rights plan (it also being understood that upon redemption or exchange of LLC Units (including any such right to purchase LLC Units in the Company) for shares of Class A Common Stock, such Class A Common Stock will be issued together with a corresponding right to purchase Equity Securities of Pubco).

(c) If at any time Pubco issues one or more shares of Class A Common Stock in connection with an equity incentive program, whether such share or shares are issued upon exercise of an option, settlement of a restricted stock unit, as restricted stock or otherwise, the Company shall issue to Pubco a corresponding number of LLC Units; provided that Pubco shall be required to concurrently contribute the net proceeds (if any) received by Pubco from or otherwise in connection with such corresponding issuance of one or more shares of Class A Common Stock, including the exercise price of any option exercised, to the Company. If any such shares of Class A Common Stock so issued by Pubco in connection with an equity incentive program are subject to vesting or forfeiture provisions, then the LLC Units that are issued by the Company to Pubco in connection therewith in accordance with the preceding provisions of this Section 4.01(c) shall be subject to vesting or forfeiture on the same basis; if any, of such shares of Class A Common Stock vest or are forfeited, then a corresponding number of the LLC Units issued by the Company in accordance with the preceding provisions of this Section 4.01(c) shall automatically vest or be forfeited. Any cash or property held by either Pubco or the Company or on either's behalf in respect of dividends paid on restricted Class A Common Stock that fails to vest shall be returned to the Company upon the forfeiture of such restricted Class A Common Stock.

Section 4.02. *Restrictions on Pubco Common Stock*. (a) Except as otherwise determined by the Managing Member in accordance with Section 4.02(d), (i) the Company may not issue any additional LLC Units to Pubco or any of its Subsidiaries unless substantially simultaneously therewith Pubco or such Subsidiary issues or sells an equal number of shares of Class A Common Stock to another Person, (ii) the Company may not issue any additional LLC Units to any Person (other than Pubco or any of its Subsidiaries) unless simultaneously therewith Pubco issues or sells an equal number of shares of Class B Common Stock to such Person and (iii) the Company may not issue any other Equity Securities of the Company to Pubco or any of its Subsidiaries unless substantially simultaneously therewith, Pubco or such Subsidiary issues or sells, to another Person, an equal number of shares of a new class or series of Equity Securities of Pubco or such Subsidiary with substantially the same rights to dividends and distributions (including distributions upon liquidation) and other economic rights as those of such Equity Securities of the Company.

(b) Except as otherwise determined by the Managing Member in accordance with Section 4.02(d), (i) Pubco or any of its Subsidiaries may not redeem, repurchase or otherwise acquire any shares of Class A Common Stock unless substantially simultaneously therewith the Company redeems, repurchases or otherwise acquires from Pubco or any of its Subsidiaries an equal number of LLC Units for the same price per

security (or, if Pubco uses funds received from distributions from the Company or the net proceeds from an issuance of Class A Common Stock to fund such redemption, repurchase or acquisition, then the Company shall cancel an equal number of LLC Units for no consideration) and (ii) Pubco or any of its Subsidiaries may not redeem or repurchase any other Equity Securities of Pubco unless substantially simultaneously therewith the Company redeems or repurchases from Pubco or any of its Subsidiaries an equal number of Equity Securities of the Company of a corresponding class or series with substantially the same rights to dividends and distributions (including distributions upon liquidation) or other economic rights as those of such Equity Securities of Pubco for the same price per security (or, if Pubco uses funds received from distributions from the Company or the net proceeds from an issuance of Equity Securities other than Class A Common Stock to fund such redemption, repurchase or acquisition, then the Company shall cancel an equal number of its corresponding Equity Securities for no consideration). Except as otherwise determined by the Managing Member in accordance with Section 4.02(d), (x) the Company may not redeem, repurchase or otherwise acquire LLC Units from Pubco or any of its Subsidiaries unless substantially simultaneously Pubco or such Subsidiary redeems, repurchases or otherwise acquires an equal number of Class A Common Stock for the same price per security from holders thereof (except that if the Company cancels LLC Units for no consideration as described in Section 4.02(b)(i), then the price per security need not be the same) and (y) the Company may not redeem, repurchase or otherwise acquire any other Equity Securities of the Company from Pubco or any of its Subsidiaries unless substantially simultaneously Pubco or such Subsidiary redeems, repurchases or otherwise acquires for the same price per security an equal number of Equity Securities of Pubco of a corresponding class or series with substantially the same rights to dividends and distributions (including dividends and distributions upon liquidation) and other economic rights as those of such Equity Securities of Pubco (except that if the Company cancels Equity Securities for no consideration as described in Section 4.02(b)(ii), then the price per security need not be the same). Notwithstanding the immediately preceding sentence, to the extent that any consideration payable to Pubco in connection with the redemption or repurchase of any shares or other Equity Securities of Pubco or any of its Subsidiaries consists (in whole or in part) of shares or such other Equity Securities (including, for the avoidance of doubt, in connection with the cashless exercise of an option or warrant), then redemption or repurchase of the corresponding LLC Units or other Equity Securities of the Company shall be effectuated in an equivalent manner (except if the Company cancels LLC Units or other Equity Securities for no consideration as described in this Section 4.02(b)).

(c) The Company shall not in any manner effect any subdivision (by any stock or unit split, stock or unit dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock or unit split, reclassification, reorganization, recapitalization or otherwise) of the outstanding LLC Units unless accompanied by a substantively identical subdivision or combination, as applicable, of the outstanding Pubco Common Stock, with corresponding changes made with respect to any other exchangeable or convertible securities. Pubco shall not in any manner effect any subdivision (by any stock or unit split, stock or unit dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock or unit split, reclassification, reorganization, recapitalization or

otherwise) of the outstanding Pubco Common Stock unless accompanied by a substantively identical subdivision or combination, as applicable, of the outstanding LLC Units, with corresponding changes made with respect to any other exchangeable or convertible securities.

(d) Notwithstanding anything to the contrary in this Article 4:

(i) if at any time the Managing Member shall determine that any debt instrument of Pubco, the Company or its Subsidiaries shall not permit Pubco or the Company to comply with the provisions of Section 4.02(a) or Section 4.02(b) in connection with the issuance, redemption or repurchase of any shares of Class A Common Stock or other Equity Securities of Pubco or any of its Subsidiaries or any Units or other Equity Securities of the Company, then the Managing Member may in good faith implement an economically equivalent alternative arrangement without complying with such provisions; *provided* that, in the case that any such alternative arrangement is implemented because of restrictions in any debt instrument, such arrangement shall also be subject to the prior written consent (not to be unreasonably withheld) of each of the Non-Pubco Members, in each case for so long as the Substantial Ownership Requirement is met; and

(ii) if (x) Pubco incurs any indebtedness and desires to transfer the proceeds of such indebtedness to the Company and (y) Pubco is unable to lend the proceeds of such indebtedness to the Company on an equivalent basis because of restrictions in any debt instrument of Pubco, the Company or its Subsidiaries, then notwithstanding Section 4.02(a) or Section 4.02(b), the Managing Member may in good faith implement an economically equivalent alternative arrangement in connection with the transfer of proceeds to the Company using non-participating preferred Equity Securities of the Company without complying with such provisions; *provided* that, in the case that any such alternative arrangement is implemented because of restrictions in any debt instrument, such arrangement shall also be subject to the prior written consent (not to be unreasonably withheld) of each of the Non-Pubco Members, in each case for so long as the Substantial Ownership Requirement is met.

ARTICLE 5
CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS ; DISTRIBUTIONS; ALLOCATIONS

Section 5.01. *Capital Contributions*. (a) From and after the date hereof, no Member shall have any obligation to the Company, to any other Member or to any creditor of the Company to make any further Capital Contribution, except as expressly provided in Section 4.01(a).

(b) Except as expressly provided herein, no Member, in its capacity as a Member, shall have the right to receive any cash or any other property of the Company.

Section 5.02. *Capital Accounts*.

(a) *Maintenance of Capital Accounts*. The Company shall maintain a Capital Account for each Member on the books of the Company in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv) and, to the extent consistent with such provisions, the following provisions:

(i) Each Member listed on the Member Schedule shall be credited with the Reorganization Date Capital Account Balance set forth on the Member Schedule. The Member Schedule shall be amended by the Managing Member after the closing of the IPO and from time to time to reflect adjustments to the Members' Capital Accounts made in accordance with Sections 5.02(a)(ii), 5.02(a)(iii), 5.02(a)(iv), 5.02(c) or otherwise.

(ii) To each Member's Capital Account there shall be credited: (A) such Member's Capital Contributions, (B) such Member's distributive share of Net Income and any item in the nature of income or gain that is allocated pursuant to Section 5.04 and (C) the amount of any Company liabilities assumed by such Member or that are secured by any Property distributed to such Member.

(iii) To each Member's Capital Account there shall be debited: (A) the amount of money and the Carrying Value of any Property distributed to such Member pursuant to any provision of this Agreement, (B) such Member's distributive share of Net Loss and any items in the nature of expenses or losses that are allocated to such Member pursuant to Section 5.04 and (C) the amount of any liabilities of such Member assumed by the Company or that are secured by any Property contributed by such Member to the Company.

(iv) In determining the amount of any liability for purposes of subparagraphs (ii) and (iii) above there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and the Treasury Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations. In the event that the Managing Member shall reasonably determine that it is prudent to modify the manner in which the Capital Accounts or any debits or credits thereto are maintained (including debits or credits relating to liabilities that are secured by contributed or distributed Property or that are assumed by the Company or the Members), the Managing Member may make such modification so long as such modification will not have any effect on the amounts distributed to any Person pursuant to Article 11 upon the dissolution of the Company. The Managing Member also shall (i) make any adjustments that are necessary or appropriate to maintain equality between Capital Accounts of the Members and the amount of capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulations Section 1.704-1(b).

(b) *Succession to Capital Accounts*. In the event any Person becomes a Substitute Member in accordance with the provisions of this Agreement, such Substitute Member shall succeed to the Capital Account of the former Member (the "**Transferor Member**") to the extent such Capital Account relates to the Transferred Units.

(c) *Adjustments of Capital Accounts*. The Company shall revalue the Capital Accounts of the Members in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f) (a "**Revaluation**") at the following times: (i) immediately prior to the contribution of more than a de minimis amount of money or other property to the Company by a new or existing Member as consideration for one or more Units; (ii) the distribution by the Company to a Member of more than a de minimis amount of property in respect of one or more Units; (iii) the issuance by the Company of more than a de minimis amount of Units as consideration for the provision of services to or for the benefit of the Company (as described in Treasury Regulations Section 1.704-1(b)(2)(iv)(f)(5)(iii)); and (iv) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g) (other than a liquidation pursuant to Section 708(b)(1)(B) of the Code); provided, however, that adjustments pursuant to clauses (i), (ii) and (iii) above shall be made only if the Managing Member reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interest of the Members.

(d) No Member shall be entitled to withdraw capital or receive distributions except as specifically provided herein. A Member shall have no obligation to the Company, to any other Member or to any creditor of the Company to restore any negative balance in the Capital Account of such Member. Except as expressly provided elsewhere herein, no interest shall be paid on the balance in any Member's Capital Account.

(e) Whenever it is necessary for purposes of this Agreement to determine a Member's Capital Account on a per Unit basis, such amount shall be determined by dividing the Capital Account of such Member attributable to the applicable class of Units held of record by such Member by the number of Units of such class held of record by such Member.

(f) Notwithstanding anything to the contrary in this Section 5.02, it is intended that each Member's Capital Account per Unit be equal to each of the other Member's Capital Account per Unit. If at any time there is a difference between a Member's Capital Account per Unit and the other Members' Capital Accounts per Unit, the Company shall make appropriate adjustments with respect to the Members' Capital Accounts to eliminate or minimize such difference.

Section 5.03. *Amounts and Priority of Distributions*. (a) *Distributions Generally*. Except as otherwise provided in Section 11.02, distributions shall be made to the Members as set forth in this Section 5.03, at such times and in such amounts as the Managing Member, in its sole discretion, shall determine.

(b) *Distributions to the Members*. Subject to Sections 5.03(e), and 5.03(f), at such times and in such amounts as the Managing Member, in its sole discretion, shall

determine, distributions shall be made to the Members in proportion to their respective Percentage Interests.

(c) *Pubco Distributions*. Notwithstanding the provisions of Section 5.03(b), the Managing Member, in its sole discretion, may authorize that (i) cash be paid to Pubco or any of its Subsidiaries (which payment shall be made without pro rata distributions to the other Members) in exchange for the redemption, repurchase or other acquisition of Units held by Pubco or any of its Subsidiaries to the extent that such cash payment is used to redeem, repurchase or otherwise acquire an equal number of shares of Class A Common Stock in accordance with Section 4.02(b) in accordance with Section 12.01.

(d) *Distributions in Kind*. Any distributions in kind shall be made at such times and in such amounts as the Managing Member, in its sole discretion, shall determine based on their fair market value as determined by the Managing Member in the same proportions as if distributed in accordance with Section 5.03(b), with all Members participating in proportion to their respective Percentage Interests. If cash and property are to be distributed in kind simultaneously, the Company shall distribute such cash and property in kind in the same proportion to each Member.

(e) *Tax Distributions*.

(i) Notwithstanding any other provision of this Section 5.03 to the contrary, to the extent permitted by Applicable Law and consistent with the Company's obligations to its creditors as reasonably determined by the Managing Member, the Company shall make cash distributions by wire transfer of immediately available funds pursuant to this Section 5.03(e)(i) to each Member with respect to its Units at least two (2) Business Days prior to the date on which any U.S. federal corporate estimated tax payments are due, in an amount equal to such Member's Tax Distribution Amount, if any; *provided* that the Managing Member shall have no liability to any Member in connection with any underpayment of estimated taxes, so long as cash distributions are made in accordance with this Section 5.03(e)(i) and the Tax Distribution Amounts are determined as provided in paragraph (i) of the definition of Tax Distribution Amount.

(ii) On any date that the Company makes a distribution to the Members with respect to their Units under a provision of Section 5.03 other than this Section 5.03(e), if the Tax Distribution Amount is greater than zero, the Company shall designate all or a portion of such distribution as a Tax Distribution with respect to a Member's Units to the extent of the Tax Distribution Amount with respect to such Member's Units as of such date (but not to exceed the amount of such distribution). For the avoidance of doubt, such designation shall be performed with respect to all Members with respect to which there is a Tax Distribution Amount as of such date.

(iii) Notwithstanding any other provision of this Section 5.03 to the contrary, if the Tax Distribution Amount for such Fiscal Year is greater than zero,

to the extent permitted by Applicable Law and consistent with the Company's obligations to its creditors as reasonably determined by the Managing Member, the Company shall make additional distributions under this Section 5.03(e)(iii) to the extent of such Tax Distribution Amount for such Fiscal Year as soon as reasonably practicable after the end of such Fiscal Year (or as soon as reasonably practicable after any event that subsequently adjusts the taxable income of such Fiscal Year).

(iv) Under no circumstances shall Tax Distributions reduce the amount otherwise distributable to any Member pursuant to this Section 5.03 (other than this Section 5.03(e)) after taking into account the effect of Tax Distributions on the amount of cash or other assets available for distribution by the Company.

(v) For the avoidance of doubt, Tax Distributions shall be made to all Members on a pro rata basis in accordance with their Percentage Interests, notwithstanding the differing amount of tax liabilities of such Members.

(f) *Assignment*. Each Member and its Affiliated Transferees shall have the right to assign to any Transferee of LLC Units, pursuant to a Transfer made in compliance with this Agreement, the right to receive any portion of the amounts distributable or otherwise payable to such Member pursuant to Section 5.03(b).

Section 5.04. *Allocations*. (a) *Net Income and Net Loss*. Except as otherwise provided in this Agreement, and after giving effect to the special allocations set forth in Section 5.04(b), Section 5.04(c) and Section 5.04(d), Net Income and Net Loss (and, to the extent necessary, individual items of income, gain, loss, deduction or credit) of the Company shall be allocated among the Members in a manner such that the Capital Account of each Member, immediately after making such allocation, is, as nearly as possible, equal to (i) the distributions that would be made to such Member pursuant to Section 5.03(b) if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the Carrying Value of the assets securing such liability), and the net assets of the Company were distributed, in accordance with Section 5.03(b), to the Members immediately after making such allocation, minus (ii) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets.

(b) *Special Allocations*. The following special allocations shall be made in the following order:

(i) *Minimum Gain Chargeback*. Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding any other provision of this Article 5, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g).

Allocations pursuant to the immediately preceding sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.04(b)(i) is intended to comply with the minimum gain chargeback requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(ii) *Member Minimum Gain Chargeback*. Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Article 5, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.04(b)(ii) is intended to comply with the minimum gain chargeback requirement in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) *Qualified Income Offset*. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or Section 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of the Member as promptly as possible; *provided* that an allocation pursuant to this Section 5.04(b)(iii) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 5 have been tentatively made as if this Section 5.04(b)(iii) were not in the Agreement.

(iv) *Nonrecourse Deductions*. Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Members in a manner determined by the Managing Member consistent with Treasury Regulations Sections 1.704-2(b) and 1.704-2(c).

(v) *Member Nonrecourse Deductions*. Any Member Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to

which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Sections 1.704-2(i)(1) and 1.704-2(j)(1).

(vi) *Section 754 Adjustments*. (A) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 734(b) or 743(b) of the Code is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company or as a result of a Transfer of a Member's interest in the Company, as the case may be, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of such asset) or loss (if the adjustment decreases the basis of such asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income and Net Loss. (B) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 734(b) or 743(b) of the Code is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member's interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to such Members in accordance with their interests in the Company in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(c) *Curative Allocations*. The allocations set forth in Section 5.04(b)(i) through Section 5.04(b)(vi) and Section 5.04(d) (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 5.04(c). Therefore, notwithstanding any other provision of this Article 5 (other than the Regulatory Allocations), the Managing Member shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 5.04.

(d) *Loss Limitation*. Net Loss (or individual items of loss or deduction) allocated pursuant to Section 5.04 hereof shall not exceed the maximum amount of Net Loss (or individual items of loss or deduction) that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Net Loss (or individual items of loss or deduction) pursuant to Section 5.04 hereof, the limitation set forth in this Section 5.04(d) shall be

applied on a Member by Member basis and Net Loss (or individual items of loss or deduction) not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Member's Capital Accounts so as to allocate the maximum permissible Net Loss to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Any reallocation of Net Loss pursuant to this (d) shall be subject to chargeback pursuant to the curative allocation provision of Section 5.04(c).

Section 5.05. *Other Allocation Rules*. (a) *Interim Allocations Due to Percentage Adjustment*. If a Percentage Interest is the subject of a Transfer or the Members' interests in the Company change pursuant to the terms of the Agreement during any Fiscal Year, the amount of Net Income and Net Loss (or items thereof) to be allocated to the Members for such entire Fiscal Year shall be allocated to the portion of such Fiscal Year which precedes the date of such Transfer or change (and if there shall have been a prior Transfer or change in such Fiscal Year, which commences on the date of such prior Transfer or change) and to the portion of such Fiscal Year which occurs on and after the date of such Transfer or change (and if there shall be a subsequent Transfer or change in such Fiscal Year, which precedes the date of such subsequent Transfer or change), in accordance with an interim closing of the books, and the amounts of the items so allocated to each such portion shall be credited or charged to the Members in accordance with Section 5.04 as in effect during each such portion of the Fiscal Year in question. Such allocation shall be in accordance with Section 706 of the Code and the regulations thereunder and made without regard to the date, amount or receipt of any distributions that may have been made with respect to the transferred Percentage Interest to the extent consistent with Section 706 of the Code and the regulations thereunder. As of the date of such Transfer, the Transferee Member shall succeed to the Capital Account of the Transferor Member with respect to the transferred Units.

(b) *Tax Allocations: Code Section 704(c)*. In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any Property contributed to the capital of the Company and with respect to reverse Code Section 704(c) allocations described in Treasury Regulations 1.704-3(a)(6) shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial Carrying Value or its Carrying Value determined pursuant to Treasury Regulation 1.704-1(b)(2)(iv)(f) (computed in accordance with the definition of Carrying Value) using the traditional allocation method without curative allocations under Treasury Regulation 1.704-3(b). Any elections or other decisions relating to such allocations shall be made by the Managing Member in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 5.05(b), Section 704(c) of the Code (and the principles thereof), and Treasury Regulation 1.704-1(b)(4)(i) are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Loss, other items, or distributions pursuant to any provision of this Agreement.

Section 5.06. *Tax Withholding; Withholding Advances*. (a) *Tax Withholding*.

(i) If requested by the Managing Member, each Member shall, if able to do so, deliver to the Managing Member: (A) an affidavit in form satisfactory to the Company that the applicable Member (or its partners, as the case may be) is not subject to withholding under the provisions of any federal, state, local, foreign or other law; (B) any certificate that the Company may reasonably request with respect to any such laws; and/or (C) any other form or instrument reasonably requested by the Company relating to any Member's status under such law. In the event that a Member fails or is unable to deliver to the Company an affidavit described in subclause (A) of this clause (i), the Company may withhold amounts from such Member in accordance with Section 5.06(b).

(ii) After receipt of a written request of any Member, the Company shall provide such information to such Member and take such other action as may be reasonably necessary to assist such Member in making any necessary filings, applications or elections to obtain any available exemption from, or any available refund of, any withholding imposed by any foreign taxing authority with respect to amounts distributable or items of income allocable to such Member hereunder to the extent not adverse to the Company or any Member. In addition, the Company shall, at the request of any Member, make or cause to be made (or cause the Company to make) any such filings, applications or elections; *provided* that any such requesting Member shall cooperate with the Company, with respect to any such filing, application or election to the extent reasonably determined by the Company and that any filing fees, taxes or other out-of-pocket expenses reasonably incurred and related thereto shall be paid and borne by such requesting Member or, if there is more than one requesting Member, by such requesting Members in accordance with their Relative Percentage Interests.

(b) *Withholding Advances*. To the extent the Company is required by Applicable Law to withhold or to make tax payments on behalf of or with respect to any Member (including backup withholding and any tax payment made by the Company pursuant to Section 6225 of the Code that is attributable to such Member) ("**Withholding Advances**"), the Company may withhold such amounts and make such tax payments as so required.

(c) *Repayment of Withholding Advances*. All Withholding Advances made on behalf of a Member, plus interest thereon at a rate equal to the Prime Rate as of the date of such Withholding Advances plus 2.0% per annum, shall (i) be paid on demand by the Member on whose behalf such Withholding Advances were made (it being understood that no such payment shall increase such Member's Capital Account), or (ii) with the consent of the Managing Member and the affected Member be repaid by reducing the amount of the current or next succeeding distribution or distributions that would otherwise have been made to such Member or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Member. Whenever repayment of a Withholding Advance by a Member is made as described in clause (ii) of this Section 5.06(c), for all other purposes of this Agreement such Member shall be treated as having received all distributions (whether before or upon

any Dissolution Event) unreduced by the amount of such Withholding Advance and interest thereon.

(d) *Withholding Advances — Reimbursement of Liabilities*. Each Member hereby agrees to reimburse the Company for any liability with respect to Withholding Advances (including interest thereon) required or made on behalf of or with respect to such Member (including penalties imposed with respect thereto). The obligation of a Member to reimburse the Company for taxes pursuant to this Section 5.06 shall continue after such Member Transfers its LLC Units with respect to all payments or allocations to such Member were made prior to the date of such Transfer.

ARTICLE 6
CERTAIN TAX MATTERS

Section 6.01. *Tax Matters Representative*. Pubco is hereby appointed the "tax matters partner" or the "partnership representative," as the case may be (in each case, the "**Tax Matters Representative**"), of the Company under Section 6231 of the Code prior to the enactment of U.S. Public Law 114-74 or Section 6223 of the Code, as applicable. The Company shall not be obligated to pay any fees or other compensation to the Tax Matters Representative in its capacity as such, but the Company shall reimburse the Tax Matters Representative for all reasonable out-of-pocket costs and expenses (including attorneys' and other professional fees) incurred by it in its capacity as Tax Matters Representative. The Company shall defend, indemnify, and hold harmless the Tax Matters Representative against any and all liabilities sustained or incurred as a result of any act or decision concerning Company tax matters and within the scope of such Member's responsibilities as Tax Matters Representative, so long as such act or decision was done or made in good faith and does not constitute gross negligence or willful misconduct. The Members acknowledge that the Company shall make the election described in Section 6226 of the Code, unless the Tax Matter Representative determines not to make such election in its sole discretion.

Section 6.02. *Section 754 Elections*. The Company shall make, and shall cause any Subsidiary of the Company that is treated as a partnership for U.S. federal income tax purposes to make, a timely election under Section 754 of the Code (and a corresponding election under state and local law) effective starting with the taxable year ended December 31, 2018, and the Managing Member shall not take any action to revoke such elections.

Section 6.03. *Debt Allocation*. Indebtedness of the Company treated as "excess nonrecourse liabilities" (as defined in Treasury Regulation Section 1.752-3(a)(3)) shall be allocated among the Members based on their Percentage Interests.

ARTICLE 7
MANAGEMENT OF THE COMPANY

Section 7.01. *Management by the Managing Member*. Except as otherwise specifically set forth in this Agreement, the Managing Member shall be deemed to be a

"manager" for purposes of applying the Delaware Act. Except as expressly provided in this Agreement or the Delaware Act, the day-to-day business and affairs of the Company and its Subsidiaries shall be managed, operated and controlled by the Managing Member in accordance with the terms of this Agreement and no other Members shall have management authority or rights over the Company or its Subsidiaries. The Managing Member is, to the extent of its rights and powers set forth in this Agreement, an agent of the Company for the purpose of the Company's and its Subsidiaries' business, and the actions of the Managing Member taken in accordance with such rights and powers, shall bind the Company (and no other Members shall have such right). Except as expressly provided in this Agreement, the Managing Member shall have all necessary powers to carry out the purposes, business, and objectives of the Company and its Subsidiaries. The Managing Member shall have the power and authority to delegate to one or more other Persons the Managing Member's rights and powers to manage and control the business and affairs of the Company, including to delegate to agents and employees of a Member or the Company (including any officers or Subsidiary thereof), and to delegate by a management agreement or another agreement with, or otherwise to, other Persons. The Managing Member may authorize any Person (including any Member or officer of the Company) to enter into and perform any document on behalf of the Company or any Subsidiary.

Section 7.02. *Withdrawal of the Managing Member*. Pubco may withdraw as the Managing Member and appoint as its successor at any time upon written notice to the Company (i) any wholly-owned Subsidiary of Pubco, (ii) any Person of which Pubco is a wholly-owned Subsidiary, (iii) any Person into which Pubco is merged or consolidated or (iv) any transferee of all or substantially all of the assets of Pubco, which withdrawal and replacement shall be effective upon the delivery of such notice. No appointment of a Person other than Pubco (or its successor, as applicable) as Managing Member shall be effective unless Pubco (or its successor, as applicable) and the new Managing Member (as applicable) provide all other Members with contractual rights, directly enforceable by such other Members against the new Managing Member, to cause the new Managing Member to comply with all the Managing Member's obligations under this Agreement and the Reorganization Documents.

Section 7.03. *Decisions by the Members*. (a) Other than the Managing Member, the Members shall take no part in the management of the Company's business and shall transact no business for the Company and shall have no power to act for or to bind the Company. The Managing Member shall not (i) engage in any non-Business activity or (ii) own any material assets other than Units and/or any cash or other property or assets distributed by, or otherwise received from, the Company, without the prior written consent of each of the Members, unless the Managing Member determines in good faith that such actions or ownership are in the best interest of the Company; *provided*, *however*, that the Company may engage any Member or principal, partner, member, shareholder or interest holder thereof as an employee, independent contractor or consultant to the Company, in which event the duties and liabilities of such individual or firm with respect to the Company as an employee, independent contractor or consultant shall be governed by the terms of such engagement with the Company.

(b) Except as expressly provided herein, the Members shall not have the power or authority to vote, approve or consent to any matter or action taken by the Company. Except as otherwise provided herein, any proposed matter or action subject to the vote, approval or consent of the Members shall require the approval of (i) a majority in interest of the Members or such class of Members, as the case may be (by (x) resolution at a duly convened meeting of the Members, or (y) written consent of the Members). Except as expressly provided herein, all Members shall vote together as a single class on any matter subject to the vote, approval or consent of the Members. In the case of any such approval, a majority in interest of the Members may call a meeting of the Members at such time and place or by means of telephone or other communications facility that permits all persons participating in such meeting to hear and speak to each other for the purpose of a vote thereon. Notice of any such meeting shall be required, which notice shall include a brief description of the action or actions to be considered by the Members. Unless waived by any such Member in writing, notice of any such meeting shall be given to each Member at least four (4) days prior thereto. Attendance or participation of a Member at a meeting shall constitute a waiver of notice of such meeting, except when such Member attends or participates in the meeting for the express purpose of objecting at the beginning thereof to the transaction of any business because the meeting is not properly called or convened. Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the actions so taken, shall be signed by Members sufficient to approve such action pursuant to this Section 7.03(b). A copy of any such consent in writing will be provided to the Members promptly thereafter.

Section 7.04. *Duties*. (a) The parties acknowledge that the Managing Member will take action through its board of directors, and that the members of the Managing Member's board of directors will owe fiduciary duties to the stockholders of the Managing Member. The Managing Member will use all commercially reasonable and appropriate efforts and means, as determined in good faith by the Managing Member, to minimize any conflict of interest between the Members, on the one hand, and the stockholders of the Managing Member, on the other hand, and to effectuate any transaction that involves or affects any of the Company, the Managing Member, the Members and/or the stockholders of the Managing Member in a manner that does not (i) disadvantage the Members or their interests relative to the stockholders of the Managing Member, (ii) advantage the stockholders of the Managing Member relative to the Members or (iii) treats the Members and the stockholders of the Managing Member differently; *provided* that in the event of a conflict between the interests of the stockholders of the Managing Member and the interests of the Members other than the Managing Member, such other Members agree that the Managing Member shall discharge its fiduciary duties to such other Members by acting in the best interests of the Managing Member's stockholders.

Section 7.05. *Officers*. (a) *Appointment of Officers*. The Managing Member may appoint individuals as officers ("**Officers**") of the Company, which may include such officers as the Managing Member determines are necessary and appropriate. No Officer need be a Member. An individual may be appointed to more than one office.

(b) *Authority of Officers*. The Officers shall have the duties, rights, powers and authority as may be prescribed by the Managing Member from time to time.

(c) *Removal, Resignation and Filling of Vacancy of Officers*. The Managing Member may remove any Officer, for any reason or for no reason, at any time. Any Officer may resign at any time by giving written notice to the Company, and such resignation shall take effect at the date of the receipt of that notice or any later time specified in that notice; provided that, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any such resignation shall be without prejudice to the rights, if any, of the Company or such Officer under this Agreement. A vacancy in any office because of death, resignation, removal or otherwise shall be filled by the Managing Member.

ARTICLE 8
TRANSFERS OF INTERESTS

Section 8.01. *Restrictions on Transfers*. (a) Except as expressly permitted by Section 8.02, and subject to Section 8.01(b), Section 8.01(c), Section 8.01(d) and Section 8.01(e), any underwriter lock-up agreement applicable to such Member and/or any other agreement between such Member and the Company, Pubco or any of their controlled Affiliates, without the prior written approval of the Managing Member, no Member shall directly or indirectly Transfer all or any part of its Units or any right or economic interest pertaining thereto, including the right to vote or consent on any matter or to receive or have any economic interest in distributions or advances from the Company pursuant thereto, to any Person that is not a Permitted Transferee. Any such Transfer which is not in compliance with the provisions of this Agreement shall be deemed a Transfer by such Member of Units in violation of this Agreement (and a breach of this Agreement by such Member) and shall be null and void ab initio. Notwithstanding anything to the contrary in this Article 8, (i) Section [●] of this Agreement shall govern the exchange of LLC Units for shares of Class A Common Stock, and an exchange pursuant to, and in accordance with, Section [●] of this Agreement shall not be considered a "Transfer" for purposes of this Agreement, and (ii) t any other Transfer of shares of Class A Common Stock shall not be considered a "Transfer" for purposes of this Agreement.

(b) Except as otherwise expressly provided herein, it shall be a condition precedent to any Transfer otherwise permitted or approved pursuant to this Article 8 that:

(i) the Transferor shall have provided to the Company prior notice of such Transfer; and

(ii) the Transfer shall comply with all Applicable Laws and the Managing Member shall be reasonably satisfied that such Transfer will not result in a violation of the Securities Act.

(c) Notwithstanding any other provision of this Agreement to the contrary,no Member shall directly or indirectly Transfer all or any part of its Units or any right or economic interest pertaining thereto if such Transfer, in the reasonable discretion of the

Managing Member, would cause the Company to be classified as a "publicly traded partnership" as that term is defined in Section 7704 of the Code and Regulations promulgated thereunder.

(d) Any Transfer of Units pursuant to this Agreement, including this Article 8, shall be subject to the provisions of Section 3.01 and Section 3.02.

(e) If there is a Transfer of Units to Permitted Transferees pursuant to this Agreement, the Units held by each such Permitted Transferee shall be included in calculating the Substantial Ownership Requirement.

Section 8.02. *Certain Permitted Transfers*. Notwithstanding anything to the contrary herein but subject to Section 8.01(b) and Section 8.01(c), the following Transfers shall be permitted:

(a) Any Transfer by any Member of its Units pursuant to a Disposition Event (as such term is defined in the certificate of incorporation of Pubco);

(b) At any time, any Transfer by any Member of Units to any Transferee approved in writing by the Managing Member (not to be unreasonably withheld), it being understood that it shall be reasonable for the Managing Member to withhold such consent if the Managing Member reasonably determines that such Transfer would materially increase the risk that the Company would be classified as a "publicly traded partnership" as that term is defined in Section 7704 of the Code and Regulations promulgated thereunder; and

(c) The Transfer of all or any portion of a Member's Units to a Permitted Transferee of such Member.

Section 8.03. *Distributions*. Notwithstanding anything in this Article 8 or elsewhere in this Agreement to the contrary, if a Member Transfers all or any portion of its Units after the designation of a record date and declaration of a distribution pursuant to Article 5 and before the payment date of such distribution, the transferring Member (and not the Person acquiring all or any portion of its LLC Units) shall be entitled to receive such distribution in respect of such transferred LLC Units.

Section 8.04. *Registration of Transfers*. When any Units are Transferred in accordance with the terms of this Agreement, the Company shall cause such Transfer to be registered on the books of the Company.

ARTICLE 9
CERTAIN OTHER AGREEMENTS

Section 9.01. *Non-Compete; Non-Disparagement*. Each Non-Pubco Member agrees for the benefit of the Company and Pubco that:

(a) No Member shall directly or indirectly engage in any Competitive Activity from and after the date hereof until the date on which such Member no longer holds any LLC Units.

(b) No Member shall take, and each Member shall take reasonable steps to cause its Affiliates not to take, any action or make any public statement, whether or not in writing, that disparages or denigrates the Company or any of its Subsidiaries (the "**Company Parties**") or their respective directors, officers, employees, members, representatives and agents.

(c) Each Member agrees that (i) the agreements and covenants contained in this Section 9.01 are reasonable in scope and duration, an integral part of the transactions contemplated by this Agreement and the Reorganization Documents, and necessary to protect and preserve the Members' and Company Parties' legitimate business interests and to prevent any unfair advantage conferred on such Member taking into account and in specific consideration of the undertakings and obligations of the parties under the Agreement and the Reorganization Documents, (ii) but for each Member's agreement to be bound by the agreements and covenants contained under this Section 9.01, the Members and the Company Parties would not have entered into or consummated those transactions contemplated the Agreement and the Reorganization Documents and (iii) that irreparable harm would result to the Members and the Company Parties as a result of a violation or breach (or potential violation or breach) by such Member (or its Affiliates) of this Section 9.01. In addition, each Member agrees that each Member shall have the right to specifically enforce the provisions of this Section 9.01 in any federal court located in the State of Delaware or any Delaware state court, in addition to any other remedy to which such parties are entitled at law or in equity. If a final judgment of a court of competent jurisdiction or other Governmental Authority determines that any term, provision, covenant or restriction contained in this Section 9.01 is invalid or unenforceable, then the parties hereto agree that the court of competent jurisdiction or other Governmental Authority will have the power to modify this Section 9.01 (including by reducing the scope, duration or geographic area of the term or provision, deleting specific words or phrases or replacing any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision) so as to effect the original intention of the invalid or unenforceable term or provision. To the fullest extent permitted by law, in the event that any proceeding is brought under or in connection with this Section 9.01, the prevailing party in such proceeding (whether at final or on appeal) shall be entitled to recover from the other party all costs, expenses, and reasonable attorneys' fees incident to any such proceeding. The term "prevailing party" as used herein means the party in whose favor the final judgment or award is entered in any such proceeding.

Section 9.02. *Company Call Right*. (a) In connection with any Involuntary Transfer by any Non-Pubco Member, the Company or the Managing Member may, in the Managing Member's sole discretion, elect to purchase from such Member and/or such Transferee(s) in such Involuntary Transfer (each, a "**Call Member**") any or all of Units so Transferred ("**Call Units**"), at any time by delivery of a written notice (a "**Call Notice**") to such Call Member. The Call Notice shall set forth the Unit Redemption Price

and the proposed closing date of such purchase of such Call Units; provided that such closing date shall occur within ninety (90) days following the date of such Call Notice. At the closing of any such sale, in exchange for the payment by the Company or the Managing Member to such Call Members of the Unit Redemption Price in cash, (i) each Call Member shall deliver its Call Units, duly endorsed, or accompanied by written instruments of transfer in form satisfactory to the Company or the Managing Member, as applicable, duly executed by such Call Member and accompanied by all requisite transfer taxes, if any, (ii) such Call Units shall be free and clear of any Liens and (iii) each Call Member shall so represent and warrant and further represent and warrant that it is the sole beneficial and record owner of such Call Units. Following such closing, any such Call Member shall no longer be entitled to any rights in respect of its Call Units, including any distributions of the Company or Pubco thereupon (other than the payment of the Unit Redemption Price at such closing), and, to the extent any such Call Member does not hold any Units thereafter, shall thereupon cease to be a Member of the Company and, to the extent any such Call Member does not hold any shares of Pubco Common Stock thereafter, shall thereupon cease to be a stockholder of Pubco.

Section 9.03.*Preemptive Rights*.

(a) No Person shall have any preemptive, preferential or other similar right with respect to (i) additional Capital Contributions; (ii) issuances or sales by the Company of any class or series of Interests, whether unissued or hereafter created; (iii) issuances of any obligations, evidences of indebtedness or other securities of the Company convertible into or exchangeable for, or carrying or accompanied by any rights to receive, purchase or subscribe to, any Interests; (iv) issuances of any right of subscription to or right to receive, or any warrant or option for the purchase of, any Interests; or (v) issuances or sales of any other securities that may be issued or sold by the Company.

ARTICLE 10
REDEMPTION AND EXCHANGE RIGHTS

Section 10.01.*Redemption Right of a Member*

(a) Notwithstanding any provision to the contrary in the Agreement and without the need for approval by the Managing Member or consent by any other Members, each Member (other than the Pubco Members) shall be entitled to cause the Company to redeem (a "**Redemption**") its Units (the "**Redemption Right**") at any time following the expiration of any contractual lock-up period relating to the shares of Pubco that may be applicable to such Member. A Member desiring to exercise its Redemption Right (the "**Redeeming Member**") shall exercise such right by giving written notice (the "**Redemption Notice**") to the Company with a copy to Pubco. The Redemption Notice shall specify the number of Units (the "**Redeemed Units**") that the Redeeming Member intends to have the Company redeem and a date, not less than seven (7) Business Days nor more than ten (10) Business Days after delivery of such Redemption Notice (unless and to the extent that the Managing Member in its sole discretion agrees in writing to waive such time periods), on which exercise of the Redemption Right shall be completed

(the "**Redemption Date**"); provided that the Company, Pubco and the Redeeming Member may change the number of Redeemed Units and/or the Redemption Date specified in such Redemption Notice to another number and/or date by mutual agreement signed in writing by each of them; provided further that a Redemption Notice may be conditioned by the Redeeming Member on the closing of an underwritten distribution of the shares of Class A Common Stock that may be issued in connection with such proposed Redemption. Unless the Redeeming Member timely has delivered a Retraction Notice as provided in Section 10.01(b) or has revoked or delayed a Redemption as provided in Section 10.01(c), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) the Redeeming Member shall transfer and surrender the Redeemed Units to the Company, free and clear of all liens and encumbrances, and (ii) the Company shall (x) cancel the Redeemed Units, (y) transfer to the Redeeming Member the consideration to which the Redeeming Member is entitled under Section 10.01(b), and (z), if the Units are certificated, issue to the Redeeming Member a certificate for a number of Units equal to the difference (if any) between the number of Units evidenced by the certificate surrendered by the Redeeming Member pursuant to clause (i) of this Section 10.01(a) and the Redeemed Units.

(b) In exercising its Redemption Right, a Redeeming Member shall be entitled to receive the number of shares of Class A Common Stock equal to the number of Redeemed Units (the "**Share Settlement**") or the immediately available funds in U.S. dollars in an amount equal to the Redeemed Units Equivalent (the "**Cash Settlement**"); provided that Pubco shall have the option as provided in Section 10.02 and subject to Section 10.01(d) to select whether the redemption payment is made by means of a Share Settlement or a Cash Settlement. Within three (3) Business Days of delivery of the Redemption Notice, Pubco shall give written notice (the "**Contribution Notice**") to the Company (with a copy to the Redeeming Member) of its intended settlement method; provided that if Pubco does not timely deliver a Contribution Notice, Pubco shall be deemed to have elected the Share Settlement method. If Pubco elects the Cash Settlement method, the Redeeming Member may retract its Redemption Notice by giving written notice (the "**Retraction Notice**") to the Company (with a copy to Pubco) within two (2) Business Days of delivery of the Contribution Notice. The timely delivery of a Retraction Notice shall terminate all of the Redeeming Member's, Company's and Pubco's rights and obligations under this Section 10.01 arising from the Redemption Notice.

(c) In the event Pubco elects a Share Settlement in connection with a Redemption, a Redeeming Member shall be entitled to revoke its Redemption Notice or delay the consummation of a Redemption if any of the following conditions exists: (i) any registration statement pursuant to which the resale of the Class A Common Stock to be registered for such Redeeming Member at or immediately following the consummation of the Redemption shall have ceased to be effective pursuant to any action or inaction by the SEC or no such resale registration statement has yet become effective; (ii) Pubco shall have failed to cause any related prospectus to be supplemented by any required prospectus supplement necessary to effect such Redemption; (iii) Pubco shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement and such deferral, delay or suspension shall affect the ability of

such Redeeming Member to have its Class A Common Stock registered at or immediately following the consummation of the Redemption; (iv) Pubco shall have disclosed to such Redeeming Member any material non-public information concerning Pubco, the receipt of which results in such Redeeming Member being prohibited or restricted from selling Class A Common Stock at or immediately following the Redemption without disclosure of such information (and Pubco does not permit disclosure); (v) any stop order relating to the registration statement pursuant to which the Class A Common Stock was to be registered by such Redeeming Member at or immediately following the Redemption shall have been issued by the SEC; (vi) there shall have occurred a material disruption in the securities markets generally or in the market or markets in which the Class A Common Stock is then traded; (vii) there shall be in effect an injunction, a restraining order or a decree of any nature of any Governmental Entity that restrains or prohibits the Redemption; (viii) Pubco shall have failed to comply in all material respects with its obligations under the Registration Rights Agreement, and such failure shall have affected the ability of such Redeeming Member to consummate the resale of Class A Common Stock to be received upon such redemption pursuant to an effective registration statement; (ix) the Redemption Date would occur three (3) Business Days or less prior to, or during, any "black-out" or similar period under the Corporation's policies covering trading in the Pubco's securities to which the applicable Redeeming Member is subject, which period restricts the ability of such Redeeming Member to immediately resell shares of Class A Common Stock to be delivered to such Redeeming Member in connection with a Share Settlement; provided further, that in no event shall the Redeeming Member seeking to revoke its Redemption Notice or delay the consummation of such Redemption and relying on any of the matters contemplated in clauses (i) through (ix) above have controlled or intentionally materially influenced any facts, circumstances, or Persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of Pubco) in order to provide such Redeeming Member with a basis for such delay or revocation. If a Redeeming Member delays the consummation of a Redemption pursuant to this Section 10.01(c), the Redemption Date shall occur on the fifth Business Day following the date on which the conditions giving rise to such delay cease to exist (or such earlier day as Pubco, the Company and such Redeeming Member may agree in writing).

(d) The number of shares of Class A Common Stock or the Redeemed Units Equivalent that a Redeeming Member is entitled to receive under Section 10.01(b) (whether through a Share Settlement or Cash Settlement) shall not be adjusted on account of any Distributions previously made with respect to the Redeemed Units or dividends previously paid with respect to Class A Common Stock; provided, however, that if a Redeeming Member causes the Company to redeem Redeemed Units and the Redemption Date occurs subsequent to the record date for any Distribution with respect to the Redeemed Units but prior to payment of such Distribution, the Redeeming Member shall be entitled to receive such Distribution with respect to the Redeemed Units on the date that it is made notwithstanding that the Redeeming Member transferred and surrendered the Redeemed Units to the Company prior to such date.

(e) In the event of a reclassification or other similar transaction as a result of which the shares of Class A Common Stock are converted into another security, then in

exercising its Redemption Right a Redeeming Member shall be entitled to receive the amount of such security that the Redeeming Member would have received if such Redemption Right had been exercised and the Redemption Date had occurred immediately prior to the record date of such reclassification or other similar transaction.

Section 10.02. *Election and Contribution of Pubco*. In connection with the exercise of a Redeeming Member's Redemption Rights under Section 10.01(a), Pubco shall contribute to the Company the consideration the Redeeming Member is entitled to receive under Section 10.01(b). Pubco, at its option, shall determine whether to contribute, pursuant to Section 10.01(b), the Share Settlement or the Cash Settlement. Unless the Redeeming Member has timely delivered a Retraction Notice as provided in Section 10.01(b), or has revoked or delayed a Redemption as provided in Section 10.01(c), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) Pubco shall make its Capital Contribution to the Company (in the form of the Share Settlement or the Cash Settlement) required under this Section 10.02, and (ii) the Company shall issue to Pubco a number of Units equal to the number of Redeemed Units surrendered by the Redeeming Member. Notwithstanding any other provisions of this Agreement to the contrary, in the event that Pubco elects a Cash Settlement, Pubco shall only be obligated to contribute to the Company an amount in respect of such Cash Settlement equal to the net proceeds (after deduction of any underwriters' discounts or commissions and brokers' fees or commissions) from the sale by Pubco of a number of shares of Class A Common Stock equal to the number of Redeemed Units to be redeemed with such Cash Settlement provided that Pubco's Capital Account shall be increased by an amount equal to any discount relating to such sale of shares of Class A Common Stock in accordance with Section 6.06. The timely delivery of a Retraction Notice shall terminate all of the Company's and Pubco' rights and obligations under this Section 10.02 arising from the Redemption Notice.

Section 10.03. *Exchange Right of Pubco*

(a) Notwithstanding anything to the contrary in this Article 10, Pubco may, in its sole and absolute discretion, elect to effect on the Redemption Date the exchange of Redeemed Units for the Share Settlement or Cash Settlement, as the case may be, through a direct exchange of such Redeemed Units and such consideration between the Redeeming Member and Pubco (a "**Direct Exchange**"). Upon such Direct Exchange pursuant to this Section 10.03, Pubco shall acquire the Redeemed Units and shall be treated for all purposes of this Agreement as the owner of such Units.

(b) Pubco may, at any time prior to a Redemption Date, deliver written notice (an "**Exchange Election Notice**") to the Company and the Redeeming Member setting forth its election to exercise its right to consummate a Direct Exchange; provided that such election does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. An Exchange Election Notice may be revoked by Pubco at any time; provided that any such revocation does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. The right to consummate a Direct Exchange in all events shall be exercisable for all the

Redeemed Units that would have otherwise been subject to a Redemption. Except as otherwise provided by this Section 10.03, a Direct Exchange shall be consummated pursuant to the same timeframe and in the same manner as the relevant Redemption would have been consummated if Pubco had not delivered an Exchange Election Notice.

Section 10.04. *Tender Offers and Other Events with Respect to Pubco*

(a) In the event that a tender offer, share exchange offer, issuer bid, take-over bid, recapitalization or similar transaction with respect to Class A Common Stock (a "**Pubco Offer**") is proposed by Pubco or is proposed to Pubco or its stockholders and approved by the board of directors of Pubco or is otherwise effected or to be effected with the consent or approval of the board of directors of Pubco, the holders of LLC Units (other than the Pubco Members) shall be permitted to participate in such Pubco Offer by delivery of a notice of exchange (which notice of exchange shall be effective immediately prior to the consummation of such Pubco Offer (and, for the avoidance of doubt, shall be contingent upon such Pubco Offer and not be effective if such Pubco Offer is not consummated)). In the case of a Pubco Offer proposed by Pubco, Pubco will use its reasonable efforts expeditiously and in good faith to take all such actions and do all such things as are necessary or desirable to enable and permit the holders of LLC Units (other than the Pubco Members) to participate in such Pubco Offer to the same extent or on an economically equivalent basis as the holders of shares of Class A Common Stock without discrimination; *provided*, that without limiting the generality of this sentence, Pubco will use its reasonable efforts expeditiously and in good faith to ensure that such holders may participate in each such Pubco Offer without being required to exchange LLC Units to the extent such participation is practicable. For the avoidance of doubt (but subject to Section 10.04(c)), in no event shall the holders of LLC Units be entitled to receive in such Pubco Offer aggregate consideration for each LLC Unit that is greater than the consideration payable in respect of each share of Class A Common Stock in connection with a Pubco Offer.

(b) Notwithstanding any other provision of this Agreement, if a Disposition Event (as such term is defined in the Pubco Certificate of Incorporation) is approved by the board of directors of Pubco and consummated in accordance with Applicable Law, at the request of the Company (or following such Disposition Event, its successor) or Pubco (or following such Disposition Event, its successor), each of the holders shall be required to exchange with Pubco, at any time and from time to time after, or simultaneously with, the consummation of such Disposition Event, all of such holder's LLC Units for aggregate consideration for each LLC Unit that is equivalent to the consideration payable in respect of each share of Class A Common Stock in connection with the Disposition Event, *provided*, *however*, that in the event of a Disposition Event intended to qualify as a reorganization within the meaning of Section 368(a) of the Code or as a transfer described in Section 351(a) or Section 721 of the Code, a holder shall not be required to exchange LLC Unit pursuant to this Section 10.04(b) unless, as a part of such transaction, the holders are permitted to exchange their LLC Units for securities in a transaction that is expected to permit such exchange without current recognition of gain or loss, for U.S. and non-U.S. tax purposes, for the direct and indirect holders of LLC Units (except to the extent that property other than securities is received in such exchange), based on a

"should" or "will" level opinion from independent tax counsel of recognized standing and expertise.

(c) Notwithstanding any other provision of this Agreement, (i) in a Disposition Event where the consideration payable in connection therewith includes Equity Securities, the aggregate consideration for any LLC Unit shall be deemed to be equivalent to the consideration payable in respect of each share of Class A Common Stock if the only difference in the per share distribution to the holders of LLC Units is that the Equity Securities distributed to such holders have not more than ten times the voting power of any Equity Securities distributed to the holder of a share of Class A Common Stock (so long as such Equity Securities issued to the holders of the LLC Units remain subject to automatic conversion on terms substantially comparable to those set forth in Section 6.2 of the Pubco Certificate of Incorporation) and (ii) in a Disposition Event, payments under or in respect of the Tax Receivable Agreement shall not be considered part of the consideration payable in respect of any LLC Unit or share of Class A Common Stock in connection with such Disposition Event for the purposes of Section 10.04(a) and Section 10.04(b).

Section 10.05. *Reservation of Shares of Class A Common Stock; Certificate of Pubco.* At all times Pubco shall reserve and keep available out of its authorized but unissued Class A Common Stock, solely for the purpose of issuance upon a Redemption or Direct Exchange, such number of shares of Class A Common Stock as shall be issuable upon any such Redemption or Direct Exchange pursuant to Share Settlements; provided that nothing contained herein shall be construed to preclude Pubco from satisfying its obligations in respect of any such Redemption or Direct Exchange by delivery of purchased Class A Common Stock (which may or may not be held in the treasury of Pubco) or the delivery of cash pursuant to a Cash Settlement. Pubco shall deliver Class A Common Stock that has been registered under the Securities Act with respect to any Redemption or Direct Exchange to the extent a registration statement is effective and available for such shares. Pubco covenants that all Class A Common Stock issued upon a Redemption or Direct Exchange will, upon issuance, be validly issued, fully paid and non-assessable. The provisions of this Article 10 shall be interpreted and applied in a manner consistent with the corresponding provisions of Pubco's certificate of incorporation.

Section 10.06. *Effect of Exercise of Redemption or Exchange Right.* This Agreement shall continue notwithstanding the consummation of a Redemption or Direct Exchange and all governance or other rights set forth herein shall be exercised by the remaining Members and the Redeeming Member (to the extent of such Redeeming Member's remaining interest in the Company). No Redemption or Direct Exchange shall relieve such Redeeming Member of any prior breach of this Agreement.

Section 10.07. *Tax Treatment.* Unless otherwise required by applicable Law, the parties hereto acknowledge and agree a Redemption or a Direct Exchange, as the case may be, shall be treated as a direct exchange between Pubco and the Redeeming Member for U.S. federal and applicable state and local income tax purposes.

ARTICLE 11
LIMITATION ON LIABILITY, EXCULPATION AND INDEMNIFICATION

Section 11.01. *Limitation on Liability*. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company; *provided* that the foregoing shall not alter a Member's obligation to return funds wrongfully distributed to it.

Section 11.02. *Exculpation and Indemnification*. (a) Subject to the duties of the Managing Member and Officers set forth in Section 7.01, neither the Managing Member nor any other Covered Person described in clause (iii) of the definition thereof shall be liable, including under any legal or equitable theory of fiduciary duty or other theory of liability, to the Company or to any other Covered Person for any losses, claims, damages or liabilities incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company. There shall be, and each Covered Person shall be entitled to, a presumption that such Covered Person acted in good faith.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such Person's professional or expert competence.

(c) The Company shall indemnify, defend and hold harmless each Covered Person against any losses, claims, damages, liabilities, expenses (including all reasonable out-of-pocket fees and expenses of counsel and other advisors), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, in which such Covered Person may be involved or become subject to, in connection with any matter arising out of or in connection with the Company's business or affairs, or this Agreement or any related document, unless such loss, claim, damage, liability, expense, judgment, fine, settlement or other amount (i) is a result of a Covered Person not acting in good faith on behalf of the Company or arose as a result of the willful commission by such Covered Person of any act that is dishonest and materially injurious to the Company, (ii) results from its contractual obligations under any Reorganization Document to be performed in a capacity other than as a Covered Person or from the breach by such Covered Person of Section 9.04 or (iii) results from the breach by any Member (in such capacity) of its contractual obligations under this Agreement. If any Covered Person becomes involved in any capacity in any action, suit, proceeding or investigation in connection with any matter arising out of or in connection with the Company's business or affairs, or this Agreement or any related document (other than any Reorganization Document), other than (x) by reason of any act or omission performed or omitted by such Covered Person that was not in good faith on behalf of the Company or constituted a willful commission by such Covered Person of an act that is dishonest and materially injurious to the Company or (y) as a result of any breach by such Covered Person of Section 9.04, the Company shall reimburse such Covered Person for

its reasonable legal and other reasonable out-of-pocket expenses (including the cost of any investigation and preparation) as they are incurred in connection therewith; *provided* that such Covered Person shall promptly repay to the Company the amount of any such reimbursed expenses paid to it if it shall be finally judicially determined that such Covered Person was not entitled to indemnification by, or contribution from, the Company in connection with such action, suit, proceeding or investigation. If for any reason (other than the bad faith of a Covered Person or the willful commission by such Covered Person of an act that is dishonest and materially injurious to the Company) the foregoing indemnification is unavailable to such Covered Person, or insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by such Covered Person as a result of such loss, claim, damage, liability, expense, judgment, fine, settlement or other amount in such proportion as is appropriate to reflect any relevant equitable considerations. There shall be, and each Covered Person shall be entitled to, a rebuttable presumption that such Covered Person acted in good faith.

(d) The obligations of the Company under Section 11.02(c) shall be satisfied solely out of and to the extent of the Company's assets, and no Covered Person shall have any personal liability on account thereof.

(e) Given that certain Jointly Indemnifiable Claims may arise by reason of the service of a Covered Person to the Company and/or as a director, trustee, officer, partner, member, manager, employee, consultant, fiduciary or agent of other corporations, limited liability companies, partnerships, joint ventures, trusts, employee benefit plans or other enterprises controlled by the Company (collectively, the "**Controlled Entities**"), or by reason of any action alleged to have been taken or omitted in any such capacity, the Company acknowledges and agrees that the Company shall, and to the extent applicable shall cause the Controlled Entities to, be fully and primarily responsible for the payment to the Covered Person in respect of indemnification or advancement of all out-of-pocket costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements) in each case, actually and reasonably incurred by or on behalf of a Covered Person in connection with either the investigation, defense or appeal of a claim, demand, action, suit or proceeding or establishing or enforcing a right to indemnification under this Agreement or otherwise incurred in connection with a claim that is indemnifiable hereunder (collectively, "**Expenses**") in connection with any such Jointly Indemnifiable Claim, pursuant to and in accordance with (as applicable) the terms of (i) the Delaware Act, (ii) this Agreement, (iii) any other agreement between the Company or any Controlled Entity and the Covered Person pursuant to which the Covered Person is indemnified, (iv) the laws of the jurisdiction of incorporation or organization of any Controlled Entity and/or (v) the certificate of incorporation, certificate of organization, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership, certificate of qualification or other organizational or governing documents of any Controlled Entity ((i) through (v) collectively, the "**Indemnification Sources**"), irrespective of any right of recovery the Covered Person may have from the Indemnitee-Related Entities. Under no circumstance shall the Company or any Controlled Entity be entitled to any right of subrogation or contribution by the Indemnitee-Related Entities and no right of advancement or recovery the Covered Person may have from the Indemnitee-Related Entities shall reduce or

otherwise alter the rights of the Covered Person or the obligations of the Company or any Controlled Entity under the Indemnification Sources. In the event that any of the Indemnitee-Related Entities shall make any payment to the Covered Person in respect of indemnification or advancement of Expenses with respect to any Jointly Indemnifiable Claim, (i) the Company shall, and to the extent applicable shall cause the Controlled Entities to, reimburse the Indemnitee-Related Entity making such payment to the extent of such payment promptly upon written demand from such Indemnitee-Related Entity, (ii) to the extent not previously and fully reimbursed by the Company and/or any Controlled Entity pursuant to clause (i), the Indemnitee-Related Entity making such payment shall be subrogated to the extent of the outstanding balance of such payment to all of the rights of recovery of the Covered Person against the Company and/or any Controlled Entity, as applicable, and (iii) the Covered Person shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the Indemnitee-Related Entities effectively to bring suit to enforce such rights. The Company and the Covered Person agree that each of the Indemnitee-Related Entities shall be third-party beneficiaries with respect to this Section 11.02(e), entitled to enforce this Section 11.02(e) as though each such Indemnitee-Related Entity were a party to this Agreement. The Company shall cause each of the Controlled Entities to perform the terms and obligations of this Section 11.02(e) as though each such Controlled Entity was the "**Company**" under this Agreement. For purposes of this Section 11.02(e), the following terms shall have the following meanings:

(i)The term "**Indemnitee-Related Entities**" means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Company, any Controlled Entity or the insurer under and pursuant to an insurance policy of the Company or any Controlled Entity) from whom a Covered Person may be entitled to indemnification or advancement of Expenses with respect to which, in whole or in part, the Company or any Controlled Entity may also have an indemnification or advancement obligation.

(ii)The term "**Jointly Indemnifiable Claims**" shall be broadly construed and shall include, without limitation, any claim, demand, action, suit or proceeding for which the Covered Person shall be entitled to indemnification or advancement of Expenses from both (i) the Company and/or any Controlled Entity pursuant to the Indemnification Sources, on the one hand, and (ii) any Indemnitee-Related Entity pursuant to any other agreement between any Indemnitee-Related Entity and the Covered Person pursuant to which the Covered Person is indemnified, the laws of the jurisdiction of incorporation or organization of any Indemnitee-Related Entity and/or the certificate of incorporation, certificate of organization, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or other organizational or governing documents of any Indemnitee-Related Entity, on the other hand.

ARTICLE 12
DISSOLUTION AND TERMINATION

Section 12.01. *Dissolution*. (a) The Company shall not be dissolved by the admission of Additional Members or Substitute Members pursuant to Section 3.02.

(b) No Member shall (i) resign from the Company prior to the dissolution and winding up of the Company except in connection with a Transfer of Units pursuant to the terms of this Agreement or (ii) take any action to dissolve, terminate or liquidate the Company or to require apportionment, appraisal or partition of the Company or any of its assets, or to file a bill for an accounting, except as specifically provided in this Agreement, and each Member, to the fullest extent permitted by Applicable Law, hereby waives any rights to take any such actions under Applicable Law, including any right to petition a court for judicial dissolution under Section 18-802 of the Delaware Act.

(c) The Company shall be dissolved and its business wound up only upon the earliest to occur of any one of the following events (each a "**Dissolution Event**"):

(i) The expiration of forty-five (45) days after the sale or other disposition of all or substantially all the assets of the Company;

(ii) upon the approval of the Managing Member;

(iii) the entry of a decree of dissolution of the Company under §18-802 of the Delaware Act; or

(iv) at any time there are no members of the Company, unless the Company is continued in accordance with the Delaware Act.

(d) The death, retirement, resignation, expulsion, bankruptcy, insolvency or dissolution of a Member or the occurrence of any other event that terminates the continued membership of a Member of the Company shall not in and of itself cause dissolution of the Company.

Section 12.02. *Winding Up of the Company*. (a) The Managing Member shall promptly notify the other Members of any Dissolution Event. Upon dissolution, the Company's business shall be liquidated in an orderly manner. The Managing Member shall appoint a liquidating trustee to wind up the affairs of the Company pursuant to this Agreement. In performing its duties, the liquidating trustee is authorized to sell, distribute, exchange or otherwise dispose of the assets of the Company in accordance with the Delaware Act and in any reasonable manner that the liquidating trustee shall determine to be in the best interest of the Members.

(b) The proceeds of the liquidation of the Company shall be distributed in the following order and priority:

(i) first, to the creditors (including any Members or their respective Affiliates that are creditors) of the Company in satisfaction of all of the

Company's liabilities (whether by payment or by making reasonable provision for payment thereof, including the setting up of any reserves which are, in the judgment of the liquidating trustee, reasonably necessary therefor); and

(ii) second, to the Members in the same manner as distributions under Section 5.03(b).

(c) *Distribution of Property*. In the event it becomes necessary in connection with the liquidation of the Company to make a distribution of Property in-kind, subject to the priority set forth in Section 11.02, the liquidating trustee shall have the right to compel each Member to accept a distribution of any Property in-kind (with such Property, as a percentage of the total liquidating distributions to such Member, corresponding as nearly as possible to such Member's Percentage Interest), with such distribution being based upon the amount of cash that would be distributed to such Members if such Property were sold for an amount of cash equal to the fair market value of such Property, as determined by the liquidating trustee in good faith, subject to the last sentence of Section 5.03(d).

(d) In the event of a dissolution pursuant to Section 12.01(c), the relative economic rights of each class of Units immediately prior to such dissolution shall be preserved to the greatest extent practicable with respect to distributions made to Members pursuant to Section 10.01(b) in connection with such dissolution, taking into consideration tax and other legal constraints that may adversely affect one or more parties to such dissolution and subject to compliance with Applicable Laws.

Section 12.03. *Termination*. The Company shall terminate when all of the assets of the Company, after payment of or reasonable provision for the payment of all debts and liabilities of the Company, shall have been distributed to the Members in the manner provided for in this Article 11, and the certificate of formation of the Company shall have been cancelled in the manner required by the Delaware Act.

Section 12.04. *Survival*. Termination, dissolution, liquidation or winding up of the Company for any reason shall not release any party from any liability which at the time of such termination, dissolution, liquidation or winding up already had accrued to any other party or which thereafter may accrue in respect to any act or omission prior to such termination, dissolution, liquidation or winding up.

ARTICLE 13
MISCELLANEOUS

Section 13.01. *Expenses*. Other than as set forth in Section 4.12 of the Reorganization Agreement or as provided for in the Tax Receivable Agreement, the Company shall (a) pay, or cause to be paid, all costs, fees, operating expenses, administrative expenses and other expenses of the Company (including the costs, fees and expenses of attorneys, accountants or other professionals and the compensation of all personnel providing services to the Company) incurred in pursuing and conducting, or otherwise related to, the business of the Company and (b) in the sole discretion of the

Managing Member, reimburse the Managing Member for any out-of-pocket costs, fees and expenses incurred by it or its Subsidiaries in connection therewith. To the extent that the Managing Member reasonably determines in good faith that its expenses are related to the business conducted by the Company and/or its subsidiaries, then the Managing Member may cause the Company to pay or bear all such expenses of the Managing Member or its Subsidiaries, including, (i) costs of any securities offerings (including any underwriters discounts and commissions), investment or acquisition transaction (whether or not successful) not borne directly by Members, (ii) compensation and meeting costs of its board of directors, (iii) cost of periodic reports to its stockholders, (iv) any judgments, settlements, penalties, fines or other costs and expenses in respect of any claims against, or any litigation or proceedings involving, Pubco, (v) accounting and legal costs, (vi) franchise taxes (which are not based on, or measured by, income), (vii) payments in respect of Indebtedness and preferred stock, to the extent the proceeds are used or will be used by Pubco or its Subsidiaries to pay expenses or other obligations described in this Section 13.01 (in either case only to the extent economically equivalent Indebtedness or Equity Securities of the Company were not issued to Pubco or its Subsidiaries), (viii) payments representing interest with respect to payments not made when due under the terms of the Tax Receivable Agreement and (ix) other fees and expenses in connection with the maintenance of the existence of Pubco and its Subsidiaries (including any costs or expenses associated with being a public company listed on a national securities exchange), *provided* that the Company shall not pay or bear any income tax obligations of the Managing Member or its Subsidiaries pursuant to this provision. Payments under this Section 13.01 are intended to constitute reasonable compensation for past or present services and are not “distributions” within the meaning of §18-607 of the Delaware Act.

Section 13.02. *Further Assurances*. Each Member agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be required by Applicable Law or as, in the reasonable judgment of the Managing Member, may be necessary or advisable to carry out the intent and purposes of this Agreement.

Section 13.03. *Notices*. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail (“**e-mail**”) transmission, so long as a receipt of such e-mail is requested and received) and shall be given to such party at the address, facsimile number or e-mail address specified for such party on the Member Schedule hereto or, or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt. All such notices, requests and other communications to any party hereunder shall be given to such party as follows:

If to [●] addressed to it at:

[●]

With copies (which shall not constitute notice) to:

[Counsel]

If to [●] addressed to it at:

[●]

With copies (which shall not constitute actual notice) to:

[Counsel]

If to Pubco or the Company:

1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Telephone: [****]
Attention: Ryan Langston
E-mail: [****]

With copies (which shall not constitute actual notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Richard D. Truesdell, Jr.
Facsimile: [****]
E-mail: [****]

Section 13.04. *Binding Effect; Benefit; Assignment*. (a) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns.

(b) Except as provided in Article 8, no Member may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the Managing Member.

Section 13.05. *Jurisdiction*. (a) The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby (whether brought by any party or any of its Affiliates or against any party or any of its Affiliates) shall be brought in the Delaware Chancery Court or, if such court shall not have jurisdiction, any federal court located in the State of Delaware or other Delaware state court, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or

proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 12.03 shall be deemed effective service of process on such party.

(b) EACH OF THE COMPANY AND THE MEMBERS HEREBY IRREVOCABLY DESIGNATES CORPORATION SERVICE COMPANY (IN SUCH CAPACITY, THE "PROCESS AGENT"), WITH AN OFFICE AT CORPORATION SERVICE COMPANY, 251 LITTLE FALLS DRIVE, CITY OF WILMINGTON, COUNTY OF NEW CASTLE, DELAWARE 19808, AS ITS DESIGNEE, APPOINTEE AND AGENT TO RECEIVE, FOR AND ON ITS BEHALF SERVICE OF PROCESS IN SUCH JURISDICTION IN ANY LEGAL ACTION OR PROCEEDINGS WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION WITH THIS AGREEMENT, AND SUCH SERVICE SHALL BE DEEMED COMPLETE UPON DELIVERY THEREOF TO THE PROCESS AGENT; PROVIDED THAT IN THE CASE OF ANY SUCH SERVICE UPON THE PROCESS AGENT, THE PARTY EFFECTING SUCH SERVICE SHALL ALSO DELIVER A COPY THEREOF TO EACH OTHER SUCH PARTY IN THE MANNER PROVIDED IN SECTION 12.03 OF THIS AGREEMENT. EACH PARTY SHALL TAKE ALL SUCH ACTION AS MAY BE NECESSARY TO CONTINUE SAID APPOINTMENT IN FULL FORCE AND EFFECT OR TO APPOINT ANOTHER AGENT SO THAT SUCH PARTY SHALL AT ALL TIMES HAVE AN AGENT FOR SERVICE OF PROCESS FOR THE ABOVE PURPOSES IN WILMINGTON, DELAWARE. NOTHING HEREIN SHALL AFFECT THE RIGHT OF ANY PARTY TO SERVE PROCESS IN ANY MANNER PERMITTED BY APPLICABLE LAW. EACH PARTY EXPRESSLY ACKNOWLEDGES THAT THE FOREGOING WAIVER IS INTENDED TO BE IRREVOCABLE UNDER THE LAWS OF THE STATE OF DELAWARE AND OF THE UNITED STATES OF AMERICA.

Section 13.06. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.07. *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 13.08. *Entire Agreement*. This Agreement and the Reorganization Documents constitute the entire agreement between the parties with respect to the subject

matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement. Nothing in this Agreement shall create any third-party beneficiary rights in favor of any Person or other party, except to the extent provided herein with respect to Indemnitee Related Entities, each of whom are intended third-party beneficiaries of those provisions that specifically related to them with the right to enforce such provisions as if they were a party hereto.

Section 13.09. *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

Section 13.10. *Amendment*. (a) This Agreement can be amended at any time and from time to time by written instrument signed by each of the Members who together own a majority in interest of the Units then outstanding, *provided* that no amendment to this Agreement may adversely modify in any material respect the Units (or the rights, preferences or privileges of the Units) then held by any Members in any materially disproportionate manner to those then held by any other Members without the prior written consent of a majority in interest of such disproportionately affected Member or Members.

(b) For the avoidance of doubt: (i) the Managing Member, acting alone, may amend this Agreement, including the Member Schedule, (x) to reflect the admission of new Members or Transfers of Units, each as provided by and in accordance with, the terms of this Agreement and (y) to effect any subdivisions or combinations of Units made in compliance with Section 4.02(c) and (z) to issue additional LLC Units or any new class of Units (whether or not pari passu with the LLC Units) in accordance with the terms of this Agreement and to provide that the Members being issued such new Units be entitled to the rights provided to Members; and (ii) any merger, consolidation or other business combination that constitutes a Disposition Event (as such term is defined in the certificate of incorporation of Pubco) in which the Non-Pubco Members are required to exchange all of their LLC Units pursuant to Section [●] of this Agreement and receive consideration in such Disposition Event in accordance with the terms of this Agreement and Section [●] of this Agreement shall not be deemed an amendment hereof; *provided*, that such amendment is only effective upon consummation of such Disposition Event.

(c) No waiver of any provision or default under, nor consent to any exception to, the terms of this Agreement or any agreement contemplated hereby shall be effective unless in writing and signed by the party to be bound and then only to the specific purpose, extent and instance so provided.

Section 13.11. *Confidentiality*. (a) Each Member shall, and shall direct those of its Affiliates and their respective directors, officers, members, stockholders, partners, employees, attorneys, accountants, consultants, trustees and other advisors (the "**Member Parties**") who have access to Confidential Information to, keep confidential and not disclose any Confidential Information to any Person other than a Member Party who agrees to keep such Confidential Information confidential in accordance with this Section 13.11, in each case without the express consent, in the case of Confidential Information acquired from the Company, of the Managing Member or, in the case of Confidential Information acquired from another Member, such other Member, unless:

(i) such disclosure shall be required by Applicable Law;

(ii) such disclosure is reasonably required in connection with any tax audit involving the Company or any Member or its Affiliates;

(iii) such disclosure is reasonably required in connection with any litigation against or involving the Company or any Member; or

(iv) such disclosure is reasonably required in connection with any proposed Transfer of all or any part of such Member's Units in the Company; *provided* that with respect to any such use of any Confidential Information referred to in this clause (iv), advance notice must be given to the Managing Member so that it may require any proposed Transferee that is not a Member to enter into a confidentiality agreement with terms substantially similar to the terms of this Section 13.11 (excluding this clause (iv)) prior to the disclosure of such Confidential Information.

(v) such disclosure is of financial and other information of the type typically disclosed to limited partners and limited liability company members (and prospective transferees or investors thereof) and is made to the partners or members of, and/or prospective investors in, Affiliates of the Members and such partner, Member or prospective investor is bound by the confidentiality provisions of a customary non-disclosure agreement entered into with the disclosing party that covers the Confidential Information so disclosed.

(b) "**Confidential Information**" means any information related to the activities of the Company, the Members and their respective Affiliates that a Member may acquire from the Company or the Members, other than information that (i) is already available through publicly available sources of information (other than as a result of disclosure by such Member), (ii) was available to a Member on a non-confidential basis prior to its disclosure to such Member by the Company, or (iii) becomes available to a Member on a non-confidential basis from a third party, provided such third party is not known by such Member, after reasonable inquiry, to be bound by this Agreement or another confidentiality agreement with the Company. Such Confidential Information may include information that pertains or relates to the business and affairs of any other Member or any other Company matters. Confidential Information may be used by a Member and its

Member Parties only in connection with Company matters and in connection with the maintenance of its interest in the Company.

(c) In the event that any Member or any Member Parties of such Member is required to disclose any of the Confidential Information, such Member shall use reasonable efforts to provide the Company with prompt written notice so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement, and such Member shall use reasonable efforts to cooperate with the Company in any effort any such Person undertakes to obtain a protective order or other remedy. In the event that such protective order or other remedy is not obtained, or that the Company waives compliance with the provisions of this Section 13.11, such Member and its Member Parties shall furnish only that portion of the Confidential Information that is legally required and shall exercise all reasonable efforts to obtain reasonably reliable assurance that the Confidential Information shall be accorded confidential treatment.

(d) Notwithstanding anything in this Agreement to the contrary, each Member may disclose to any persons the U.S. federal income tax treatment and tax structure of the Company and the transactions set out in the Reorganization Documents. For this purpose, "tax structure" is limited to any facts relevant to the U.S. federal income tax treatment of the Company and does not include information relating to the identity of the Company or any Member.

Section 13.12. *Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State that would result in the application of the laws of any other State.

ARTICLE 14
ARBITRATION

Section 14.01. *Title*. The Members shall attempt in good faith to resolve all claims, disputes and other disagreements arising hereunder (each, a "**Dispute**") by negotiation. If a Dispute between Members cannot be resolved in such manner, such Dispute shall, at the request of any Member, after providing written notice to the other Members party to the Dispute, be submitted to arbitration in The City of New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceeding shall be confidential. The party initially asserting the Dispute (the "**Initiating Party**") shall notify the other party (the "**Responding Party**") of the name and address of the arbitrator chosen by the Initiating Party and shall specifically describe the Dispute in issue to be submitted to arbitration. Within 30 days of receipt of such notification, the Responding Party shall notify the Initiating Party of its answer to the Dispute, any counterclaim which it wishes to assert in the arbitration and the name and address of the arbitrator chosen by the Responding Party. If the Responding Party does not appoint an arbitrator during such 30-day period, appointment of the second arbitrator shall be made by the American Arbitration Association upon request of the Initiating Party. The two arbitrators so chosen or

appointed shall choose a third arbitrator, who shall serve as president of the panel of arbitrators (the "**Panel**") thus composed. If the two arbitrators so chosen or appointed fail to agree upon the choice of a third arbitrator within 30 days from the appointment of the second arbitrator, the third arbitrator will be appointed by the American Arbitration Association upon the request of the arbitrators or either of the parties. In all cases, the arbitrators must be persons who are knowledgeable about, and have recognized ability and experience in dealing with, the subject matter of the Dispute. The arbitrators will act by majority decisions. Any decision of the arbitrators shall (a) be rendered in writing and shall bear the signatures of at least two arbitrators, and (b) identify the members of the Panel. Absent fraud or manifest error, any such decision of the Panel shall be final, conclusive and binding on the parties to the arbitration and enforceable by a court of competent jurisdiction. The expenses of the arbitration shall be borne equally by the parties to the arbitration; *provided, however*, that each party shall pay for and bear the costs of its own experts, evidence and legal counsel, unless the arbitrator rules otherwise in the arbitration. The parties shall complete all discovery within 30 days after the Panel is composed, shall complete the presentation of evidence to the Panel within 15 days after the completion of discovery, and a final decision with respect to the matter submitted to arbitration shall be rendered within 15 days after the completion of presentation of evidence. The Members shall cause to be kept a record of the proceedings of any matter submitted to arbitration hereunder.

ARTICLE 15
REPRESENTATIONS OF MEMBERS

Section 15.01. *Representations of Members*. Each Member (unless otherwise noted) to which a Unit is issued as of the date of this Agreement represents and warrants to the Company as follows:

(a) The Units issued to such Member, if any, are being acquired for investment for such Member's own account, not as a nominee or agent, and not with a view to or for sale in connection with the distribution thereof.

(b) Such Member has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the Member's investment in the Units; such Member has the ability to bear the economic risks of such investment; such Member has the capacity to protect its own interests in connection with the transactions contemplated by this Agreement; and such Member has had an opportunity to ask questions and to obtain such financial and other information regarding the Company as such Member deems necessary or appropriate in connection with evaluating the merits of the investment in the Units. Such Member acknowledges that the Units have not been and will not be registered under the Securities Act or under any state securities act and may not be transferred except in compliance with the Securities Act and all applicable state laws.

(c) Each Member qualifies as an Accredited Investor within the meaning of Regulation D promulgated under the Securities Act or the acquisition of its interest

otherwise qualifies under an applicable exemption from registration under the Securities Act.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Limited Liability Company Agreement to be duly executed as of the day and year first written above.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

[*Signature Page to the Amended and Restated LLC Agreement of Goosehead Financial, LLC*]

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON
FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN
FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES
FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY
TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

SCHEDULE A – MEMBER SCHEDULE

Member	LLC Units (%)	Reorganization Date Capital Account Balance
Goosehead Insurance, Inc., as Managing Member	N/A	N/A
Mark E. Jones	[●] ([__]%)	[●]
Robyn Jones	[●] ([__]%)	[●]
Michael C. Colby	[●] ([__]%)	[●]
Jeffrey Saunders		
The Mark and Robyn Jones Descendants Trust 2014		
Lanni Elaine Romney Family Trust 2014		
Lindy Jean Langston Family Trust 2014		
Camille LaVaun Peterson Family Trust 2014		
Desiree Robyn Coleman Family Trust 2014		
Adrienne Morgan Jones Family Trust 2014		
Mark Evan Jones, Jr. Family Trust 2014		
The estate of Doug Jones		
Lanni Romney		
Lindy Langston		

Camille Peterson		
Desiree Coleman		
Adrienne Jones		
Mark E. Jones, Jr.		
Colby 2014 Family Trust		
Preston Michael Colby 2014 Trust		
Lyla Kate Colby 2014 Trust		
Texas Wasatch Insurance Partners, L.P.		
Max and Dane, LLC		
Evan and Jake, LLC		

REGISTRATION RIGHTS AGREEMENT

by and among

the Persons listed on Schedule A hereto

and

GOOSEHEAD INSURANCE, INC.

Dated as of [●], 2018

This REGISTRATION RIGHTS AGREEMENT, dated as of [•], 2018 (as it may be amended from time to time, this "**Agreement**"), is made among Goosehead Insurance, Inc., a Delaware corporation (the "**Company**"); the shareholders listed on Schedule A hereto and any transferee of Registrable Securities to whom any Person who is a party to this Agreement shall Assign any rights hereunder in accordance with Section 4.5 (each such Person, a "**Holder**"). Capitalized terms used in this Agreement without definition have the meaning set forth in Section 1.

1. Certain Definitions. As used herein, the following terms shall have the following meanings:

"**Additional Piggyback Rights**" has the meaning set forth in Section 2.2(c).

"**Affiliate**" means with respect to any Person, any Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person.

"**Agreement**" has the meaning set forth in the preamble.

"**Assign**" means to directly or indirectly sell, transfer, assign, distribute, exchange, pledge, hypothecate, mortgage, grant a security interest in, encumber or otherwise dispose of Registrable Securities, whether voluntarily or by operation of law, including by way of a merger. "**Assignor**," "**Assignee**," "**Assigning**" and "**Assignment**" have meanings corresponding to the foregoing.

"**automatic shelf registration statement**" has the meaning set forth in Section 2.4.

"**Board**" means the Board of Directors of the Company.

"**Business Day**" means any day other than a Saturday, Sunday or day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

"**Carryover Amount**" for any Holder means, with respect to any registered offering in which such Holder elected not to participate after receipt of a notice under Section 2.2(a), a number of Registrable Securities equal to the number of Registrable Securities then held by such Holder, multiplied by a fraction (expressed as a percentage), the numerator of which is equal to the number of Registrable Securities sold by the Holder that sold the most Registrable Securities in such offering and the denominator of which is the number of Registrable Securities held by such Holder immediately prior to such offering.

"**Claims**" has the meaning set forth in Section 2.9(a).

"**Company Shares**" means Class A common stock of the Company, par value $0.01 per share, and any and all securities of any kind whatsoever of the Company that may be issued by the Company after the date hereof in respect of, in exchange for, or in substitution of, Company Shares, pursuant to any stock dividends, splits, reverse splits,

combinations, reclassifications, recapitalizations, reorganizations and the like occurring after the date hereof.

"**Company Shares Equivalents**" means all options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject) Company Shares or other equity securities of the Company (including, without limitation, any note or debt security convertible into or exchangeable for Company Shares or other equity securities of the Company) and any LLC Units.

"**Company**" has the meaning set forth in the preamble.

"**Demand Exercise Notice**" has the meaning set forth in Section 2.1(a).

"**Demand Registration**" has the meaning set forth in Section 2.1(a).

"**Demand Registration Request**" has the meaning set forth in Section 2.1(a).

"**Exchange**" means the exchange of shares of Class B Common Stock, par value $0.01 per share, of the Company (together with LLC Units) for shares of Class A Common Stock, par value $0.01 per share of the Company, pursuant to the LLC Agreement.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Expenses**" means any and all fees and expenses incident to the Company's performance of or compliance with Article 2, including, without limitation: (i) SEC, stock exchange or FINRA registration and filing fees and all listing fees and fees with respect to the inclusion of securities on the Nasdaq Global Market or on any other securities market on which the Company Shares are listed or quoted, (ii) fees and expenses of compliance with state securities or "blue sky" laws and in connection with the preparation of a "blue sky" survey, including, without limitation, reasonable fees and expenses of outside "blue sky" counsel, (iii) printing and copying expenses, (iv) messenger and delivery expenses, (v) expenses incurred in connection with any road show, (vi) fees and disbursements of counsel for the Company, (vii) with respect to each registration, the fees and disbursements of one counsel for the Participating Holder(s) (selected by the Majority Participating Holders), (viii) fees and disbursements of all independent public accountants (including the expenses of any audit and/or comfort letter and updates thereof) and fees and expenses of other Persons, including special experts, retained by the Company, (ix) fees and expenses payable to any Qualified Independent Underwriter, (x) any other fees and disbursements of underwriters, if any, customarily paid by issuers or sellers of securities (excluding, for the avoidance of doubt, any underwriting discount or spread) and (xi) expenses for securities law liability insurance and any rating agency fees.

"**FINRA**" means the Financial Industry Regulatory Authority.

"**Fully-Diluted Basis**" means, with respect to the Company Shares, all issued and outstanding Company Shares and all Company Shares issuable in respect of securities convertible into or exchangeable for such Company Shares, all stock appreciation rights, options, warrants and other rights to purchase or subscribe for such Company Shares or securities convertible into or exchangeable for such Company Shares, including any of the foregoing stock appreciation rights, options, warrants or other rights to purchase or subscribe for such Company Shares that are subject to vesting.

"**Holder**" or "**Holders**" has the meaning set forth in the preamble.

"**Initiating Holder(s)**" has the meaning set forth in Section 2.1(a).

"**IPO**" means the first underwritten public offering of the common stock of the Company to the general public pursuant to a registration statement filed with the SEC completed on or about the date of this Agreement.

"**LLC**" means Goosehead Financial, LLC, a Delaware limited liability company and its successors.

"**LLC Agreement**" means the Limited Liability Agreement of Goosehead Financial, LLC, a Delaware limited liability company.

"**LLC Unit**" means a common limited liability interest in the LLC or any other class of limited liability interests in the LLC.

"**Litigation**" means any action, proceeding or investigation in any court or before any governmental authority.

"**Lock-Up Agreement**" means any agreement entered into by a Holder that provides for restrictions on the transfer of Registrable Securities held by such Holder.

"**Majority Participating Holders**" means the Participating Holders holding more than 50% of the Registrable Securities proposed to be included in such offering.

"**Manager**" has the meaning set forth in Section 2.1(c).

"**Participating Holders**" means all Holders of Registrable Securities which are proposed to be included in any registration or offering of Registrable Securities pursuant to Section 2.1 or Section 2.2.

"**Person**" means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, governmental entity or agency or other entity of any kind or nature.

"**Piggyback Shares**" has the meaning set forth in Section 2.3(a)(iv).

"**Qualified Independent Underwriter**" means a "qualified independent underwriter" within the meaning of FINRA Rule 5121.

"**Registrable Securities**" means any Company Shares held by the Holders at any time (including those held as a result of the conversion or exercise of Company Shares Equivalents) and any Company Shares issuable upon an Exchange; *provided* that, as to any Registrable Securities held by a particular Holder, such securities shall cease to be Registrable Securities when (A) a registration statement with respect to the sale of such securities shall have been declared effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, or (B) such securities are eligible to be sold by such Holder in a single transaction in compliance with the requirements of Rule 144 under the Securities Act, as such Rule 144 may be amended (or any successor provision thereto). For the avoidance of doubt, it being understood that any Company Share issuable upon an Exchange shall be considered a Registrable Security and held by the Holder of the LLC Unit with respect to which it is issuable for all purposes hereunder prior to its issuance.

"**Rule 144**" and "**Rule 144A**" have the meaning set forth in Section 4.2.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Section 2.3(a) Sale Number**" has the meaning set forth in Section 2.3(a).

"**Section 2.3(b) Sale Number**" has the meaning set forth in Section 2.3(b).

"**Section 2.3(c) Sale Number**" has the meaning set forth in Section 2.3(c).

"**Securities Act**" means the United States Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

"**Stockholders Agreement**" means the Stockholders Agreement, dated as of the date hereof, by and among the Company and the other parties thereto.

"**Subsidiary**" means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof.

"**Transfer**" means, with respect to any Company Shares, (i) when used as a verb, to sell, assign, dispose of, exchange, pledge, mortgage, encumber, hypothecate or otherwise transfer, in whole or in part, any of the economic consequences of ownership of such Company Shares, whether directly or indirectly, or agree or commit to do any of the foregoing and (ii) when used as a noun, a direct or indirect sale, assignment, disposition, exchange, pledge, mortgage, encumbrance, hypothecation or other transfer, in whole or in part, of any of the economic consequences of ownership of such Company Shares or any agreement or commitment to do any of the foregoing. For the avoidance of doubt, a transfer, sale, exchange, assignment, pledge, hypothecation or other encumbrance or other disposition of an interest in any Holder, or direct or indirect parent thereof, all or substantially all of whose assets are, directly or indirectly, Company Shares shall constitute a "Transfer" of Company Shares for purposes of this Agreement. For the avoidance of doubt, a transfer, sale, exchange, assignment, pledge, hypothecation or other

encumbrance or other disposition of an interest in any Holder, or direct or indirect parent thereof, which has substantial assets in addition to Company Shares shall not constitute a "Transfer" of Company Shares for purposes of this Agreement.

"**Valid Business Reason**" has the meaning set forth in Section 2.1(a)(iii).

"**WKSI**" has the meaning set forth in Section 2.4.

2. Registration Rights.

2.1. *Demand Registrations*. (a) If the Company shall receive from any Holder or group of Holders holding at least 50% of the Registrable Securities, in either case at any time beginning 180 days after the closing of the IPO, a written request that the Company file a registration statement with respect to Registrable Securities (a "**Demand Registration Request**," and the registration so requested is referred to herein as a "**Demand Registration**," and the sender(s) of such request pursuant to this Agreement shall be known as the "**Initiating Holder(s)**"), then the Company shall, within five Business Days of the receipt thereof, give written notice (the "**Demand Exercise Notice**") of such request to all other Holders, and subject to the limitations of this Section 2.1, use its reasonable best efforts to effect, as soon as practicable, the registration under the Securities Act (including, without limitation, by means of a shelf registration pursuant to Rule 415 thereunder if so requested and if the Company is then eligible to use such a registration) of all Registrable Securities that the Holders request to be registered. There is no limitation on the number of Demand Registrations pursuant to this Section 2.1 which the Company is obligated to effect. However, the Company shall not be obligated to take any action to effect any Demand Registration:

(i) within three months after a Demand Registration pursuant to this Section 2.1 that has been declared or ordered effective;

(ii) during the period starting with the date 15 days prior to its good faith estimate of the date of filing of, and ending on a date 90 days after the effective date of, a Company-initiated registration (other than a registration relating solely to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or to an SEC Rule 145 transaction), *provided* that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective;

(iii) where the anticipated offering price, before any underwriting discounts or commissions and any offering-related expenses, is equal to or less than $25,000,000;

(iv) if the Company shall furnish to such Holders a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of the Board, any registration of Registrable Securities should not be made or continued (or sales under a shelf registration statement should be suspended) because (i) such registration (or continued sales under a shelf registration statement) would materially interfere with a material financing, acquisition, corporate reorganization or merger or

other material transaction or event involving the Company or any of its subsidiaries or (ii) the Company is in possession of material non-public information, the disclosure of which has been determined by the Board to not be in the Company's best interests (in either case, a "**Valid Business Reason**"), then (x) the Company may postpone filing a registration statement relating to a Demand Registration Request or suspend sales under an existing shelf registration statement until five Business Days after such Valid Business Reason no longer exists, but in no event for more than 90 days after the date the Board determines a Valid Business Reason exists and (y) in case a registration statement has been filed relating to a Demand Registration Request, if the Valid Business Reason has not resulted from actions taken by the Company, the Company may cause such registration statement to be withdrawn and its effectiveness terminated or may postpone amending or supplementing such registration statement until five Business Days after such Valid Business Reason no longer exists, but in no event for more than 90 days after the date the Board determines a Valid Business Reason exists; and the Company shall give written notice to the Participating Holders of its determination to postpone or withdraw a registration statement or suspend sales under a shelf registration statement and of the fact that the Valid Business Reason for such postponement, withdrawal or suspension no longer exists, in each case, promptly after the occurrence thereof; *provided, however*, that the Company shall not defer its obligation in this manner for more than 90 days in any 12 month period; or

(v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

If the Company shall give any notice of postponement, withdrawal or suspension of any registration statement pursuant to clause (iv) of this Section 2.1(a), the Company shall not, during the period of postponement, withdrawal or suspension, register any Company Shares, other than pursuant to a registration statement on Form S-4 or S-8 (or an equivalent registration form then in effect). Each Holder of Registrable Securities agrees that, upon receipt of any notice from the Company that the Company has determined to withdraw any registration statement pursuant to clause (iv) of this Section 2.1(a), such Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement and, if so directed by the Company, will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Holder's possession of the prospectus covering such Registrable Securities that was in effect at the time of receipt of such notice. If the Company shall have withdrawn or prematurely terminated a registration statement filed pursuant to a Demand Registration (whether pursuant to clause (iv) of this Section 2.1(a) or as a result of any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court), the Company shall not be considered to have effected an effective registration for the purposes of this Agreement until the Company shall have filed a new registration statement covering the Registrable Securities covered by the withdrawn registration statement and such registration statement shall have been declared effective and shall not have been withdrawn. If the Company shall give any notice of withdrawal or postponement of a registration statement, the Company shall, not later than five Business

Days after the Valid Business Reason that caused such withdrawal or postponement no longer exists (but in no event later than 90 days after the date of the postponement or withdrawal), use its reasonable best efforts to effect the registration under the Securities Act of the Registrable Securities covered by the withdrawn or postponed registration statement in accordance with Section 2.1 (unless the Initiating Holders shall have withdrawn such request, in which case the Company shall not be considered to have effected an effective registration for the purposes of this Agreement), and such registration shall not be withdrawn or postponed pursuant to clause (iv) of this Section 2.1(a).

(b)

(i) The Company, subject to Sections 2.3 and 2.6, shall include in a Demand Registration (x) the Registrable Securities of the Initiating Holders and (y) the Registrable Securities of any other Holder of Registrable Securities, which shall have made a written request to the Company for inclusion in such registration pursuant to Section 2.2 (which request shall specify the maximum number of Registrable Securities intended to be disposed of by such Participating Holder) within ten Business Days after the receipt of the Demand Exercise Notice.

(ii) The Company shall, as expeditiously as possible, but subject to the limitations set forth in this Section 2.1, use its reasonable best efforts to (x) effect such registration under the Securities Act (including, without limitation, by means of a shelf registration pursuant to Rule 415 under the Securities Act if so requested and if the Company is then eligible to use such a registration) of the Registrable Securities which the Company has been so requested to register, for distribution in accordance with such intended method of distribution and (y) if requested by the Majority Participating Holders, obtain acceleration of the effective date of the registration statement relating to such registration.

(c) In connection with any Demand Registration, the Majority Participating Holders shall have the right to designate the lead managing underwriter (any lead managing underwriter for the purposes of this Agreement, the "**Manager**") in connection with such registration and each other managing underwriter for such registration, in each case subject to consent of the Company, not be unreasonably withheld.

(d) If so requested by the Initiating Holder(s), the Company (together with all Holders proposing to distribute their securities through such underwriting) shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company in its sole discretion.

(e) Any Holder that intends to sell Registrable Securities by means of a shelf registration pursuant to Rule 415 thereunder, shall give the Company two days' prior notice of any such sale.

2.2. *Piggyback Registrations*.

(a) If, at any time or from time to time the Company will register or commence an offering of any of its securities for its own account or otherwise (other than pursuant to registrations on Form S-4 or Form S-8 or any similar successor forms thereto) (including but not limited to the registrations or offerings pursuant to Section 2.1), the Company will:

(i) promptly give to each Holder written notice thereof (in any event within five Business Days); and

(ii) include in such registration and in any underwriting involved therein (if any), all the Registrable Securities specified in a written request or requests, made within 10 Business Days after mailing or personal delivery of such written notice from the Company, by any of the Holders, except as set forth in Sections 2.2(b) and 2.2(f), with the securities which the Company at the time proposes to register or sell to permit the sale or other disposition by the Holders (in accordance with the intended method of distribution thereof) of the Registrable Securities to be so registered or sold, including, if necessary, by filing with the SEC a post-effective amendment or a supplement to the registration statement filed by the Company or the prospectus related thereto. There is no limitation on the number of such piggyback registrations pursuant to the preceding sentence which the Company is obligated to effect. No registration of Registrable Securities effected under this Section 2.2(a) shall relieve the Company of its obligations to effect Demand Registrations under Section 2.1 hereof.

(b) If the registration in this Section 2.2 involves an underwritten offering, the right of any Holder to include its Registrable Securities in a registration or offering pursuant to this Section 2.2 shall be conditioned upon such Holder's participation in the underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company.

(c) The Company, subject to 2.3 and 2.6, may elect to include in any registration statement and offering pursuant to demand registration rights by any Person, (i) authorized but unissued shares of Company Shares or Company Shares held by the Company as treasury shares and (ii) any other Company Shares which are requested to be included in such registration pursuant to the exercise of piggyback registration rights granted by the Company after the date hereof and which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement ("**Additional Piggyback Rights**"); *provided*, *however*, that such inclusion shall be permitted only to the extent that it is pursuant to, and subject to, the terms of the underwriting agreement or arrangements, if any, entered into by the Initiating Holders.

(d) If, at any time after giving written notice of its intention to register or sell any equity securities and prior to the effective date of the registration statement filed in connection with such registration or sale of such equity securities, the Company shall

determine for any reason not to register or sell or to delay registration or sale of such equity securities, the Company may, at its election, give written notice of such determination to all Holders of record of Registrable Securities and (i) in the case of a determination not to register or sell, shall be relieved of its obligation to register or sell any Registrable Securities in connection with such abandoned registration or sale, without prejudice, however, to the rights of Holders under Section 2.1, and (ii) in the case of a determination to delay such registration or sale of its equity securities, shall be permitted to delay the registration or sale of such Registrable Securities for the same period as the delay in registering such other equity securities.

(e) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Holder, file any prospectus supplement or post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such Holder if such disclosure or language was not included in the initial registration statement, or revise such disclosure or language if deemed necessary or advisable by such Holder including filing a prospectus supplement naming the Holders, partners, members and shareholders to the extent required by law.

(f) Notwithstanding anything in this Agreement to the contrary, the rights of any Holder set forth in this Agreement shall be subject to any Lock-Up Agreement that such Holder has entered into.

2.3. *Allocation of Securities Included in Registration Statement or Offering*.

(a) Notwithstanding any other provision of this Agreement, in connection with an underwritten offering initiated by a Demand Registration Request, if the Manager advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten (such number, the "**Section 2.3(a) Sale Number**") within a price range acceptable to the Majority Participating Holders, the Initiating Holders shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the Company shall use its reasonable best efforts to include in such registration or offering, as applicable, the number of shares of Registrable Securities in the registration and underwriting as follows:

(i) first, all Registrable Securities requested to be included in such registration or offering by the Holders thereof (including pursuant to the exercise of piggyback rights pursuant to Section 2.2); *provided*, *however*, that if such number of Registrable Securities exceeds the Section 2.3(a) Sale Number, the number of such Registrable Securities (not to exceed the Section 2.3(a) Sale Number) to be included in such registration shall be allocated among all such Holders requesting inclusion thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities held by such Holders at the time of filing of the registration statement or the time of the offering, as applicable, as adjusted to give effect to any Carryover Amount(s) for any such Holder;

(ii) second, if by the withdrawal of Registrable Securities by a Participating Holder, a greater number of Registrable Securities held by other Holders, may be included in such registration or offering (up to the Section 2.3(a) Sale Number), then the Company shall offer to all Holders who have included Registrable Securities in the registration or offering the right to include additional Registrable Securities in the same proportions as set forth in Section 2.3(a)(i).

(iii) third, to the extent that the number of Registrable Securities to be included pursuant to clause (i) and (ii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, and if the underwriter so agrees, any securities that the Company proposes to register or sell, up to the Section 2.3(a) Sale Number; and

(iv) fourth, to the extent that the number of securities to be included pursuant to clauses (i), (ii) and (iii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, the remaining securities to be included in such registration or offering shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration or offering pursuant to the exercise of Additional Piggyback Rights ("**Piggyback Shares**"), based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(a) Sale Number.

(b) Subject to subsection (e) of this Section 2.3, but notwithstanding any other provision of this Agreement, in a registration involving an underwritten offering on behalf of the Company, which was initiated by the Company, if the Manager determines that marketing factors require a limitation of the number of shares to be underwritten (such number, the "**Section 2.3(b) Sale Number**") the Company shall so advise all Holders whose securities would otherwise be registered and underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be allocated as follows:

(i) first, all equity securities that the Company proposes to register for its own account;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested for inclusion in such registration by Holders pursuant to Section 2.2 up to the Section 2.3(b) Sale Number, as adjusted to give effect to any Carryover Amount(s) for any such Holder; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, the remaining securities to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in

relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(b) Sale Number.

(c) Subject to subsection (e) of this Section 2.3, if any registration pursuant to Section 2.2 involves an underwritten offering by any Person(s) other than a Holder to whom the Company has granted registration rights which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement, the Manager (as selected by the Company or such other Person) shall advise the Company that, in its view, the number of securities requested to be included in such registration exceeds the number (the "**Section 2.3(c) Sale Number**") that can be sold in an orderly manner in such registration within a price range acceptable to the Company, the Company shall include shares in such registration as follows:

(i) first, the shares requested to be included in such registration shall be allocated on a pro rata basis among such Person(s) requesting the registration and all Holders requesting that Registrable Securities be included in such registration pursuant to the exercise of piggyback rights pursuant to Section 2.2, based on the aggregate number of securities or Registrable Securities, as applicable, then owned by each of the foregoing requesting inclusion in relation to the aggregate number of securities or Registrable Securities, as applicable, owned by all such Holders and Persons requesting inclusion, up to the Section 2.3(c) Sale Number, as adjusted to give effect to any Carryover Amount(s) for any such Holder;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining shares to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(c) Sale Number; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining shares to be included in such registration shall be allocated to shares the Company proposes to register for its own account, up to the Section 2.3(c) Sale Number.

(d) If any Holder of Registrable Securities disapproves of the terms of the underwriting, or if, as a result of the proration provisions set forth in clauses (a), (b) or (c) of this Section 2.3, any Holder shall not be entitled to include all Registrable Securities in a registration or offering that such Holder has requested be included, such Holder may elect to withdraw such Holder's request to include Registrable Securities in such registration or offering or may reduce the number requested to be included; *provided, however*, that (x) such request must be made in writing, to the Company, Manager and, if applicable, the Initiating Holder(s), prior to the execution of the underwriting agreement with respect to such registration and (y) such withdrawal or reduction shall be irrevocable

and, after making such withdrawal or reduction, such Holder shall no longer have any right to include such withdrawn Registrable Securities in the registration as to which such withdrawal or reduction was made to the extent of the Registrable Securities so withdrawn or reduced.

2.4. *Registration Procedures*. If and whenever the Company is required by the provisions of this Agreement to use its reasonable best efforts to effect or cause the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Company shall, as expeditiously as possible (but, in any event, within 60 days after a Demand Registration Request in the case of Section 2.4(a) below), in connection with the Registration of the Registrable Securities and, where applicable, a takedown off of a shelf registration statement:

(a) prepare and file with the SEC a registration statement on an appropriate registration form of the SEC for the disposition of such Registrable Securities in accordance with the intended method of disposition thereof, which registration form (i) shall be selected by the Company and (ii) shall, in the case of a shelf registration, be available for the sale of the Registrable Securities by the selling Holders thereof and such registration statement shall comply as to form in all material respects with the requirements of the applicable registration form and include all financial statements required by the SEC to be filed therewith, and the Company shall use its reasonable best efforts to cause such registration statement to become effective and remain continuously effective from the date such registration statement is declared effective until the earliest to occur (i) the first date as of which all of the Registrable Securities included in the registration statement have been sold or (ii) a period of 90 days in the case of an underwritten offering effected pursuant to a registration statement other than a shelf registration statement and a period of three years in the case of a shelf registration statement (*provided*, *however*, that before filing a registration statement or prospectus or any amendments or supplements thereto, or comparable statements under securities or state "blue sky" laws of any jurisdiction, or any free writing prospectus related thereto, the Company will furnish to one counsel for the Holders participating in the planned offering (selected by the Majority Participating Holders) and to one counsel for the Manager, if any, copies of all such documents proposed to be filed (including all exhibits thereto), which documents will be subject to the reasonable review and reasonable comment of such counsel (*provided* that the Company shall be under no obligation to make any changes suggested by the Holders), and the Company shall not file any registration statement or amendment thereto, any prospectus or supplement thereto or any free writing prospectus related thereto to which the Majority Participating Holders or the underwriters, if any, shall reasonably object);

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement continuously effective for the period set forth in Section 2.4(a) and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Securities covered by such registration statement in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement (and, in connection with

any shelf registration statement, file one or more prospectus supplements covering Registrable Securities upon the request of one or more Holders wishing to offer or sell Registrable Securities whether in an underwritten offering or otherwise);

(c) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the Manager of such offering;

(d) furnish, without charge, to each Participating Holder and each underwriter, if any, of the securities covered by such registration statement such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and each free writing prospectus utilized in connection therewith, in each case, in conformity with the requirements of the Securities Act, and other documents, as such seller and underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable law of each such registration statement (or amendment or post-effective amendment thereto) and each such prospectus (or preliminary prospectus or supplement thereto) or free writing prospectus by each such Participating Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such registration statement or prospectus);

(e) use its reasonable best efforts to register or qualify the Registrable Securities covered by such registration statement under such other securities or state “blue sky” laws of such jurisdictions as any sellers of Registrable Securities or any managing underwriter, if any, shall reasonably request in writing, and do any and all other acts and things which may be reasonably necessary or advisable to enable such sellers or underwriter, if any, to consummate the disposition of the Registrable Securities in such jurisdictions (including keeping such registration or qualification in effect for so long as such registration statement remains in effect), except that in no event shall the Company be required to qualify to do business as a foreign corporation in any jurisdiction where it would not, but for the requirements of this paragraph (e), be required to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(f) promptly notify each Participating Holder and each managing underwriter, if any: (i) when the registration statement, any pre-effective amendment, the prospectus or any prospectus supplement related thereto, any post-effective amendment to the registration statement or any free writing prospectus has been filed and, with respect to the registration statement or any post-effective amendment, when the same has become effective; (ii) of any request by the SEC or state securities authority for amendments or supplements to the registration statement or the prospectus related thereto or for additional information; (iii) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the

suspension of the qualification of any Registrable Securities for sale under the securities or state "blue sky" laws of any jurisdiction or the initiation of any proceeding for such purpose; (v) of the existence of any fact of which the Company becomes aware which results in the registration statement or any amendment thereto, the prospectus related thereto or any supplement thereto, any document incorporated therein by reference, any free writing prospectus or the information conveyed to any purchaser at the time of sale to such purchaser containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not misleading; and (vi) if at any time the representations and warranties contemplated by any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct in all material respects; and, if the notification relates to an event described in clause (v), the Company shall promptly prepare and furnish to each such seller and each underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made not misleading;

(g) comply (and continue to comply) with all applicable rules and regulations of the SEC (including, without limitation, maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) in accordance with the Exchange Act), and make generally available to its security holders, as soon as reasonably practicable after the effective date of the registration statement (and in any event within 45 days, or 90 days if it is a fiscal year, after the end of such 12 month period described hereafter), an earnings statement (which need not be audited) covering the period of at least 12 consecutive months beginning with the first day of the Company's first fiscal quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(h) (i) (A) cause all such Registrable Securities covered by such registration statement to be listed on the principal securities exchange on which similar securities issued by the Company are then listed (if any), if the listing of such Registrable Securities is then permitted under the rules of such exchange, or (B) if no similar securities are then so listed, to cause all such Registrable Securities to be listed on a national securities exchange and, without limiting the generality of the foregoing, take all actions that may be required by the Company as the issuer of such Registrable Securities in order to facilitate the managing underwriter's arranging for the registration of at least two market makers as such with respect to such shares with FINRA, and (ii) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including without limitation all corporate governance requirements;

(i) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(j) enter into such customary agreements (including, if applicable, an underwriting agreement) and take such other actions as the Majority Participating Holders or the underwriters shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (it being understood that the Holders of the Registrable Securities which are to be distributed by any underwriters shall be parties to any such underwriting agreement and may, at their option, require that the Company make to and for the benefit of such Holders the representations, warranties and covenants of the Company which are being made to and for the benefit of such underwriters);

(k) use its reasonable best efforts (i) to obtain an opinion from the Company's counsel and a comfort letter and updates thereof from the Company's independent public accountants who have certified the Company's financial statements included or incorporated by reference in such registration statement, in each case, in customary form and covering such matters as are customarily covered by such opinions and comfort letters (including, in the case of such comfort letter, events subsequent to the date of such financial statements) delivered to underwriters in underwritten public offerings, which opinion and letter shall be dated the dates such opinions and comfort letters are customarily dated and otherwise reasonably satisfactory to the underwriters, if any, and to the Majority Participating Holders, and (ii) furnish to each Holder participating in the offering and to each underwriter, if any, a copy of such opinion and letter addressed to such underwriter;

(l) deliver promptly to counsel for each Participating Holder and to each managing underwriter, if any, copies of all correspondence between the SEC and the Company, its counsel or auditors and all memoranda relating to discussions with the SEC or its staff with respect to the registration statement, and, upon receipt of such confidentiality agreements as the Company may reasonably request, make reasonably available for inspection by counsel for each Participating Holder, by counsel for any underwriter, participating in any disposition to be effected pursuant to such registration statement and by any accountant or other agent retained by any Participating Holder or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such counsel for a Participating Holder, counsel for an underwriter, accountant or agent in connection with such registration statement;

(m) use its reasonable best efforts to obtain the prompt withdrawal of any order suspending the effectiveness of the registration statement, or the prompt lifting of any suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction;

(n) provide a CUSIP number for all Registrable Securities, not later than the effective date of the registration statement;

(o) use its best efforts to make available its employees and personnel for participation in "road shows" and other marketing efforts and otherwise provide reasonable assistance to the underwriters (taking into account the needs of the Company's

businesses and the requirements of the marketing process) in marketing the Registrable Securities in any underwritten offering;

(p) prior to the filing of any document which is to be incorporated by reference into the registration statement or the prospectus (after the initial filing of such registration statement), and prior to the filing of any free writing prospectus, provide copies of such document to counsel for each Participating Holder and to each managing underwriter, if any, and make the Company's representatives reasonably available for discussion of such document and make such changes in such document concerning the Participating Holders prior to the filing thereof as counsel for the Participating Holders or underwriters may reasonably request;

(q) furnish to counsel for each Participating Holder and to each managing underwriter, without charge, at least one signed copy of the registration statement and any post-effective amendments or supplements thereto, including financial statements and schedules, all documents incorporated therein by reference, the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and all exhibits (including those incorporated by reference) and any free writing prospectus utilized in connection therewith;

(r) cooperate with the Participating Holders and the managing underwriter, if any, to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement at least three Business Days prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Participating Holders at least three Business Days prior to any sale of Registrable Securities and instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(s) cooperate with any due diligence investigation by any Manager, underwriter or Participating Holder and make available such documents and records of the Company and its Subsidiaries that they reasonably request (which, in the case of the Participating Holder, may be subject to the execution by the Participating Holder of a customary confidentiality agreement in a form which is reasonably satisfactory to the Company);

(t) take no direct or indirect action prohibited by Regulation M under the Exchange Act;

(u) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities;

(v) take all reasonable action to ensure that any free writing prospectus utilized in connection with any registration covered by Section 2.1 or 2.2 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to

the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(w) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the SEC such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

To the extent the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (a "**WKSI**") at the time any Demand Registration Request is submitted to the Company, and such Demand Registration Request requests that the Company file an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an "**automatic shelf registration statement**") on Form S-3, the Company shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Company shall use its reasonable best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which the Registrable Securities remain Registrable Securities. If the Company does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Company agrees to pay such fee at such time or times as the Registrable Securities are to be sold. If the automatic shelf registration statement has been outstanding for at least three years, at the end of the third year the Company shall refile a new automatic shelf registration statement covering the Registrable Securities. If at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, the Company shall use its reasonable best efforts to refile the shelf registration statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Company files any shelf registration statement for the benefit of the holders of any of its securities other than the Holders, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 2.1, 2.2, or 2.4 that each Participating Holder shall furnish to the Company such information regarding themselves, the Registrable Securities held by them, and the intended method of disposition of such securities as the Company may

from time to time reasonably request so long as such information is necessary for the Company to consummate such registration and shall be used only in connection with such registration.

If any such registration statement or comparable statement under state "blue sky" laws refers to any Holder by name or otherwise as the Holder of any securities of the Company, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such Holder and the Company, to the effect that the holding by such Holder of such securities is not to be construed as a recommendation by such Holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such Holder by name or otherwise is not in the judgment of the Company, as advised by counsel, required by the Securities Act or any similar federal statute or any state "blue sky" or securities law then in force, the deletion of the reference to such Holder.

2.5. *Registration Expenses*. All Expenses incurred in connection with any registration, filing, qualification or compliance pursuant to Article 2 shall be borne by the Company, whether or not a registration statement becomes effective. All underwriting discounts and all selling commissions relating to securities registered by the Holders shall be borne by the holders of such securities pro rata in accordance with the number of shares sold in the offering by such Participating Holder.

2.6. *Certain Limitations on Registration Rights*. In the case of any registration under Section 2.1 pursuant to an underwritten offering, or, in the case of a registration under Section 2.2, all securities to be included in such registration shall be subject to the underwriting agreement and no Person may participate in such registration or offering unless such Person (i) agrees to sell such Person's securities on the basis provided therein and completes and executes all reasonable questionnaires, and other documents (including custody agreements and powers of attorney) which must be executed in connection therewith; *provided*, *however*, that all such documents shall be consistent with the provisions hereof, and (ii) provides such other information to the Company or the underwriter as may be necessary to register such Person's securities.

2.7. *Limitations on Sale or Distribution of Other Securities*.

(a) Each Holder agrees, (i) to the extent requested in writing by a managing underwriter, if any, of any registration effected pursuant to Section 2.1, not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144 under the Securities Act, any Company Shares, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering) during the time period reasonably requested by the managing underwriter, not to exceed 90 days and (ii) to the extent requested in writing by a managing underwriter of any underwritten public offering effected by the Company for its own account, not to sell any Company Shares (other than as part of such underwritten public offering) during the time period

reasonably requested by the managing underwriter, which period shall not exceed 90 days subject to the same exceptions as provided in the lock-up provisions contained in the underwriting agreement for the IPO; and, if so requested, each Holder agrees to enter into a customary lock-up agreement with such managing underwriter.

(b) The Company hereby agrees that, if it shall previously have received a request for registration pursuant to Section 2.1 or 2.2, and if such previous registration shall not have been withdrawn or abandoned, the Company shall not sell, transfer, or otherwise dispose of, any Company Shares, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering, a registration on Form S-4 or Form S-8 or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Company Shares Equivalent), until a period of 90 days shall have elapsed from the effective date of such previous registration.

2.8. *No Required Sale*. Nothing in this Agreement shall be deemed to create an independent obligation on the part of any Holder to sell any Registrable Securities pursuant to any effective registration statement.

2.9. *Indemnification*.

(a) In the event of any registration and/or offering of any securities of the Company under the Securities Act pursuant to this Article 2, the Company will, and hereby agrees to, and hereby does, indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its directors, officers, fiduciaries, trustees, employees, shareholders, members or general and limited partners (and the directors, officers, fiduciaries, employees, shareholders, members, beneficiaries or general and limited partners thereof), any underwriter (as defined in the Securities Act) for such Holder and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or Exchange Act, from and against any and all losses, claims, damages or liabilities, joint or several, actions or proceedings (whether commenced or threatened) and expenses (including reasonable fees of counsel and any amounts paid in any settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed) to which each such indemnified party may become subject under the Securities Act or otherwise in respect thereof (collectively, "**Claims**"), insofar as such Claims arise out of or are based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such securities were registered under the Securities Act or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary or final prospectus or any amendment or supplement thereto, together with the documents incorporated by reference therein, or any free writing prospectus utilized in connection therewith, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (iii) any untrue statement or alleged untrue statement of a material fact in

the information conveyed by the Company to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein, or (iv) any violation by the Company of any federal, state or common law rule or regulation applicable to the Company and relating to action required of or inaction by the Company in connection with any such registration, and the Company will reimburse any such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred; *provided*, *however*, that the Company shall not be liable to any such indemnified party in any such case to the extent such Claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in such registration statement or amendment thereof or supplement thereto or in any such prospectus or any preliminary or final prospectus or free writing prospectus in reliance upon and in conformity with written information furnished to the Company by or on behalf of such indemnified party specifically for use therein. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such seller.

(b) Each Participating Holder shall, severally and not jointly, indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a) of this Section 2.9) to the extent permitted by law the Company, its officers and directors, each Person controlling the Company within the meaning of the Securities Act, each underwriter (within the meaning of the Securities Act) of the Company's securities covered by such a registration statement, any Person who controls such underwriter, and any other Holder selling securities in such registration statement and each of its directors, officers, partners or agents or any Person who controls such Holder with respect to any untrue statement or alleged untrue statement of any material fact in, or omission or alleged omission of any material fact from, such registration statement, any preliminary or final prospectus contained therein, or any amendment or supplement thereto, or any free writing prospectus utilized in connection therewith, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company or its representatives by or on behalf of such Participating Holder, specifically for use therein and reimburse such indemnified party for any legal or other expenses reasonably incurred in connection with investigating or defending any such Claim as such expenses are incurred; *provided*, *however*, that the aggregate amount which any such Participating Holder shall be required to pay pursuant to this Section 2.9(b) and 2.9(c) and (e) shall in no case be greater than the amount of the net proceeds actually received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim. The Company and each Participating Holder hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such Participating Holders to the contrary, for all purposes of this Agreement, the only information furnished or to be furnished to the Company for use in any such registration statement, preliminary or final prospectus or amendment or supplement thereto or any free writing prospectus are statements specifically relating to (a) the beneficial ownership of Company Shares by such Participating Holder and its Affiliates and (b) the name and address of such Participating Holder. Such indemnity and reimbursement of expenses shall remain in full force and

effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such Holder.

(c) Indemnification similar to that specified in the preceding paragraphs (a) and (b) of this Section 2.9 (with appropriate modifications) shall be given by the Company and each Participating Holder with respect to any required registration or other qualification of securities under any applicable securities and state “blue sky” laws.

(d) Any Person entitled to indemnification under this Agreement shall notify promptly the indemnifying party in writing of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 2.9, but the failure of any indemnified party to provide such notice shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 2.9, except to the extent the indemnifying party is materially and actually prejudiced thereby and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than under this Article 2. In case any action or proceeding is brought against an indemnified party, the indemnifying party shall be entitled to (x) participate in such action or proceeding and (y) unless, in the reasonable opinion of outside counsel to the indemnified party, a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, assume the defense thereof jointly with any other indemnifying party similarly notified, with counsel reasonably satisfactory to such indemnified party. The indemnifying party shall promptly notify the indemnified party of its decision to assume the defense of such action or proceeding. If, and after, the indemnified party has received such notice from the indemnifying party, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense of such action or proceeding other than reasonable costs of investigation; *provided*, *however*, that (i) if the indemnifying party fails to take reasonable steps necessary to defend diligently the action or proceeding within 20 days after receiving notice from such indemnified party that the indemnified party believes it has failed to do so; or (ii) if such indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party reasonably shall have concluded that there may be one or more legal or equitable defenses available to such indemnified party which are not available to the indemnifying party or which may conflict with those available to another indemnified party with respect to such Claim; or (iii) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then, in any such case, the indemnified party shall have the right to assume or continue its own defense as set forth above (but with no more than one firm of counsel for all indemnified parties in each jurisdiction, except to the extent any indemnified party or parties reasonably shall have made a conclusion described in clause (ii) or (iii) above) and the indemnifying party shall be liable for any expenses therefor. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim), unless such settlement or compromise (i) includes an unconditional release of such indemnified party

from all liability on any claims that are the subject matter of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party. The indemnity obligations contained in Sections 2.9(a) and 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the indemnified party which consent shall not be unreasonably withheld.

(e) If for any reason the foregoing indemnity is held by a court of competent jurisdiction to be unavailable to an indemnified party under Section 2.9(a), (b) or (c), then each applicable indemnifying party shall contribute to the amount paid or payable to such indemnified party as a result of any Claim in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and the indemnified party, on the other hand, with respect to such Claim as well as any other relevant equitable considerations. The relative fault shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. If, however, the allocation provided in the second preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative faults but also the relative benefits of the indemnifying party and the indemnified party as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if any contribution pursuant to this Section 2.9(e) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentences of this Section 2.9(e). The amount paid or payable in respect of any Claim shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11 (f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Notwithstanding anything in this Section 2.9(e) to the contrary, no indemnifying party (other than the Company) shall be required pursuant to this Section 2.9(e) to contribute any amount greater than the amount of the net proceeds actually received by such indemnifying party upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim, less the amount of any indemnification payment made by such indemnifying party pursuant to Section 2.9(b) and (c).

(f) The indemnity and contribution agreements contained herein shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract (except as set forth in subsection (h) below) and shall remain operative and in full force and effect regardless of any investigation made or omitted by or on behalf of any indemnified party and shall survive the transfer of the Registrable Securities by any such party and the completion of any offering of Registrable Securities in a registration statement.

(g) The indemnification and contribution required by this Section 2.9 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred; *provided*, *however*, that the recipient thereof hereby undertakes to repay such payments if and to the extent it shall be determined by a court of competent jurisdiction that such recipient is not entitled to such payment hereunder.

(h) If a customary underwriting agreement shall be entered into in connection with any registration pursuant to Section 2.1 or 2.2, the indemnity, contribution and related provisions set forth therein shall supersede the indemnification and contribution provisions set forth in this Section 2.9.

3. Underwritten Offerings.

3.1. *Requested Underwritten Offerings*. If the Initiating Holders request an underwritten offering pursuant to a registration under Section 2.1 (pursuant to a request for a registration statement to be filed in connection with a specific underwritten offering or a request for a shelf takedown in the form of an underwritten offering), the Company shall enter into a customary underwriting agreement with the underwriters. Such underwriting agreement shall (i) be satisfactory in form and substance to the Majority Participating Holders, (ii) contain terms not inconsistent with the provisions of this Agreement and (iii) contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms as are generally prevailing in agreements of that type, including, without limitation, indemnities and contribution agreements on substantially the same terms as those contained herein (it being understood that an underwriting agreement in substantially the form of the underwriting agreement for the IPO shall be deemed to satisfy the foregoing requirements). Any Participating Holder shall be a party to such underwriting agreement and may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; *provided*, *however*, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement shall be limited to the amount of the net proceeds received by such Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder.

3.2. *Piggyback Underwritten Offerings*. In the case of a registration pursuant to Section 2.2 which involves an underwritten offering, the Company shall enter into an underwriting agreement in connection therewith and all of the Participating Holders' Registrable Securities to be included in such registration shall be subject to such underwriting agreement. Any Participating Holder may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; *provided*, *however*, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement shall be limited to the amount of the net proceeds received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder.

4. General.

4.1. *Adjustments Affecting Registrable Securities*. The provisions of this Agreement shall apply, to the full extent set forth herein with respect to the Registrable Securities, to any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, share exchange, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for or in substitution of, Registrable Securities and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

4.2. *Rule 144 and Rule 144A*. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act in respect of the Company Shares or Company Shares Equivalents, the Company covenants that (i) so long as it remains subject to the reporting provisions of the Exchange Act, it will timely file the reports required to be filed by it under the Securities Act or the Exchange Act (including, but not limited to, the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 under the Securities Act, as such Rule may be amended ("**Rule 144**")) or, if the Company is not required to file such reports, it will, upon the request of any Holder, make publicly available other information so long as necessary to permit sales by such Holder under Rule 144, Rule 144A under the Securities Act, as such Rule may be amended ("**Rule 144A**"), or any similar rules or regulations hereafter adopted by the SEC, and (ii) it will take such further action as any

Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144, (B) Rule 144A or (C) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Holder of Registrable Securities, the Company will deliver to such Holder a written statement by the Company that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company and such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

4.3. *Amendments and Waivers; Termination*. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Holders of a majority of the Registrable Securities. Any amendment or waiver effected in accordance with this Section 4.3 shall be binding upon each Holder and the Company. Any waiver of any breach or default by any other party of any of the terms of this Agreement effected in accordance with this Section 4.3 shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the parties hereto or from any failure by any party to assert its or his or her rights hereunder on any occasion or series of occasions. This Agreement will terminate as to any Holder when it no longer holds any Registrable Securities.

4.4. *Notices*. Unless otherwise specified herein, all notices, consents, approvals, reports, designations, requests, waivers, elections and other communications authorized or required to be given pursuant to this Agreement shall be in writing and shall be given, made or delivered (and shall be deemed to have been duly given, made or delivered upon receipt) by personal hand-delivery, by facsimile transmission, by electronic mail, by mailing the same in a sealed envelope, registered first-class mail, postage prepaid, return receipt requested, or by air courier guaranteeing overnight delivery, addressed to the Company at the address set forth below or to the applicable Holder at the address indicated on Schedule A hereto (or at such other address for a Holder as shall be specified by like notice):

if to the Company, to it at:

Goosehead Insurance, Inc.
1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Telephone: [****]

Attention: Ryan Langston
E-mail: [****]

with copies (which shall not constitute actual notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Richard D. Truesdell, Jr.
Facsimile: [****]
E-mail: [****]

4.5. *Successors and Assigns*.

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors,legal representatives and permitted assigns.

(b) A Holder may Assign his, her or its rights under this Agreement without the Company's consent to an Assignee of Registrable Securities which (i) is with respect to any Holder, the spouse, parent, sibling, child, step-child or grandchild of such Holder, or the spouse thereof and any trust, limited liability company, limited partnership, private foundation or other estate planning vehicle for such Holder or for the benefit of any of the foregoing or other persons pursuant to the laws of descent and distribution, or (ii) is a legatee, executor or other fiduciary pursuant to a last will and testament of the Holder or pursuant to the terms of any trust which take effect upon the death of the Holder. In addition, any Holder may Assign his, her or its rights under this Agreement without the Company's prior written consent so long as such Assignment (i) occurs in connection with the transfer of all, but not less than all, of such Holder's Registrable Securities in a single transaction in the case of such an Assignment by a Holder and (ii) results in the Assignee holding not less than 5% of the outstanding shares of Company Shares at the time of such transfer. Subject to subsection (c) below, any Assignment shall be conditioned upon prior written notice to the Company identifying the name and address of such Assignee and any other material information as to the identity of such Assignee as may be reasonably requested, and Schedule A hereto shall be updated to reflect such Assignment.

(c) Notwithstanding anything to the contrary contained in this Section 0, any Holder may elect to transfer all or a portion of its Registrable Securities to any third party without Assigning its rights hereunder with respect thereto, *provided* that in any such event all rights under this Agreement with respect to the Registrable Securities so transferred shall cease and terminate.

4.6. *Limitations on Subsequent Registration Rights*. From and after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public, the Company may, without the prior written consent of the Holders, enter into any agreement with any holder or prospective holder of any

securities of the Company which provides such holder or prospective holder of securities of the Company comparable, but not conflicting, registration rights granted to the Holders hereby.

4.7. *Entire Agreement*. This Agreement, the Stockholders Agreement and the other agreements referenced herein and therein constitute the entire agreement among the parties hereto with respect to the subject matter hereof, and supersede any prior agreement or understanding among them with respect to the matters referred to herein.

4.8. *Governing Law; Waiver of Jury Trial; Jurisdiction*.

(a) *Governing Law*. This Agreement is governed by and will be construed in accordance with the laws of the State of New York, excluding any conflict-of-laws rule or principle (whether of New York or any other jurisdiction) that might refer the governance or the construction of this Agreement to the law of another jurisdiction.

(b) *Waiver of Jury Trial*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF THE PARTIES HERETO IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF. The Company or any Holder may file an original counterpart or a copy of this Section 4.8(b) with any court as written evidence of the consent of any of the parties hereto to the waiver of their rights to trial by jury.

(c) *Jurisdiction*. Each of the parties hereto (i) consents to submit itself to the personal jurisdiction of the courts of the State of New York located in the county and city of New York in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the courts of the State of New York located in the county and city of New York and (iv) to the fullest extent permitted by law, consents to service being made through the notice procedures set forth in Section 4.4. Each party hereto hereby agrees that, to the fullest extent permitted by law, service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth in Section 4.4 shall be effective service of process for any suit or proceeding in connection with this Agreement or the transactions contemplated hereby

4.9. *Interpretation; Construction*.

(a) The headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof. Where a reference in this Agreement is made to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever

the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

(b) The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

4.10. *Counterparts*. This Agreement may be executed in any number of separate counterparts each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

4.11. *Severability*. In the event that any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be construed by limiting it so as to be valid, legal and enforceable to the maximum extent provided by law and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

4.12. *Specific Performance*. It is hereby agreed and acknowledged that it will be impossible to measure the money damages that would be suffered if the parties fail to comply with any of the obligations imposed on them by this Agreement and that, in the event of any such failure, an aggrieved party will be irreparably damaged and will not have an adequate remedy at law. Each party hereto shall, therefore, be entitled (in addition to any other remedy to which such party may be entitled at law or in equity) to injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

4.13. *Further Assurances*. Each party hereto shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments, and documents as any other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

COMPANY

GOOSEHEAD INSURANCE, INC.

By: _____

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES
DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY
TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

P. RYAN LANGSTON

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By: _____
Name:
Title:

SCHEDULE A

Party	**Address**
Mark E. Jones	
Robyn Jones	
Michael C. Colby	
Jeffrey Saunders	
The Mark and Robyn Jones Descendants Trust 2014	
Lanni Elaine Romney Family Trust 2014	
Lindy Jean Langston Family Trust 2014	
Camille LaVaun Peterson Family Trust 2014	
Desiree Robyn Coleman Family Trust 2014	
Adrienne Morgan Jones Family Trust 2014	
Mark Evan Jones, Jr. Family Trust 2014	
The Estate of Doug Jones	
Lanni Romney	
Lindy Langston	
Camille Peterson	
Desiree Coleman	
Adrienne Jones	
Mark E. Jones, Jr.	
Colby 2014 Family Trust	
Preston Michael Colby 2014 Trust	
Lyla Kate Colby 2014 Trust	
P. Ryan Langston	
Texas Wasatch Insurance Partners, L.P.	

Exhibit 10.3

REORGANIZATION AGREEMENT

Dated as of [●], 2018

TABLE OF CONTENTS

REORGANIZATION AGREEMENT (this "**Reorganization Agreement**"), dated as of [●], 2018, by and among Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, and Texas Wasatch Insurance Partners, L.P. (each, a "**Post-IPO LLC Member**" and, together, the "**Post-IPO LLC Members**"), Goosehead Insurance, Inc., a Delaware corporation ("**Pubco**"), Goosehead Financial, LLC (the "**Company**"), Texas Wasatch Insurance Holdings Group, LLC, Goosehead Management, LLC, Max and Dane, LLC, Evan and Jake, LLC, GHM Holdings, LLC, and TWIHG Holdings, LLC.

RECITALS

WHEREAS, the Board of Directors of Pubco (the "**Board**") has determined to effect an underwritten initial public offering (the "**IPO**") of Pubco's Class A Common Stock (as defined below);

WHEREAS, the parties hereto desire to enter into the Reorganization Documents (as defined below) and effect the other Reorganization Transactions (as defined below) to facilitate completion of, or otherwise in connection with, the IPO.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual promises hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. *Certain Defined Terms*. As used herein, the following terms shall have the following meanings:

"**Business Day**" means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by applicable law to close.

"**Class A Common Stock**" shall mean Class A Common Stock, par value $0.01 per share, of Pubco, having the rights set forth in the Amended and Restated Certificate of Incorporation.

"**Class B Common Stock**" shall mean Class B Common Stock, par value $0.01 per share, of Pubco, having the rights set forth in the Amended and Restated Certificate of Incorporation.

"**Common Stock**" means, collectively, the Class A Common Stock and the Class B Common Stock.

"**Company**" means Goosehead Financial, LLC.

"**IPO Closing**" means the initial closing of the sale of the Class A Common Stock in the IPO.

"**IPO Closing Date**" means the date of the IPO Closing.

"**Person**" means any individual, firm, corporation, partnership, limited liability company, trust, estate, joint venture, governmental authority or other entity.

"**Pricing**" means such date and time as the Board or the pricing committee thereof determines to price the IPO.

"**Reorganization Documents**" means each of the documents attached as an exhibit hereto and all other agreements and documents entered into in connection with the Reorganization Transactions.

Section 1.02. *Terms Defined Elsewhere in this Reorganization Agreement*. Each of the following terms is defined in the Section set forth opposite such term:

Term	**Section**
Amended and Restated Certificate of Incorporation	2.01(a)(i)
Amended and Restated LLC Agreement	2.01(b)(iv)
Attorney	2.02(c)
Board	Recitals
Class B Securities Purchase Agreement	2.01(b)(i)
e-mail	4.03
Evan and Jake, LLC Contribution Agreement	2.01(a)(vii)
Evan and Jake, LLC Distribution Agreement	2.01(a)(ix)
Evan and Jake, LLC Subscription Agreement	2.01(a)(vi)
First Goosehead Financial, LLC Contribution Agreement	2.01(b)(v)
GHM Holdings, LLC Contribution Agreement	2.01(a)(x)
Goosehead Insurance, Inc. Amended and Restated Bylaws	2.01(a)(ii)
Goosehead Management, LLC Amended and Restated LLC Agreement	2.01(a)(v)
Goosehead Management Note	2.01(b)(ii)
Goosehead Management Note Transfer Agreement	2.01(b)(ii)
IPO	Recitals
LLC Units	2.01(b)(iv)
Max and Dane, LLC Contribution Agreement	2.01(a)(iv)
Max and Dane, LLC Subscription Agreement	2.01(a)(iii)
Member	Preamble
Post-IPO LLC Member	Preamble
Pre-IPO LLC Member	Preamble

Term	Section
Pubco	Preamble
Registration Rights Agreement	2.01(b)(vii)
Reorganization Agreement	Preamble
Reorganization Transactions	2.01
Second Goosehead Financial, LLC Contribution Agreement	2.01(b)(vi)
Stockholders Agreement	2.01(b)(ix)
Tax Receivables Agreement	2.01(b)(viii)
Texas Wasatch Insurance Holdings Group, LLC Amended and Restated Regulations	2.01(a)(viii)
Texas Wasatch Note	2.01(b)(iii)
Texas Wasatch Note Transfer Agreement	2.01(b)(iii)
TWIHG Holdings, LLC Contribution Agreement	2.01(a)(xi)

Section 1.03. *Other Definitional and Interpretative Provisions*. The words “hereof”, “herein” and “hereunder” and words of like import used in this Reorganization Agreement shall refer to this Reorganization Agreement as a whole and not to any particular provision of this Reorganization Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Reorganization Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Reorganization Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Reorganization Agreement. Any singular term in this Reorganization Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Reorganization Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE 2
THE REORGANIZATION

Section 2.01. *Transactions*. Subject to the terms and conditions hereinafter set forth, and on the basis of and in reliance upon the representations, warranties, covenants and agreements set forth herein, the parties hereto shall take the actions described in this

Section 2.01, or cause such actions to take place (each, a "**Reorganization Transaction**" and, collectively, the "**Reorganization Transactions**"):

(a) One day prior to the IPO Closing Date, the applicable parties shall take the actions set forth below (or cause such actions to take place):

(i) *Amend and Restate Pubco Certificate of Incorporation*. Pubco shall adopt and file with the Secretary of State of the State of Delaware an amended and restated certificate of incorporation of Pubco, in substantially the form attached hereto as Exhibit A (the "**Amended and Restated Certificate of Incorporation**"), with such changes or modifications as approved by the Board of Pubco.

(ii) *Amend and Restate Pubco By-laws*. The Board shall adopt amended and restated by-laws of Pubco in substantially the form attached hereto as Exhibit B (the "**Goosehead Insurance, Inc. Amended and Restated Bylaws**"), with such changes or modifications as approved by the Board of Pubco.

(iii) Each of the members of Goosehead Management, LLC, a Delaware limited liability company, and Max and Dane, LLC, a Delaware limited liability company, shall enter into the Subscription Agreement attached hereto as Exhibit C (the "**Max and Dane, LLC Subscription Agreement**").

(iv) Each of the members of Goosehead Management, LLC and Max and Dane, LLC, shall enter into the Contribution Agreement attached hereto as Exhibit D (the "**Max and Dane, LLC Contribution Agreement**").

(v) Immediately after the effectiveness of the Max and Dane, LLC Contribution Agreement, Goosehead Management LLC shall amend and restate its limited liability company agreement in substantially the form attached hereto as Exhibit E (the "**Goosehead Management, LLC Amended and Restated LLC Agreement**"), with such changes or modifications as approved by the Board of Pubco.

(vi) Each of the members of Texas Wasatch Insurance Holdings Group, LLC, a Delaware limited liability company, and Evan and Jake, LLC, a Delaware limited liability company, shall enter into the Subscription Agreement attached hereto as Exhibit F (the "**Evan and Jake, LLC Subscription Agreement**").

(vii) Each of the members of Evan and Jake, LLC and Evan and Jake, LLC, shall enter into the Contribution Agreement attached hereto as Exhibit G (the "**Evan and Jake, LLC Contribution Agreement**").

(viii) Immediately after the effectiveness of the Evan and Jake, LLC Contribution Agreement, Texas Wasatch Insurance Holdings Group, LLC shall amend and restate its regulations in substantially the form attached hereto as Exhibit H (the "**Texas Wasatch Insurance Holdings Group, LLC Amended**

and Restated Regulations"), with such changes or modifications as approved by the Board of Pubco.

(ix) Immediately after the effectiveness of the Evan and Jake, LLC Contribution Agreement, Texas Wasatch Insurance Holdings Group, LLC and Evan and Jake, LLC shall enter into the Distribution Agreement attached hereto as Exhibit I (the "**Evan and Jake, LLC Distribution Agreement**").

(x) Immediately after the effectiveness of the Max and Dane, LLC Contribution Agreement, Max and Dane, LLC and GHM Holdings, LLC, a Delaware limited liability company, shall enter into the Contribution Agreement attached hereto as Exhibit J (the "**GHM Holdings, LLC Contribution Agreement**").

(xi) Immediately after the effectiveness of the Evan and Jake, LLC Contribution Agreement, Evan and Jake, LLC and TWIHG Holdings, LLC, a Delaware limited liability company, shall enter into the Contribution Agreement attached hereto as Exhibit K (the "**TWIHG Holdings, LLC Contribution Agreement**").

(b) Substantially concurrently with, but immediately prior to, the IPO Closing the applicable parties shall take the actions set forth below (or cause such actions to take place):

(i) *Class B Securities Purchase Agreement.* Each of the Post-IPO LLC Members and Pubco shall enter into the Securities Purchase Agreement attached hereto as Exhibit L (the "**Class B Securities Purchase Agreement**"), the Post-IPO LLC Members shall contribute the consideration set forth in Section 2 of the Class B Securities Purchase Agreement and Pubco shall issue to the Post-IPO LLC Members the number of shares of Class B Common Stock set forth in Schedule A to the Class B Securities Purchase Agreement.

(ii) Each of the members of Max and Dane, LLC and Pubco shall enter into the Transfer Agreement attached hereto as Exhibit M (the "**Goosehead Management Note Transfer Agreement**"), and Pubco shall issue to the members of Max and Dane, LLC the note attached hereto as Exhibit N (the "**Goosehead Management Note**") pursuant to the terms of the Goosehead Management Note Transfer Agreement.

(iii) Each of the members of Evan and Jake, LLC, LLC and Pubco shall enter into the Transfer Agreement attached hereto as Exhibit O (the "**Texas Wasatch Note Transfer Agreement**"), and Pubco shall issue to the members of Evan and Jake, LLC the note attached hereto as Exhibit P (the "**Texas Wasatch Note**") pursuant to the terms of the Texas Wasatch Note Transfer Agreement.

(iv) *Amend and Restate Company LLC Agreement*. The Company shall amend and restate its limited liability company agreement in substantially the form attached hereto as Exhibit Q (the "**Amended and Restated LLC**

Agreement"), with such changes or modifications as approved by the Board of Pubco, so that, among other things, (aa) Pubco shall become the sole managing member of the Company, (bb) the equity interests in the Company shall be reclassified into the form of non-voting units ("**LLC Units**") and (cc) each Post-IPO LLC Member shall be permitted to redeem or exchange its LLC Units for shares of Class A Common Stock in accordance with and subject to the terms of the Amended and Restated LLC Agreement.

(v) Immediately after the effectiveness of the Goosehead Management Note Transfer Agreement, Max and Dane, LLC and Goosehead Financial, LLC shall enter into the Contribution Agreement attached hereto as Exhibit R (the "**First Goosehead Financial, LLC Contribution Agreement**").

(vi) Immediately after the effectiveness of the Texas Wasatch Note Transfer Agreement, Evan and Jake, LLC and Goosehead Financial, LLC shall enter into the Contribution Agreement attached hereto as Exhibit S (the "**Second Goosehead Financial, LLC Contribution Agreement**").

(vii) *Registration Rights Agreement.* Each of the Post-IPO LLC Members and Pubco shall enter into a Registration Rights Agreement in substantially the form attached hereto as Exhibit T the (the "**Registration Rights Agreement**"), with such changes or modifications as approved by the Board of Pubco.

(viii) *Tax Receivables Agreement*. Each of the Post-IPO LLC Members and Pubco shall enter into a Tax Receivables Agreement in substantially the form attached hereto as Exhibit U (the "**Tax Receivables Agreement**"), with such changes or modifications as approved by the Board of Pubco.

(ix) *Stockholders Agreement*. Each of the Post-IPO LLC Members and Pubco shall enter into a Stockholders Agreement in the form attached hereto as Exhibit V (the "**Stockholders Agreement**").

(c) Immediately following the IPO Closing, Pubco shall repay the amount due under each of the Goosehead Management Note and the Texas Wasatch Note with cash [and Class A Common Stock].

Section 2.02. *Consent to Reorganization Transactions; Power of Attorney*.

(a) Each of the parties hereto hereby acknowledges, agrees and consents to all of the Reorganization Transactions. Each of the parties hereto shall take all reasonable actions necessary or appropriate in order to effect, or cause to be effected, to the extent within its control, each of the Reorganization Transactions and the IPO.

(b) The parties hereto shall deliver to each other, as applicable, prior to or at the time specified herein (and in any event no later than the IPO Closing), duly executed versions of each of the Reorganization Documents to which it is a party, together with

any other documents and instruments necessary or appropriate to be delivered in connection with the Reorganization Transactions.

(c) In connection with the foregoing, each Member hereby irrevocably constitutes and appoints Mark E. Jones, Michael C. Colby. Mark S. Colby and P. Ryan Langston as attorneys-in-fact (individually, an "**Attorney**" and collectively, the "**Attorneys**") of the undersigned, each with full power and authority to act together or alone, including full power of substitution, in the name of and for and on behalf of the undersigned with respect to all matters arising in connection with the Reorganization Transactions including, but not limited to, the power and authority to execute and deliver each Reorganization Document on behalf of such Member and take any and all actions necessary to effectuate the foregoing, including endorsing (in blank or otherwise) on behalf of such Member any certificate or certificates representing LLC Units to be transferred by the undersigned, or a stock power or powers attached to such certificate or certificates and taking any other action that the Attorneys, or any one of them, in their or his or her sole discretion may consider necessary or proper in connection with or to carry out the foregoing, as fully as could such Member if personally present and acting. This power of attorney and all authority conferred hereby are granted and conferred subject to the interests of Pubco and in consideration of those interests, and for the purpose of completing the transactions contemplated by the Reorganization Documents. This power of attorney and all authority conferred hereby shall be irrevocable and shall not be terminated by a Member or by operation of law, whether by the dissolution or liquidation of any corporation, limited liability company or partnership, or by the occurrence of any other event. If any event described in the preceding sentence shall occur before the completion of the Reorganization Transactions, and all other actions required to be taken under the Reorganization Documents shall be taken, and action taken by the Attorneys, or any one of them, pursuant to this power of attorney shall be as valid as if such event had not occurred, whether or not the Attorneys, or any one of them, shall have received notice of such event. Notwithstanding the foregoing, if this agreement is terminated, then from and after such date the undersigned shall have the power to revoke all authority hereby conferred by giving notice on or promptly after such date to each of the Attorneys that this power of attorney has been terminated; subject, however, to all lawful action done or performed by the Attorneys or any one of them, pursuant to this power of attorney prior to the actual receipt of such notice. Each Member agrees to hold the Attorneys free and harmless from any and all loss, damage or liability that they, or either one of them, may sustain as a result of any action taken in good faith hereunder. It is understood that the Attorneys shall serve without compensation.

Section 2.03. *No Liabilities in Event of Termination; Certain Covenants*. (a) In the event that the IPO is abandoned or the IPO Closing has not occurred by [●], 2018, (i) this Reorganization Agreement shall automatically terminate and be of no further force or effect except for this Section 2.03 and Article 4 and (ii) there shall be no liability on the part of any of the parties hereto, except that such termination shall not preclude any party from pursuing judicial remedies for damages and/or other relief as a result of the breach by the other parties of any representation, warranty, covenant or agreement contained herein prior to such termination.

(b) In the event that this Reorganization Agreement is terminated for any reason after the consummation of any Reorganization Transaction, but prior to the consummation of all of the Reorganization Transactions, the parties agree, as applicable, to cooperate and work in good faith to execute and deliver such agreements and consents and amend such documents and to effect such transactions or actions as may be necessary to re-establish the rights, preferences and privileges that the parties hereto had prior to the consummation of the Reorganization Transactions, or any part thereof, including, without limitation, voting any and all securities owned by such party in favor of any amendment to any organizational document and in favor of any transaction or action necessary to re-establish such rights, powers and privileges and causing to be filed all necessary documents with any governmental authority necessary to reestablish such rights, preferences and privileges.

(c) For the avoidance of doubt, each party hereto acknowledges and agrees that until the consummation of the Reorganization Transactions: (i) the parties hereto shall not receive or lose or convey any voting, governance or similar rights in connection with this Reorganization Agreement or the Reorganization Transactions and (ii) the rights of the parties hereto under the Amended and Restated LLC Agreement shall not be affected.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.01. *Representations and Warranties*. Each party hereto hereby represents and warrants to all of the other parties hereto as follows:

(a) The execution, delivery and performance by such party of this Reorganization Agreement and of the applicable Reorganization Documents, to the extent a party thereto, has been duly authorized by all necessary action. Such party is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization or incorporation;

(b) Such party has the requisite power, authority and legal right to execute and deliver this Reorganization Agreement and each of the Reorganization Documents, to the extent a party thereto, and to consummate the transactions contemplated hereby and thereby, as the case may be;

(c) This Reorganization Agreement and each of the Reorganization Documents to which it is a party has been (or when executed will be) duly executed and delivered by such party and constitutes the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, (ii) general equitable principles (whether considered in a proceeding in equity or at law) and (iii) an implied covenant of good faith and fair dealing; and

(d) Neither the execution, delivery and performance by such party of this Reorganization Agreement and the applicable Reorganization Documents, to the extent a

party thereto, nor the consummation by such party of the transactions contemplated hereby, nor compliance by such party with the terms and provisions hereof, will, directly or indirectly (with or without notice or lapse of time or both), (i) if such party is not an individual, contravene or conflict with, or result in a breach or termination of, or constitute a default under (or with notice or lapse of time or both, result in the breach or termination of or constitute a default under) the organizational documents of such party, (ii) constitute a violation by such party of any existing requirement of law applicable to such party or any of its properties, rights or assets or (iii) require the consent or approval of any Person, except, in the case of clauses (ii) and (iii), as would not reasonably be expected to result in, individually or in the aggregate, a material adverse effect on the ability of such party to consummate the transactions contemplated by this Reorganization Agreement.

ARTICLE 4
MISCELLANEOUS

Section 4.01. *Amendments and Waivers*. This Reorganization Agreement may be modified, amended or waived only with the written approval of Pubco, Mark E. Jones and P. Ryan Langston. The failure of any party to enforce any of the provisions of this Reorganization Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Reorganization Agreement in accordance with its terms. Notwithstanding anything to the contrary in this Section 4.01, nothing in this Section 4.01 shall be deemed to contradict the provisions of Section 2.03 hereof.

Section 4.02. *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

Section 4.03. *Notices*. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("**e-mail**") transmission, so long as a receipt of such e-mail is requested and not received by automated response). All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. Central time on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt. All such notices, requests and other communications to any party hereunder shall be given to such party as follows:

If to the [●] Member addressed to it at:

Name: [●]
Attn: [●]
Address: [●]
Facsimile No.: [●]

Email: [●]

With copies (which shall not constitute notice) to:

Name: [●]
Attn: [●]
Address: [●]
Facsimile No.: [●]
Email: [●]

If to Pubco or the Company:

Name: Goosehead Insurance, Inc.
Attn: Ryan Langston
Address: 1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
E-mail: [****]

With copies (which shall not constitute actual notice) to:

Davis Polk & Wardwell LLP
Attention: Richard Truesdell
450 Lexington Avenue
New York, New York 10017
Facsimile No.: [*****]
E-mail: [*****]

Section 4.04. *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement..

Section 4.05. *Entire Agreement*. Except as otherwise expressly set forth herein, this Reorganization Agreement, together with the Reorganization Documents, embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way.

Section 4.06. *Governing Law*. This Reorganization Agreement shall be governed in all respects by the laws of the State of New York, without regard to the conflicts of law rules of such State.

Section 4.07. *Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any

New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 4.03 shall be deemed effective service of process on such party.

Section 4.08. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS REORGANIZATION AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 4.09. *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 4.10. *Enforcement*. Each party hereto acknowledges that money damages would not be an adequate remedy in the event that any of the covenants or agreements in this Reorganization Agreement are not performed in accordance with its terms, and it is therefore agreed that in addition to and without limiting any other remedy or right it may have, the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof.

Section 4.11. *Counterparts; Facsimile Signatures*. This Reorganization Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Reorganization Agreement may be executed by facsimile, e-mail or .pdf format signature(s).

Section 4.12. *Expenses*. Unless otherwise provided in the Reorganization Documents, all costs and expenses incurred in connection with the negotiation and

execution of this Reorganization Agreement and the transactions contemplated by this Reorganization Agreement shall be paid by the party incurring such cost or expense.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Reorganization Agreement as of the date first above written.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

GOOSEHEAD FINANCIAL, LLC

By: _____
Name:
Title:

GOOSEHEAD MANAGEMENT, LLC

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE
HOLDINGS GROUP, LLC

By: _____
Name:
Title:

[Signature Page to the Reorganization Agreement]

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

[Signature Page to the Reorganization Agreement]

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES
FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY
TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

GHM HOLDINGS, LLC

By: _____
Name:
Title:

TWIHG HOLDINGS, LLC

By: _____
Name:
Title:

Exhibit A

Form of Goosehead Insurance, Inc. Amended and Restated Certificate of Incorporation

[Attached]

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

of

GOOSEHEAD INSURANCE, INC.

(Pursuant to Section 242 and 245 of
the General Corporation Law of the State of Delaware)

Goosehead Insurance, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

FIRST: The name of the Corporation is Goosehead Insurance, Inc. The date of filing of its original certificate of incorporation with the Secretary of State of the State of Delaware was November 13, 2017.

SECOND: This Amended and Restated Certificate of Incorporation (this "Certificate of Incorporation") amends and restates in its entirety the Corporation's certificate of incorporation as currently in effect and has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (as from time to time in effect, the "General Corporation Law"), by written consent of the holders of all of the outstanding stock entitled to vote thereon in accordance with the provisions of Section 228 of the General Corporation Law. The effective date of this Certificate of Incorporation shall be the date it is filed with the Secretary of State of the State of Delaware.

THIRD: This Certificate of Incorporation amends and restates in its entirety the original certificate of incorporation of the Corporation to read as follows:

1. Name. The name of the Corporation is Goosehead Insurance, Inc.

2. Address; Registered Office and Agent. The address of the Corporation's registered office in the State of Delaware is c/o Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, State of Delaware 19808 and the name of its registered agent at such address is the Corporation Service Company.

3. Purposes. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

4. Number of Shares.

4.1 The total number of shares of all classes of stock that the Corporation shall have authority to issue is [_____] shares, consisting of: (i) [_____]

shares of common stock, divided into (a) [_____] shares of Class A common stock, with the par value of $0.01 per share (the "Class A Common Stock") and (b) [_____] shares of Class B common stock, with the par value of $0.01 per share (the "Class B Common Stock" and, together with Class A Common Stock, the "Common Stock"); and (ii) [_____] shares of preferred stock, with the par value of $0.01 per share (the "Preferred Stock").

4.2 Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding, the number of authorized shares of any class of the Common Stock or the Preferred Stock may be increased or decreased, in each case by the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon, voting together as a single class, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law, and no vote of the holders of any class of the Common Stock or the Preferred Stock voting separately as a class will be required therefor. Notwithstanding the immediately preceding sentence, the number of authorized shares of any particular class may not be decreased below the number of shares of such class then outstanding, plus:

(i) in the case of Class A Common Stock, the number of shares of Class A Common Stock issuable in connection with (x) the exchange of all outstanding shares of Class B Common Stock, together with the corresponding LLC Units, pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement and (y) the exercise of outstanding options, warrants, exchange rights, conversion rights or similar rights for Class A Common Stock;

(ii) in the case of Class B Common Stock, the number of shares of Class B Common Stock issuable in connection with the exercise of outstanding options, warrants, exchange rights, conversion rights or similar rights for Class B Common Stock.

5. Classes of Shares. The designation, relative rights, preferences and limitations of the shares of each class of stock are as follows:

5.1 Common Stock.

(i) Voting Rights.

(1) Each holder of Class A Common Stock will be entitled to one vote for each share of Class A Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote, and each holder of Class B Common Stock will be entitled to one vote for each share of Class B Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote, except that, in each case, to the fullest extent permitted by law and subject to Section 5.1(i)(2), holders of shares of each class of Common Stock, as such, will have no voting power with respect to, and will not be entitled to vote on, any amendment to this Certificate of Incorporation (including any certificate of designations

relating to any series of Preferred Stock) that relates solely to the terms of any outstanding Preferred Stock if the holders of such Preferred Stock are entitled to vote as a separate class thereon under this Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) or under General Corporation Law.

(2) (a) The holders of the outstanding shares of Class A Common Stock shall be entitled to vote separately upon any amendment to this Certificate of Incorporation (including by merger, consolidation, reorganization or similar event) that would alter or change the powers, preferences or special rights of such class of Common Stock in a manner that is disproportionately adverse as compared to the Class B Common Stock and (b) the holders of the outstanding shares of Class B Common Stock shall be entitled to vote separately upon any amendment to this Certificate of Incorporation (including by merger, consolidation, reorganization or similar event) that would alter or change the powers, preferences or special rights of such class of Common Stock in a manner that is disproportionately adverse as compared to the Class A Common Stock, it being understood that any merger, consolidation or other business combination shall not be deemed an amendment hereof if such merger, consolidation or other business combination (x) constitutes a Disposition Event in which holders of Paired Interests are required to exchange such Paired Interests pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement in such Disposition Event and receive consideration in such Disposition Event in accordance with the terms of the Amended and Restated Goosehead Financial, LLC Agreement as in effect prior to such Disposition Event and (y) provides for payments under or in respect of the tax receivable or similar agreement entered by the Corporation from time to time with any holders of Common Stock and/or securities of Goosehead Financial, LLC to be made in connection with any such merger, consolidation or other business combination in accordance with the terms of such tax receivable or similar agreement as in effect prior to such merger, consolidation or other business combination.

(3) Except as otherwise required in this Certificate of Incorporation or by applicable law, the holders of Common Stock will vote together as a single class on all matters (or, if any holders of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with the holders of Preferred Stock).

(ii) Dividends; Stock Splits or Combinations.

(1) Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference senior to or the right to participate with the Class A Common Stock with respect to the payment of dividends, dividends of cash or property may be declared and paid on the Class A Common Stock out of the assets of the Corporation that are by law available therefor, at the times and in the amounts as the board of directors of the Corporation (the "Board") in its discretion may determine.

(2) Except as provided in Section 5.1(ii)(3) with respect to stock dividends, dividends of cash or property may not be declared or paid on shares of Class B Common Stock.

(3) In no event will any stock dividend, stock split, reverse stock split, combination of stock, reclassification or recapitalization be declared or made on any class of Common Stock (each, a "Stock Adjustment") unless (a) a corresponding Stock Adjustment for all other classes of Common Stock not so adjusted at the time outstanding is made in the same proportion and the same manner and (b) the Stock Adjustment has been reflected in the same economically equivalent manner on all LLC Units. Stock dividends with respect to each class of Common Stock may only be paid with shares of stock of the same class of Common Stock.

(iii) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and of the preferential and other amounts, if any, to which the holders of Preferred Stock are entitled, if any, the holders of all outstanding shares of Class A Common Stock will be entitled to receive, *pari passu*, an amount per share equal to the par value thereof, and thereafter the holders of all outstanding shares of Class A Common Stock will be entitled to receive the remaining assets of the Corporation available for distribution ratably in proportion to the number of shares of Class A Common Stock. Without limiting the rights of the holders of Class B Common Stock to exchange their shares of Class B Common Stock, together with the corresponding LLC Units constituting the remainder of any Paired Interests in which such shares are included, for shares of Class A Common Stock in accordance with Section [•] of the Amended and Restated Goosehead Financial, LLC Agreement (or for the consideration payable in respect of shares of Class A Common Stock in such voluntary or involuntary liquidation, dissolution or winding-up), the holders of shares of Class B Common Stock, as such, will not be entitled to receive, with respect to such shares, any assets of the Corporation in excess of the par value thereof, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

5.2 Preferred Stock. Shares of Preferred Stock may be issued from time to time in one or more series of any number of shares, provided that the aggregate number of shares issued and not retired of any and all such series shall not exceed the total number of shares of Preferred Stock hereinabove authorized, and with such powers, including voting powers, if any, and the designations, preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, all as shall hereafter be stated and expressed in the resolution or resolutions providing for the designation and issue of such shares of Preferred Stock from time to time adopted by the Board pursuant to authority so to do which is hereby expressly vested in the Board. The powers, including voting powers, if any, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. Each series of shares of Preferred Stock: (i) may have such voting rights or powers, full or limited, if

any; (ii) may be subject to redemption at such time or times and at such prices, if any; (iii) may be entitled to receive dividends (which may be cumulative or noncumulative) at such rate or rates, on such conditions and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or series of stock, if any; (iv) may have such rights upon the voluntary or involuntary liquidation, winding-up or dissolution of, upon any distribution of the assets of, or in the event of any merger, sale or consolidation of, the Corporation, if any; (v) may be made convertible into or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation (or any other securities of the Corporation or any other Person) at such price or prices or at such rates of exchange and with such adjustments, if any; (vi) may be entitled to the benefit of a sinking fund to be applied to the purchase or redemption of shares of such series in such amount or amounts, if any; (vii) may be entitled to the benefit of conditions and restrictions upon the creation of indebtedness of the Corporation or any subsidiary, upon the issue of any additional shares (including additional shares of such series or of any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the Corporation or any subsidiary of, any outstanding shares of the Corporation, if any; (viii) may be subject to restrictions on transfer or registration of transfer, or on the amount of shares that may be owned by any Person or group of Persons; and (ix) may have such other relative, participating, optional or other special rights, qualifications, limitations or restrictions thereof, if any; all as shall be stated in said resolution or resolutions of the Board providing for the designation and issue of such shares of Preferred Stock.

6. Class B Common Stock.

6.1 Retirement of Class B Shares. No holder of Class B Common Stock may transfer shares of Class B Common Stock to any person unless such holder transfers a corresponding number of LLC Units to the same person in accordance with the provisions of the Amended and Restated Goosehead Financial, LLC Agreement, as such agreement may be amended from time to time in accordance with the terms thereof. If any outstanding share of Class B Common Stock ceases to be held by a holder of an LLC Unit, such share shall automatically and without further action on the part of the Corporation or any holder of Class B Common Stock be transferred to the Corporation for no consideration and retired.

6.2 Reservation of Shares of Class A Common Stock. The Corporation will at all times reserve and keep available out of its authorized and unissued shares of Class A Common Stock, solely for the purpose of the issuance upon exchange of Paired Interests, the number of shares of Class A Common Stock that are issuable upon conversion of all outstanding Paired Interests, pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement. The Corporation covenants that all the shares of Class A Common Stock that are issued upon the exchange of such Paired Interests will, upon issuance, be validly issued, fully paid and non-assessable.

6.3 Taxes. The issuance of shares of Class A Common Stock upon the exercise by holders of shares of Class B Common Stock of their right under Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement to exchange Paired Units will be made without charge to the holders of the shares of Class B Common Stock for any transfer taxes, stamp taxes or duties or other similar tax in respect of the issuance; provided, however, that if any such shares of Class A Common Stock are to be issued in a name other than that of the then record holder of the shares of Class B Common Stock being exchanged (or The Depository Trust Company or its nominee for the account of a participant of The Depository Trust Company that will hold the shares for the account of such holder), then such holder and/or the Person in whose name such shares are to be delivered, shall pay to the Corporation the amount of any tax that may be payable in respect of any transfer involved in the issuance or shall establish to the reasonable satisfaction of the Corporation that the tax has been paid or is not payable.

6.4 Preemptive Rights. To the extent LLC Units are issued pursuant to the Amended and Restated Goosehead Financial, LLC Agreement to anyone other than the Corporation or a wholly owned subsidiary of the Corporation (including pursuant to Section 9.03 (or any equivalent successor provision) of the Amended and Restated Goosehead Financial, LLC Agreement), an equivalent number of shares of Class B Common Stock (subject to adjustment as set forth herein) shall be issued to the same Person to which such LLC Units are issued at par.

7. Board of Directors.

7.1 Number of Directors.

(i) The business and affairs of the Corporation shall be managed by, or under the direction of, the Board. Unless and except to the extent that the Amended and Restated By-laws of the Corporation (as such By-laws may be amended from time to time, the "By-laws") shall so require, the election of the directors of the Corporation (the "Directors") need not be by written ballot. Until such time as the Substantial Ownership Requirement is no longer met, the Board will consist of a single class of Directors each elected annually at the annual meeting of stockholders. Except as otherwise provided for or fixed pursuant to the provisions of Section 5.2 of this Certificate of Incorporation relating to the rights of the holders of any series of Preferred Stock to elect additional Directors, the total number of Directors constituting the entire Board shall be not less than three (3) nor more than eleven (11), with the then authorized number of Directors constituting the entire Board being fixed from time to time by the Board.

(ii) During any period when the holders of any series of Preferred Stock have the right to elect additional Directors as provided for or fixed pursuant to the provisions of Section 5.2 ("Preferred Stock Directors"), upon the commencement, and for the duration, of the period during which such right continues: (i) the then total authorized number of Directors shall automatically be increased by such specified number of Preferred Stock Directors, and the holders of the related Preferred

Stock shall be entitled to elect the Preferred Stock Directors pursuant to the provisions of the Board's designation for the series of Preferred Stock and (ii) each such Preferred Stock Director shall serve until such Preferred Stock Director's successor shall have been duly elected and qualified, or until such Preferred Stock Director's right to hold such office terminates pursuant to such provisions, whichever occurs earlier, subject to his or her earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect Preferred Stock Directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such Preferred Stock Directors elected by the holders of such Preferred Stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such Preferred Stock Directors, shall forthwith terminate and the total and authorized number of Directors shall be reduced accordingly.

7.2 Staggered Board. Following the time when the Substantial Ownership Requirement is no longer met, the Board (other than Preferred Stock Directors) shall be divided into three (3) classes, as nearly equal in number as possible, designated Class I, Class II and Class III. Class I Directors shall initially serve until the first annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met; Class II Directors shall initially serve until the second annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met; and Class III Directors shall initially serve until the third annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met. Commencing with the first annual meeting of stockholders following the time when the Substantial Ownership Requirement is no longer met, each Director of each class the term of which shall then expire shall be elected to hold office for a term ending on the date of the third annual meeting of stockholders next following the annual meeting at which such director was elected. In case of any increase or decrease, from time to time, in the number of Directors (other than Preferred Stock Directors), the number of Directors in each class shall be apportioned as nearly equal as possible. Immediately following the time when the Substantial Ownership Requirement is no longer met, the Board is authorized to designate the members of the Board then in office as Class I directors, Class II directors or Class III directors. In making such designation, the Board shall equalize, as nearly as possible, the number of directors in each class. In the event of any change in the number of directors, the Board shall apportion any newly created directorships among, or reduce the number of directorships in, such class or classes as shall equalize, as nearly as possible, the number of directors in each class. In no event will a decrease in the number of directors shorten the term of any incumbent director.

7.3 Vacancies and Newly Created Directorships. Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding and subject to the terms of the Stockholders Agreement (as long as such agreement is in effect), newly created directorships resulting from any increase in the authorized number of Directors or any vacancies on the Board resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled only by the affirmative vote of a majority of the remaining Directors then in office, even if less than a quorum of

the Board, or, until the Substantial Ownership Requirement is no longer met, by the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class. Any Director so chosen shall hold office until the next election of the class for which such Director shall have been chosen and until his or her successor shall be duly elected and qualified or until such Director's earlier death, disqualification, resignation or removal. No decrease in the number of Directors shall shorten the term of any Director then in office.

7.4 Removal of Directors. Except for Preferred Stock Directors and subject to the terms of the Stockholders Agreement (as long as such agreement is in effect), any Director or the entire Board may be removed from office at any time, but only for cause by the affirmative vote of the holders of seventy-five percent (75%) of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class; provided, however, that until the Substantial Ownership Requirement is no longer met, any Director may be removed with or without cause by the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class.

8. Meetings of Stockholders.

8.1 Action by Written Consent. From and after the date that the Substantial Ownership Requirement is no longer met, any action required or permitted to be taken by the stockholders of the Corporation may be effected only at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders; provided, however, that any action required or permitted to be taken by the holders of Class B Common Stock, voting separately as a class, may be effected by the consent in writing of the holders of a majority of the total voting power of the Class B Common Stock entitled to vote thereon, voting together as a single class in lieu of a duly called annual or special meeting of holders of Class B Common Stock. Until the Substantial Ownership Requirement is no longer met, any action required or permitted to be taken by the stockholders of the Corporation may be effected by the consent in writing of the holders of a majority of the total voting power of the Corporation entitled to vote thereon, voting together as a single class in lieu of a duly called annual or special meeting of stockholders.

8.2 Meetings of Stockholders. (i) An annual meeting of stockholders for the election of directors to succeed those whose terms expire and for the

transaction of such other business as may properly come before the meeting shall be held at such place, on such date, and at such time as the Board shall determine.

(ii) Subject to any special rights of the holders of any series of Preferred Stock, and to the requirements of applicable law, special meetings of stockholders of the Corporation may be called only (1) by or at the direction of the Board pursuant to a written resolution adopted by a majority of the total number of Directors that the Corporation would have if there were no vacancies or (2) by or at the direction of the Chairman, the Vice Chairman or the Chief Executive Officer. In addition, until the Substantial Ownership Requirement is no longer met, special meetings of stockholders of the Corporation may be called by the Secretary of the Corporation at the request of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class. Any business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

8.3 No Cumulative Voting; Election of Directors by Written Ballot. There shall be no cumulative voting in the election of directors. Unless and except to the extent that the By-laws shall so require, the election of the Directors need not be by written ballot.

9. Business Combinations.

9.1 Section 203 of the General Corporation Law. The Corporation will not be subject to the provisions of Section 203 of the General Corporation Law until the Substantial Ownership Requirement is no longer met. At that time, such election shall be automatically withdrawn and the Corporation will thereafter be governed by Section 203 of the General Corporation Law; provided that it shall only apply to a "person" that became an "interested stockholder" (each as defined in Section 203 of the General Corporation Law) after the Corporation became subject to Section 203 of the General Corporation Law.

10. Limitation of Liability.

10.1 To the fullest extent permitted under the General Corporation Law, as amended from time to time, no Director shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director.

10.2 Any amendment or repeal of Section 10.1 shall not adversely affect any right or protection of a Director hereunder in respect of any act or omission occurring prior to the time of such amendment or repeal.

11. Indemnification.

11.1 Right to Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any Person (a "Covered Person") who was or is a party or

is threatened to be made a party to or otherwise involved any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she, or a Person for whom he or she is the legal representative, is or was a Director or officer of the Corporation or, while a Director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another entity or enterprise, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including, without limitation, attorneys' fees and expenses, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, as amended, and amounts paid or to be paid in settlement) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 11.3 with respect to Proceedings to enforce rights to indemnification or advancement of expenses or with respect to any compulsory counterclaim brought by such indemnitee, the Corporation shall be required to indemnify a Covered Person in connection with a Proceeding (or part thereof) commenced by such Covered Person only if the commencement of such Proceeding (or part thereof) by the Covered Person was authorized by the Board.

Any reference to an officer of the Corporation in this Article 11 shall be deemed to refer exclusively to the Chairman, Vice Chairman, Chief Executive Officer, President, Vice Presidents, Secretary, Treasurer and any other officers of the Corporation appointed pursuant to Section 5.01 of the Corporation's By-laws, and any reference to an officer of any other entity or other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors or equivalent governing body of such other entity pursuant to the certificate of incorporation and by-laws or equivalent organizational documents of such other entity or enterprise.

11.2 Prepayment of Expenses. To the extent not prohibited by applicable law, the Corporation shall pay the expenses (including attorneys' fees) incurred by a Covered Person in appearing at, participating in or defending any Proceeding in advance of its final disposition or in connection with a Proceeding brought to establish or enforce a right to indemnification or advancement of expenses under this Article 11 (which shall be governed by Section 11.3); provided, however, that to the extent required by applicable law or in the case of advance made in a Proceeding brought to establish or enforce a right to indemnification or advancement, such payment of expenses in advance of the final disposition of the Proceeding shall be made solely upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified or entitled to advancement of expenses under this Article 11 or otherwise.

11.3 Claims. If a claim for indemnification or advancement of expenses under this Article 11 is not paid in full within thirty (30) days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim or to obtain an advancement of expenses, as applicable. To the fullest extent permitted by law, if successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Covered

Person shall be entitled to be paid the expense of prosecuting or defending such claim. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law. In (i) any suit brought by a Covered Person to enforce a right to indemnification hereunder (but not in a suit brought by a Covered Person to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, such Person has not met any applicable standard for indemnification set forth in the General Corporation Law. Neither the failure of the Corporation (including by its Directors who are not parties to such action, a committee of such Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Covered Person is proper in the circumstances because the Covered Person has met the applicable standard of conduct set forth in the General Corporation Law, nor an actual determination by the Corporation (including by its Directors who are not parties to such action, a committee of such Directors, independent legal counsel or its stockholders) that the Covered Person has not met such applicable standard of conduct, shall create a presumption that such Person has not met the applicable standard of conduct or, in the case of such a suit brought by the Covered Person, be a defense to such suit.

11.4 Nonexclusivity of Rights. The rights conferred on any Covered Person by this Article 11 shall not be exclusive of any other rights that such Covered Person may have or hereafter acquire under any statute, provision of this Certificate of Incorporation, the By-laws, agreement, vote of stockholders or disinterested Directors or otherwise.

11.5 Other Sources. Subject to Section 11.6, the Corporation's obligation, if any, to indemnify or to advance expenses to any Covered Person who was or is serving at its request as a director, officer, employee or agent of another entity or enterprise shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from such other entity or enterprise.

11.6 Indemnitor of First Resort. In all events, (i) the Corporation hereby agrees that it is the indemnitor of first resort (i.e., its obligation to a Covered Person to provide advancement and/or indemnification to such Covered Person is primary and any obligation of any Principal Stockholder (including any Affiliate thereof other than the Corporation) to provide advancement or indemnification hereunder or under any other indemnification agreement (whether pursuant to contract, by-laws or charter), or any obligation of any insurer of any Principal Stockholder to provide insurance coverage, for the same expenses, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such expenses, liabilities, judgments, penalties, fines and amounts paid in settlement) incurred by such Covered Person are secondary) and (ii) if any Principal Stockholder (or any Affiliate thereof, other than the Corporation) pays or causes to be paid, for any reason, any amounts otherwise indemnifiable hereunder or under any other indemnification agreement (whether pursuant

to contract, by-laws or charter) with such Covered Person, then (x) such Principal Stockholder (or such Affiliate, as the case may be) shall be fully subrogated to all rights of such Covered Person with respect to such payment, (y) the Covered Person shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable such Principal Stockholder (or such Affiliate) effectively to bring suit to enforce such rights and (z) the Corporation shall fully indemnify, reimburse and hold harmless such Principal Stockholder (or such other Affiliate, as the case may be) for all such payments actually made by such Principal Stockholder (or such other Affiliate). Each of the Principal Stockholders (and any Affiliate thereof) shall be third-party beneficiaries with respect to this Section 11.6, entitled to enforce this Section 11.6.

11.7 Amendment or Repeal. Any amendment or repeal of the foregoing provisions of this Article 11 shall not adversely affect any right or protection hereunder of any Covered Person in respect of any act or omission occurring prior to the time of such amendment or repeal.

11.8 Other Indemnification and Prepayment of Expenses. This Article 11 shall not limit the right of the Corporation, to the extent and in the manner permitted by applicable law, to indemnify and to advance expenses to Persons other than Covered Persons when and as authorized by appropriate corporate action.

11.9 Reliance. Covered Persons who after the date of the adoption of this provision become or remain a Covered Person described in Article 11 will be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this Article 11 in entering into or continuing the service. The rights to indemnification and to the advance of expenses conferred in this Article 11 will apply to claims made against any Covered Person described in this Article 11 arising out of acts or omissions in respect of the Corporation or one of its subsidiaries that occurred or occur both prior and subsequent to the adoption hereof. The rights conferred upon Covered Persons in this Article 11 shall be contract rights and such rights shall continue as to a Covered Person who has ceased to be a Director or officer and shall inure to the benefit of the Covered Person’s heirs, executors and administrators. Any amendment, alteration or repeal of this Article 11 that adversely affects any right of a Covered Person or its successors shall be prospective only and shall not limit, eliminate or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

11.10 Insurance. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law.

12. Adoption, Amendment or Repeal of By-Laws. In furtherance and not in limitation of the powers conferred by law, the Board is expressly authorized to make, alter, amend or repeal the By-laws subject to the power of the stockholders of the Corporation entitled to vote with respect thereto to make, alter, amend or repeal the By-laws; provided, that with respect to the powers of stockholders entitled to vote with respect thereto to make, alter, amend or repeal the By-laws, from and after the date that the Substantial Ownership Requirement is no longer met, in addition to any other vote otherwise required by law, the affirmative vote of the holders of seventy-five percent (75%) of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class, shall be required to make, alter, amend or repeal the By-laws.

13. Adoption, Amendment and Repeal of Certificate. Subject to Article 5, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by the General Corporation Law, and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, Directors or any other Persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended, are granted and held subject to this reservation. Notwithstanding anything to the contrary contained in this Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, no provision of Sections 7.2, 7.3 and 7.4 of Article 7, Sections 8.1 and 8.2 of Article 8 or Article 9, 12, 13 or 14 may be altered, amended or repealed in any respect, nor may any provision or by-law inconsistent therewith be adopted, unless in addition to any other vote required by this Certificate of Incorporation or otherwise required by law, (i) until the Substantial Ownership Requirement is no longer met, such alteration, amendment, repeal or adoption is approved by, in addition to any other vote otherwise required by law, the affirmative vote of the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class and (ii) from and after the date that the Substantial Ownership Requirement is no longer met, such alteration, amendment, repeal or adoption is approved by, in addition to any other vote otherwise required by law, the affirmative vote of the holders of seventy-five percent (75%) of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors, voting together as a single class, at a meeting of the stockholders called for that purpose.

14. Forum for Adjudication of Disputes. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any Director, officer or other employee of the Corporation to the Corporation or the Corporation’s stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law or (iv) any action asserting a claim governed by the internal affairs doctrine. Any Person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of consent to the provision of this Article 14.

15. Severability. If any provision or provisions of this Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its Directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

16. Definitions. As used in this Certificate of Incorporation, unless the context otherwise requires or as set forth in another Article or Section of this Certificate of Incorporation, the term:

(a) "Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person; provided, that (i) neither the Corporation nor any of its subsidiaries will be deemed an Affiliate of any stockholder of the Corporation or any of such stockholders' Affiliates and (ii) no stockholder of the Corporation will be deemed an Affiliate of any other stockholder of the Corporation, in each case, solely by reason of any investment in the Corporation or any rights conferred on such stockholder pursuant to the Stockholder Agreement (including any representatives of such stockholder serving on the Board).

(b) "Amended and Restated Goosehead Financial, LLC Agreement" means the Amended and Restated Goosehead Financial, LLC Limited Liability Company Agreement, dated as of [●], 2018, by and among the Corporation, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, Mark E. Jones, Robyn Jones, Michael C. Colby, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Jeffrey Saunders, the estate of Doug Jones, Texas Wasatch Insurance Partners, L.P., Max and Dane, LLC and Evan and Jake, LLC and the other Persons that may become parties thereto from time to time, as the same may be amended, restated, supplemented and/or otherwise modified, from time to time.

(c) "Board" is defined in Section 5.1(ii)(1).

(d) "By-laws" is defined in Section 7.1.

(e) "Certificate of Incorporation" is defined in the recitals.

(f) "Chairman" means the Chairman of the Board.

(g) "Chief Executive Officer" means the Chief Executive Officer of the Corporation.

(h) "Class A Common Stock" is defined in Section 4.1.

(i) "Class B Common Stock" is defined in Section 4.1.

(j) "Common Stock" is defined in Section 4.1.

(k) "control" (including the terms "controlling" and "controlled"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

(l) "Corporation" means Goosehead Insurance, Inc.

(m) "Covered Person" is defined in Section 11.1.

(n) "Director" is defined in Section 7.1.

(o) "Disposition Event" means any merger, consolidation or other business combination of the Corporation, whether effectuated through one transaction or series of related transactions (including a tender offer followed by a merger in which holders of Class A Common Stock receive the same consideration per share paid in the tender offer), unless, following such transaction, all or substantially all of the holders of the voting power of all outstanding classes of Common Stock and series of Preferred Stock that are generally entitled to vote in the election of Directors prior to such transaction or series of transactions, continue to hold a majority of the voting power of the surviving entity (or its parent) resulting from such transaction or series of transactions in substantially the same proportions as immediately prior to such transaction or series of transactions.

(p) "Exchange Act" means the Securities Exchange Act of 1934, as amended, and any successor law or statute, together with the rules and regulations promulgated thereunder.

(q) "General Corporation Law" is defined in the recitals.

(r) "LLC Unit" means a nonvoting interest unit of Goosehead Financial, LLC.

(s) "Goosehead Financial, LLC" means Goosehead Financial, LLC, a Delaware limited liability company or any successor thereto.

(t) "Goosehead Management Holders" means The Mark and Robyn Jones Descendants Trust 2014, The Colby 2014 Family Trust, Mark Colby, P. Ryan Langston and Michael Moxley.

(u) "Paired Interest" means one LLC Unit together with one share of Class B Common Stock, subject to adjustment pursuant to Section [●] of the Amended and Restated Goosehead Financial, LLC Agreement.

(v) "Permitted Transferee" means (i) in the case of any transferor that is not a natural person, any Person that is an Affiliate of such transferor and (ii) in the case of any transferor that is a natural person, (A) any Person to whom Common Stock is transferred from such transferor (1) by will or the laws of descent and distribution or (2) by gift without consideration of any kind; provided that, in the case of clause (2), such transferee is the spouse, the lineal descendant, sibling, parent, heir, executor, administrator, testamentary trustee, legatee or beneficiary of such transferor, (B) a trust that is for the exclusive benefit of such transferor or its Permitted Transferees under (A) above or (C) any institution qualified as tax-exempt under Section 501(c)(3) of the Code.

(w) "Person" means any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity.

(x) "Post-IPO LLC Members" means Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P., Max and Dane, LLC and Evan and Jake, LLC.

(y) "Preferred Stock" is defined in Section 4.1.

(z) "Preferred Stock Directors" is defined in Section 7.1.

(aa) "Principal Stockholders" means the Post-IPO LLC Members, the Goosehead Management Holders and the Texas Wasatch Holders and each of their respective Permitted Transferees.

(bb) "Proceeding" is defined in Section 11.1.

(cc) "Stock Adjustment" is defined in Section 5.1(ii)(3).

(dd) "Stockholder Agreement" means the Stockholders Agreement, dated as of [●], 2018, by and among the Corporation, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants

Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P. and the other Persons who may become parties thereto from time to time, as they same may be amended, restated, supplemented and/or otherwise modified, from time to time.

(ee) "Substantial Ownership Requirement" means the beneficial ownership (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by the Post-IPO LLC Members and any Permitted Transferee collectively, of shares of Common Stock representing at least ten percent (10%) of the issued and outstanding shares of Common Stock.

(ff) "Texas Wasatch Holders" means Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, Mark Colby, P. Ryan Langston and Michael Moxley.

(gg) "Transfer" of a share of Class B Common Stock means, directly or indirectly, any sale, assignment, transfer, exchange, gift, bequest, pledge, hypothecation or other disposition or encumbrance of such share or any legal or beneficial interest in such share, in whole or in part, whether or not for value and whether voluntary or involuntary or by operation of law; provided, however, that the following shall not be considered a "Transfer": (i) the granting of a revocable proxy pursuant to the Stockholder Agreement or to officers or directors of the Corporation at the request of the Board in connection with actions to be taken at annual or special meetings of stockholders or in connection with any action by written consent of the stockholders solicited by the Board (at such times as action by written consent of stockholders is permitted under this Certificate of Incorporation); (ii) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with the Corporation and/or its stockholders that (x) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Corporation, (y) either has a term not exceeding one (1) year or is terminable by the holder of the shares subject thereto at any time and (z) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than the mutual promise to vote shares in a designated manner; (iii) entering into a customary voting or support agreement (with or without granting a proxy) in connection with any merger, consolidation or other business combination of the Corporation, whether effectuated through one transaction or series of related transactions (including a tender offer followed by a merger in which holders of Class A Common Stock receive the same consideration per share paid in the tender offer); (iv) the pledge of shares of capital stock of the Corporation by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction so long as such stockholder continues to exercise sole voting control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee shall

constitute a “Transfer”; or (v) the fact that the spouse of any holder of Class B Common Stock possesses or obtains an interest in such holder’s shares of Class B Common Stock arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a “Transfer” of such shares of Class B Common Stock.

(hh) “Vice Chairman” means the Vice Chairman of the Board.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation of Goosehead Insurance, Inc. has been duly executed by the officer below this [___] day of [____], 2018.

By: _____
Name: Mark E. Jones
Title: Chairman and Chief Executive Officer

[Signature Page to Amended and Restated Certificate of Incorporation]

Exhibit B

Form of Goosehead Insurance, Inc. Amended and Restated Bylaws

[Attached]

AMENDED AND RESTATED BY-LAWS

of

GOOSEHEAD INSURANCE, INC.

(A Delaware Corporation)

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ARTICLE 1
DEFINITIONS

As used in these By-laws, unless the context otherwise requires, the term:

"**Assistant Secretary**" means an Assistant Secretary of the Corporation.

"**Assistant Treasurer**" means an Assistant Treasurer of the Corporation.

"**Board**" means the Board of Directors of the Corporation.

"**By-laws**" means the By-laws of the Corporation, as amended and restated.

"**Certificate of Incorporation**" means the Certificate of Incorporation of the Corporation, as amended and restated.

"**Chairman**" means the Chairman of the Board and includes any Executive Chairman.

"**Chief Executive Officer**" means the Chief Executive Officer of the Corporation.

"**control**" (including the terms "controlling" and "controlled"), with respect to the relationship between or among two or more persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"**Corporation**" means Goosehead Insurance, Inc.

"**Derivative**" is defined in Section 2.02(d)(iii).

"**Directors**" means the directors of the Corporation.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and any successor law or statute, and the rules and regulations promulgated thereunder.

"**Executive Chairman**" means the Executive Chairman of the Board.

"**General Corporation Law**" means the General Corporation Law of the State of Delaware, as amended.

"**law**" means any U.S. or non-U.S. federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a governmental authority (including any department, court, agency or official, or non-governmental self-regulatory organization, agency or authority and any political subdivision or instrumentality thereof).

"**Nominating Stockholder**" is defined in Section 3.03(b).

"**Notice of Business**" is defined in Section 2.02(c).

"**Notice of Nomination**" is defined in Section 3.03(c).

"**Notice Record Date**" is defined in Section 2.04(a).

"**Office of the Corporation**" means the executive office of the Corporation, anything in Section 131 of the General Corporation Law to the contrary notwithstanding.

"**President**" means the President of the Corporation.

"**Proponent**" is defined in Section 2.02(d)(i).

"**Public Disclosure**" is defined in Section 2.02(i).

"**SEC**" means the Securities and Exchange Commission.

"**Secretary**" means the Secretary of the Corporation.

"**Stockholder Associated Person**" is defined in Section 2.02(j).

"**Stockholder Business**" is defined in Section 2.02(b).

"**Stockholder Information**" is defined in Section 2.02(d)(iii).

"**Stockholder Nominees**" is defined in Section 3.03(b).

"**Stockholders**" means the stockholders of the Corporation.

"**Stockholders Agreement**" means the Stockholders Agreement, dated as of [●], 2018, by and among the Corporation, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust and the other Persons who may become parties thereto from time to time, as it may be amended, supplemented or modified.

"**Treasurer**" means the Treasurer of the Corporation.

"**Vice Chairman**" means the Vice Chairman of the Board.

"**Vice President**" means a Vice President of the Corporation.

"**Voting Commitment**" is defined in Section 3.04.

"**Voting Record Date**" is defined in Section 2.04(a).

ARTICLE 2
STOCKHOLDERS

Section 2.01. *Place of Meetings*. Meetings of Stockholders may be held within or without the State of Delaware, at such place or solely by means of remote communication or otherwise, as may be designated by the Board from time to time.

Section 2.02. *Annual Meetings; Stockholder Proposals.*

(a) A meeting of Stockholders for the election of Directors and other business shall be held annually at such date and time as may be designated by the Board from time to time.

(b) At an annual meeting of the Stockholders, only business (other than business relating to the nomination or election of Directors, which is governed by Section 3.03) that has been properly brought before the Stockholder meeting in accordance with the procedures set forth in this Section 2.02 shall be conducted. To be properly brought before a meeting of Stockholders, such business must be brought before the meeting (i) by or at the direction of the Board or any committee thereof or (ii) by a Stockholder who (A) was a Stockholder of record of the Corporation when the notice required by this Section 2.2 is delivered to the Secretary and at the time of the meeting, (B) is entitled to vote at the meeting and (C) complies with the notice and other provisions of this Section 2.02. Subject to Section 2.02(k), and except with respect to nominations or elections of Directors, which are governed by Section 3.03, Section 2.02(b)(ii) is the exclusive means by which a Stockholder may bring business before a meeting of Stockholders; *provided* that if Rule 14a-8 of the Exchange Act (or any successor rule) is applicable, a Stockholder may not bring business before any meeting if the Stockholder fails to meet the requirements of such rule. Any business brought before a meeting in accordance with Section 2.02(b)(ii) is referred to as "**Stockholder Business**."

(c) Subject to Section 2.02(k), at any annual meeting of Stockholders, all proposals of Stockholder Business must be made by timely written notice given by or on behalf of a Stockholder of record of the Corporation (the "**Notice of Business**") and must otherwise be a proper matter for Stockholder action. To be timely, the Notice of Business must be delivered personally or mailed to, and received at, the Office of the Corporation, addressed to the Secretary, by no earlier than one hundred and twenty (120) days and no later than ninety (90) days before the first anniversary of the date of the prior year's annual meeting of Stockholders; *provided*, *however*, that if (i) the annual meeting of Stockholders is advanced by more than thirty (30) days, or delayed by more than sixty (60) days, from the first anniversary of the prior year's annual meeting of Stockholders or (ii) no annual meeting was held during the prior year, the notice by the Stockholder to be timely must be received (A) no earlier than one hundred and twenty (120) days before such annual meeting and (B) no later than the later of ninety (90) days before such annual meeting and the tenth day after the day on which the notice of such annual meeting was made by mail or Public Disclosure; *provided*, *further*, that, solely for the purposes of the notice requirements under this Section 2.02(c), with respect to the annual meeting of stockholders of the Corporation for 2019, the date of the preceding year's annual meeting of stockholders shall be deemed to be [●], 2018. In no event shall an adjournment, postponement or deferral, or Public Disclosure of an adjournment, postponement or deferral, of a Stockholder

meeting commence a new time period (or extend any time period) for the giving of the Notice of Business.

(d) The Notice of Business must set forth:

(i) the name and record address of each Stockholder proposing Stockholder Business (the "**Proponent**"), as they appear on the Corporation's books;

(ii) the name and address of any Stockholder Associated Person;

(iii) as to each Proponent and any Stockholder Associated Person, (A) the class or series and number of shares of stock directly or indirectly held of record and beneficially by the Proponent or Stockholder Associated Person, (B) the date such shares of stock were acquired, (C) a description of any agreement, arrangement or understanding, direct or indirect, with respect to such Stockholder Business between or among the Proponent, any Stockholder Associated Person or any others (including their names) acting in concert with any of the foregoing, (D) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, hedging transactions, warrant, convertible security, stock appreciation right or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class of securities and/or borrowed or loaned shares) that has been entered into, directly or indirectly, as of the date of the Proponent's notice by, or on behalf of, the Proponent or any Stockholder Associated Person, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of the Proponent or any Stockholder Associated Person with respect to shares of stock of the Corporation or with a value derived in whole or in part from the value or decrease in value of any class or series of stock of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of stock of the Corporation or otherwise (a "**Derivative**"), (E) a description in reasonable detail of any proxy (including revocable proxies), contract, arrangement, understanding or other relationship pursuant to which the Proponent or Stockholder Associated Person has a right to vote any shares of stock of the Corporation, (F) any rights to dividends on the stock of the Corporation owned beneficially by the Proponent or Stockholder Associated Person that are separated or separable from the underlying stock of the Corporation, (G) any proportionate interest in stock of the Corporation or Derivatives held, directly or indirectly, by a general or limited partnership in which the Proponent or Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (H) any performance-related fees (other than an asset-based fee) that the Proponent or Stockholder Associated Person is entitled to based on any increase or decrease in the value of stock of the Corporation or Derivatives thereof, if any, as of the date of such notice. The information specified in Section 2.02(d)(i) to (iii) is referred to herein as "**Stockholder Information**";

(iv) Stockholder Information with respect to any stock or other interests of the Corporation held by members of the Proponent's or Stockholder Associated Person's immediate family sharing the same household;

(v) a representation to the Corporation that each Proponent is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to propose such Stockholder Business;

(vi) a brief description of the Stockholder Business desired to be brought before the annual meeting, the text of the proposal (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend the By-laws, the language of the proposed amendment) and the reasons for conducting such Stockholder Business at the meeting;

(vii) any material interest of each Proponent and any Stockholder Associated Person in such Stockholder Business;

(viii) a representation to the Corporation as to whether the Proponent intends (A) to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt such Stockholder Business or (B) otherwise to solicit proxies from the Stockholders in support of such Stockholder Business;

(ix) all other information that would be required to be filed with the SEC if the Proponents or Stockholder Associated Persons were participants in a solicitation subject to Section 14 of the Exchange Act; and

(x) a representation and covenant for the benefit of the Corporation that the Proponents shall provide any other information reasonably requested by the Corporation.

(e) The Proponents shall also provide any other information reasonably requested by the Corporation within ten (10) business days after such request.

(f) In addition, the Proponent shall further update and supplement the information provided to the Corporation in the Notice of Business or upon the Corporation's request pursuant to Section 2.02(e) as needed, so that such information shall be true and correct as of the record date for the meeting and as of the date that is the later of ten (10) business days before the meeting or any adjournment or postponement thereof. Such update and supplement must be delivered personally or mailed to, and received at, the Office of the Corporation, addressed to the Secretary, by no later than five (5) business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than seven (7) business days before the date for the meeting (in the case of the update and supplement required to be made as of ten (10) business days before the meeting or any adjournment or postponement thereof).

(g) The person presiding over the meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the procedures set forth in this Section 2.02, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(h) If the Proponent (or a qualified representative of the Proponent) does not appear at the meeting of Stockholders to present the Stockholder Business, such business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.02, to be considered a qualified representative of the Stockholder, a person must be a duly authorized officer, manager or partner of such Stockholder or must be authorized by a writing executed by such Stockholder or an electronic transmission delivered by such Stockholder to act for such Stockholder as proxy at the meeting of Stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of Stockholders.

(i) "**Public Disclosure**" of any date or other information means disclosure thereof by a press release reported by the Dow Jones News Services, Associated Press or comparable U.S. national news service or in a document publicly filed by the Corporation with the SEC pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

(j) "**Stockholder Associated Person**" means, with respect to any Stockholder, (i) any other beneficial owner of stock of the Corporation that is owned by such Stockholder and (ii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Stockholder or such beneficial owner.

(k) The notice requirements of this Section 2.02 shall be deemed satisfied with respect to Stockholder proposals that have been properly brought under Rule 14a-8 of the Exchange Act and that are included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. Further, nothing in this Section 2.02 shall be deemed to affect any rights of the holders of any series of preferred stock of the Corporation pursuant to any applicable provision of the Certificate of Incorporation.

Section 2.03. *Special Meetings*. Special meetings of the Stockholders may be called only in the manner set forth in the Certificate of Incorporation. Notice of every special meeting of the Stockholders shall state the purpose or purposes of such meeting. Except as otherwise required by law, the business conducted at a special meeting of Stockholders shall be limited exclusively to the business set forth in the Corporation's notice of meeting, and the individual or group calling such meeting shall have exclusive authority to determine the business included in such notice.

Section 2.04. *Record Date*.

(a) For the purpose of determining the Stockholders entitled to notice of any meeting of Stockholders or any adjournment thereof, unless otherwise required by the Certificate of Incorporation or applicable law, the Board may fix a record date (the "**Notice Record Date**"), which record date shall not precede the date on which the resolution fixing the record date was adopted by the Board and shall not be more than sixty (60) or less than ten (10) days before the date of such meeting. The Notice Record Date shall also be the record date for determining the Stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such Notice Record Date, that a later date on or before the date of the meeting shall be the date for making such determination (the "**Voting Record Date**"). For the purposes of determining the Stockholders entitled to express consent to corporate action in writing without a meeting,

unless otherwise required by the Certificate of Incorporation or applicable law, the Board may fix a record date, which record date shall not precede the date on which the resolution fixing the record date was adopted by the Board and shall not be more than ten (10) days after the date on which the record date was fixed by the Board. For the purposes of determining the Stockholders entitled to (i) receive payment of any dividend or other distribution or allotment of any rights, (ii) exercise any rights in respect of any change, conversion or exchange of stock or (iii) take any other lawful action, unless otherwise required by the Certificate of Incorporation or applicable law, the Board may fix a record date, which record date shall not precede the date on which the resolution fixing the record date was adopted by the Board and shall not be more than sixty (60) days prior to such action.

(b) If no such record date is fixed:

(i) the record date for determining Stockholders entitled to notice of, and to vote at, a meeting of Stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(ii) the record date for determining Stockholders entitled to express consent to corporate action in writing without a meeting (unless otherwise provided in the Certificate of Incorporation), when no prior action by the Board is required by applicable law, shall be the first day on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law; and when prior action by the Board is required by applicable law, the record date for determining Stockholders entitled to express consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board takes such prior action; and

(iii) when a determination of Stockholders of record entitled to notice of, or to vote at, any meeting of Stockholders has been made as provided in this Section 2.04, such determination shall apply to any adjournment thereof, unless the Board fixes a new Voting Record Date for the adjourned meeting, in which case the Board shall also fix such Voting Record Date or a date earlier than such date as the new Notice Record Date for the adjourned meeting.

Section 2.05. *Notice of Meetings of Stockholders*. Whenever, under the provisions of applicable law, the Certificate of Incorporation or these By-laws, Stockholders are required or permitted to take any action at a meeting, notice shall be given stating the place, if any, date and hour of the meeting; the means of remote communication, if any, by which Stockholders and proxy holders may be deemed to be present in person and vote at such meeting; the Voting Record Date, if such date is different from the Notice Record Date; and, in the case of a special meeting, the purposes for which the meeting is called. Unless otherwise provided by these By-laws or applicable law, notice of any meeting shall be given, not less than ten (10) nor more than sixty (60) days before the date of the meeting, to each Stockholder entitled to vote at such meeting as of the Notice Record Date. If mailed, such notice shall be deemed to be given when deposited in the U.S. mail, with postage prepaid, and directed to the Stockholder at his or her address as it appears on the records of the Corporation. An affidavit of the Secretary, an

Assistant Secretary or the transfer agent of the Corporation that the notice required by this Section 2.05 has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. Any business that might have been transacted at the meeting as originally called may be transacted at the adjourned meeting. If, however, the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Stockholder of record entitled to vote at the meeting. If, after the adjournment, a new Voting Record Date is fixed for the adjourned meeting, the Board shall fix a new Notice Record Date in accordance with Section 2.04(b)(iii) hereof and shall give notice of such adjourned meeting to each Stockholder entitled to vote at such meeting as of the Notice Record Date.

Section 2.06. *Waivers of Notice*. Whenever the giving of any notice to Stockholders is required by applicable law, the Certificate of Incorporation or these By-laws, a waiver thereof, given by the person entitled to said notice, whether before or after the event as to which such notice is required, shall be deemed equivalent to notice. Attendance by a Stockholder at a meeting shall constitute a waiver of notice of such meeting except when the Stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting has not been lawfully called or convened. Neither the business to be transacted at, nor the purposes of, any regular or special meeting of the Stockholders need be specified in any waiver of notice.

Section 2.07. *List of Stockholders*. The Secretary shall prepare and make available, at least ten (10) days before every meeting of Stockholders, a complete, alphabetical list of the Stockholders entitled to vote at the meeting, and showing the address of each Stockholder and the number of shares registered in the name of each Stockholder. Such list may be examined by any Stockholder, the Stockholder's agent or attorney, at the Stockholder's expense, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting, during ordinary business hours at the principal place of business of the Corporation or on a reasonably accessible electronic network as provided by applicable law. If the meeting is to be held at a place, the list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any Stockholder who is present. If the meeting is held solely by means of remote communication, the list shall also be open for inspection as provided by applicable law. Except as provided by applicable law, the stock ledger shall be the only evidence as to who are the Stockholders entitled to examine the list of Stockholders or to vote in person or by proxy at any meeting of Stockholders.

Section 2.08. *Quorum of Stockholders; Adjournment*. Except as otherwise provided by these By-laws, at each meeting of Stockholders, the presence in person or by proxy of the holders of a majority of the voting power of all outstanding shares of stock entitled to vote at the meeting of Stockholders shall constitute a quorum for the transaction of any business at such meeting, except that, where a separate vote by a class or series of classes of shares is required, a quorum shall consist of no less than a majority of the voting power of all outstanding shares of stock of such class or series of classes, as applicable. In the absence of a quorum, the holders of a majority in voting power of the shares of stock present in person or represented by proxy at any meeting of Stockholders, including an adjourned meeting, may adjourn such meeting to another time and place. Shares of its own stock belonging to the Corporation or to another corporation,

if a majority of the shares entitled to vote in the election of Directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; *provided*, *however*, that the foregoing shall not limit the right of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 2.09. *Voting; Proxies*. Unless otherwise provided by the General Corporation Law or in the Certificate of Incorporation, every Stockholder entitled to vote at any meeting of Stockholders shall be entitled to one vote for each share of stock (and 10 votes for each share of Class B Common Stock until the Substantial Ownership Requirement is no longer met (each as defined in the Certificate of Incorporation)) held by such Stockholder which has voting power upon the matter in question. At any meeting of Stockholders, all matters other than the election of Directors, except as otherwise provided by the Certificate of Incorporation, these By-laws or any applicable law, shall be decided by the affirmative vote of a majority in voting power of shares of stock present in person or represented by proxy and entitled to vote thereon. At all meetings of Stockholders for the election of Directors, a plurality of the votes cast shall be sufficient to elect Directors. Each Stockholder entitled to vote at a meeting of Stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such Stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy expressly provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only so long as, it is coupled with an interest sufficient in law to support an irrevocable power. A Stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary a revocation of the proxy or by delivering a new proxy bearing a later date.

Section 2.10. *Voting Procedures and Inspectors at Meetings of Stockholders*. The Board, in advance of any meeting of Stockholders, shall ppoint one or more inspectors, who may be employees of the Corporation, to act at the meeting and make a written report thereof. The Board may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall (a) ascertain the number of shares outstanding and the voting power of each, (b) determine the shares represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors and (e) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of their duties. Unless otherwise provided by the Board, the date and time of the opening and the closing of the polls for each matter upon which the Stockholders will vote at a meeting shall be determined by the person presiding at the meeting and shall be announced at the meeting. No ballot, proxies, votes or any revocation thereof or change thereto, shall be accepted by the inspectors after the closing of the polls unless the Court of Chancery of the State of Delaware upon application by a Stockholder shall determine otherwise. In determining the validity and counting of proxies and ballots cast at any meeting of Stockholders, the inspectors

may consider such information as is permitted by applicable law. No person who is a candidate for office at an election may serve as an inspector at such election.

Section 2.11. *Conduct of Meetings; Adjournment*. The Board may adopt such rules and procedures for the conduct of Stockholder meetings as it deems appropriate. At each meeting of Stockholders, the Chairman or, in the absence of the Chairman, the Vice Chairman or, in the absence of or if there is no Vice Chairman, the Chief Executive Officer or, in the absence of the Chairman, the Vice Chairman and the Chief Executive Officer, the President or, if there is no Chairman, Vice Chairman, Chief Executive Officer or President, or if they are absent, a Vice President and, in the case that more than one Vice President shall be present, that Vice President designated by the Board (or in the absence of any such designation, the most senior Vice President present), shall preside over the meeting. Except to the extent inconsistent with the rules and procedures as adopted by the Board, the person presiding over the meeting of Stockholders shall have the right and authority to convene, adjourn and reconvene the meeting from time to time, to prescribe such additional rules and procedures and to do all such acts as, in the judgment of such person, are appropriate for the proper conduct of the meeting. Such rules and procedures, whether adopted by the Board or prescribed by the person presiding over the meeting, may include (a) the establishment of an agenda or order of business for the meeting, (b) rules and procedures for maintaining order at the meeting and the safety of those present, (c) limitations on attendance at or participation in the meeting to Stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the person presiding over the meeting shall determine, (d) restrictions on entry to the meeting after the time fixed for the commencement thereof and (e) limitations on the time allotted to questions or comments by participants. The person presiding over any meeting of Stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, may determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, he or she shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the person presiding over the meeting, meetings of Stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The Secretary or, in his or her absence, one of the Assistant Secretaries, shall act as secretary of the meeting. If none of the officers above designated to act as the person presiding over the meeting or as secretary of the meeting shall be present, a person presiding over the meeting or a secretary of the meeting, as the case may be, shall be designated by the Board and, if the Board has not so acted, in the case of the designation of a person to act as secretary of the meeting, designated by the person presiding over the meeting. To the extent permitted by applicable law, meetings of stockholders may be conducted by remote communications, including by webcast.

Section 2.12. *Order of Business*. The order of business at all meetings of Stockholders shall be as determined by the person presiding over the meeting.

Section 2.13. *Written Consent of Stockholders Without a Meeting*. If, and only if, the Certificate of Incorporation expressly permits action to be taken at any annual or special meeting of Stockholders without a meeting, without prior notice and without a vote, then a consent or consents in writing, setting forth the action to be so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to

authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the Corporation by delivery to its registered office in the State of Delaware, the Office of the Corporation or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of Stockholders are recorded. Every written consent shall bear the date of signature of each Stockholder who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this Section 2.13, written consents signed by a sufficient number of holders to take action are delivered to the Corporation as aforesaid. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall, to the extent required by applicable law, be given to those Stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Corporation.

ARTICLE 3
DIRECTORS

Section 3.01. *General Powers*. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board. The Board may adopt such rules and procedures, not inconsistent with the Certificate of Incorporation, these By-laws or applicable law, as it may deem proper for the conduct of its meetings and the management of the Corporation.

Section 3.02. *Term of Office*. The Board shall consist of members as determined in accordance with the Certificate of Incorporation. Subject to obtaining any required stockholder votes or consents under the Stockholders Agreement (as long as such agreement is in effect), each Director shall hold office until a successor is duly elected and qualified or until the Director's earlier death, resignation, disqualification or removal.

Section 3.03. *Nominations of Directors*.

(a) Subject to Section 3.03(k) and obtaining any required stockholder votes or consents under the Stockholders Agreement and except as otherwise provided by the Stockholders Agreement (as long as such agreement is in effect), only persons who are nominated in accordance with the procedures set forth in this Section 3.03 are eligible for election as Directors.

(b) Nominations of persons for election to the Board may only be made at a meeting properly called for the election of Directors and only (i) by or at the direction of the Board or any committee thereof or (ii) by a Stockholder who (A) was a Stockholder of record of the Corporation when the notice required by this Section 3.03 is delivered to the Secretary and at the time of the meeting, (B) is entitled to vote for the election of Directors at the meeting and (C) complies with the notice and other provisions of this Section 3.03. Subject to Section 3.03(k) and obtaining any required stockholder votes or consents under the Stockholders Agreement (as long as such agreement is in effect), Section 3.03(b)(ii) is the exclusive means by which a

Stockholder may nominate a person for election to the Board. Persons nominated in accordance with Section 3.03(b)(ii) are referred to as "**Stockholder Nominees**." A Stockholder nominating persons for election to the Board is referred to as the "**Nominating Stockholder**."

(c) Subject to Section 3.03(k) and obtaining any required stockholder votes or consents under the Stockholders Agreement and except as otherwise provided by the Stockholders Agreement (as long as such agreement is in effect), all nominations of Stockholder Nominees must be made by timely written notice given by or on behalf of a Stockholder of record of the Corporation (the "**Notice of Nomination**"). To be timely, the Notice of Nomination must be delivered personally or mailed to and received at the Office of the Corporation, addressed to the attention of the Secretary, by the following dates:

(i) in the case of the nomination of a Stockholder Nominee for election to the Board at an annual meeting of Stockholders, no earlier than one hundred and twenty (120) days and no later than ninety (90) days before the first anniversary of the date of the prior year's annual meeting of Stockholders; *provided, however*, that if (A) the annual meeting of Stockholders is advanced by more than thirty (30) days, or delayed by more than sixty (60) days, from the first anniversary of the prior year's annual meeting of Stockholders or (B) no annual meeting was held during the prior year, the notice by the Stockholder to be timely must be received (1) no earlier than one hundred and twenty (120) days before such annual meeting and (2) no later than the later of ninety (90) days before such annual meeting and the tenth day after the day on which the notice of such annual meeting was made by mail or Public Disclosure; *provided, further*, that, solely for the purposes of the notice requirements under this Section 2.02(c), with respect to the annual meeting of stockholders of the Corporation for 2019, the date of the preceding year's annual meeting of stockholders shall be deemed to be [●], 2018; and

(ii) in the case of the nomination of a Stockholder Nominee for election to the Board at a special meeting of Stockholders, no earlier than one hundred and twenty (120) days before and no later than the later of ninety (90) days before such special meeting and the tenth day after the day on which the notice of such special meeting was made by mail or Public Disclosure.

(d) Notwithstanding anything to the contrary, if the number of Directors to be elected to the Board at a meeting of Stockholders is increased and there is no Public Disclosure by the Corporation naming the nominees for the additional directorships at least one hundred (100) days before the first anniversary of the preceding year's annual meeting, a Notice of Nomination shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered personally and received at the Office of the Corporation, addressed to the attention of the Secretary, no later than the close of business on the tenth day following the day on which such Public Disclosure is first made by the Corporation.

(e) In no event shall an adjournment, postponement or deferral, or Public Disclosure of an adjournment, postponement or deferral, of an annual or special meeting commence a new time period (or extend any time period) for the giving of the Notice of Nomination.

(f) The Notice of Nomination shall set forth:

(i) the Stockholder Information with respect to each Nominating Stockholder and Stockholder Associated Person;

(ii) a representation to the Corporation that each Nominating Stockholder is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to propose such nomination;

(iii) all information regarding each Stockholder Nominee and Stockholder Associated Person that would be required to be disclosed in a solicitation of proxies subject to Section 14 of the Exchange Act, the written consent of each Stockholder Nominee to being named in a proxy statement as a nominee and to serve if elected and a completed signed questionnaire, representation and agreement required by Section 3.04;

(iv) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among a Nominating Stockholder, Stockholder Associated Person or their respective associates, or others acting in concert therewith, including all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the Nominating Stockholder, Stockholder Associated Person or any person acting in concert therewith were the "registrant" for purposes of such rule and the Stockholder Nominee were a director or executive of such registrant;

(v) Stockholder Information with respect to any stock or other interests of the Corporation held by members of the Nominating Stockholder's or its Stockholder Associated Person's immediate family sharing the same household;

(vi) a representation to the Corporation as to whether each Nominating Stockholder intends (A) to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve the nomination or (B) otherwise to solicit proxies from Stockholders in support of such nomination;

(vii) all other information that would be required to be filed with the SEC if the Nominating Stockholders and Stockholder Associated Persons were participants in a solicitation subject to Section 14 of the Exchange Act; and

(viii) a representation and covenant for the benefit of the Corporation that the Nominating Stockholders shall provide any other information reasonably requested by the Corporation.

(g) The Nominating Stockholders shall also provide any other information reasonably requested by the Corporation within ten (10) business days after such request.

(h) In addition, the Nominating Stockholders shall further update and supplement the information provided to the Corporation in the Notice of Nomination or upon the Corporation's request pursuant to Section 3.03(g) as needed, so that such information shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days before the

meeting or any adjournment or postponement thereof. Such update and supplement must be delivered personally or mailed to, and received at, the Office of the Corporation, addressed to the Secretary, by no later than five (5) business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than seven (7) business days before the date for the meeting (in the case of the update and supplement required to be made as of ten (10) business days before the meeting or any adjournment or postponement thereof).

(i) The person presiding over the meeting shall, if the facts warrant, determine and declare to the meeting, that the nomination was not made in accordance with the procedures set forth in this Section 3.03, and, if he or she should so determine, he or she shall so declare to the meeting and the defective nomination shall be disregarded.

(j) If the Stockholder (or a qualified representative of the Stockholder) does not appear at the applicable Stockholder meeting to nominate the Stockholder Nominees, such nomination shall be disregarded and such business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 3.03, to be considered a qualified representative of the Stockholder, a person must be a duly authorized officer, manager or partner of such Stockholder or must be authorized by a writing executed by such Stockholder or an electronic transmission delivered by such Stockholder to act for such Stockholder as proxy at the meeting of Stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of Stockholders.

(k) Nothing in this Section 3.03 shall be deemed to affect any rights of the holders of any series of preferred stock of the Corporation pursuant to any applicable provision of the Certificate of Incorporation.

Section 3.04. *Nominee and Director Qualifications.* Unless the Board determines otherwise or the Stockholders Agreement provides otherwise (as long as such agreement is in effect), to be eligible to be a nominee for election or reelection as a Director, a person must deliver (in accordance with the time periods prescribed for delivery of notice by the Board) to the Secretary at the Office of the Corporation a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such person (a) is not and will not become a party to (i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person will act or vote as a Director on any issue or question (a "**Voting Commitment**") that has not been disclosed to the Corporation or (ii) any Voting Commitment that could limit or interfere with such person's ability to comply with such person's fiduciary duties as a Director under applicable law, (b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a Director that has not been disclosed therein, and (c) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, and will comply with all

applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading and other policies and guidelines of the Corporation that are applicable to Directors.

Section 3.05. *Resignation.* Any Director may resign at any time by notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect at the date of receipt of such notice or at such later time as is therein specified, and, unless otherwise specified in such resignation, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.06. *Compensation.* Each Director, in consideration of his or her service as such, shall be entitled to receive from the Corporation such amount per annum or such fees (payable in cash or equity) for attendance at Directors' meetings, or both, as the Board may from time to time determine, together with reimbursement for the reasonable out-of-pocket expenses, if any, incurred by such Director in connection with the performance of his or her duties. Each Director who shall serve as a member of any committee of Directors in consideration of serving as such shall be entitled to such additional amount per annum or such fees for attendance at committee meetings, or both, as the Board may from time to time determine, together with reimbursement for the reasonable out-of-pocket expenses, if any, incurred by such Director in the performance of his or her duties. Nothing contained in this Section 3.06 shall preclude any Director from serving the Corporation or its subsidiaries in any other capacity and receiving proper compensation therefor.

Section 3.07. *Regular Meetings.* Regular meetings of the Board may be held without notice at such times and at such places within or without the State of Delaware as may be determined from time to time by the Board or its Chairman.

Section 3.08. *Special Meetings.* Special meetings of the Board may be held at such times and at such places within or without the State of Delaware as may be determined by the Chairman, the Vice Chairman or the Chief Executive Officer on at least twenty-four (24) hours' notice to each Director given by one of the means specified in Section 3.11 hereof other than by mail, or on at least three (3) days' notice if given by mail. Special meetings shall be called by the Chairman, the Vice Chairman, the Chief Executive Officer, the President or the Secretary in like manner and on like notice on the written request of any two or more Directors.

Section 3.09. *Telephone Meetings.* Board or Board committee meetings may be held by means of telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation by a Director in a meeting pursuant to this Section 3.09 shall constitute presence in person at such meeting.

Section 3.10. *Adjourned Meetings.* A majority of the Directors present at any meeting of the Board, including an adjourned meeting, whether or not a quorum is present, may adjourn and reconvene such meeting to another time and place. At least twenty-four (24) hours' notice of any adjourned meeting of the Board shall be given to each Director whether or not present at the time of the adjournment, if such notice shall be given by one of the means specified in Section 3.11 hereof other than by mail, or at least three (3) days' notice if by mail. Any business

may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called.

Section 3.11. *Notice Procedure.* Subject to Section 3.08 and 3.12 hereof, whenever notice is required to be given to any Director by applicable law, the Certificate of Incorporation or these By-laws, such notice shall be deemed given effectively if given in person or by telephone, mail or electronic mail addressed to such Director at such Director's address or email address, as applicable, as it appears on the records of the Corporation, facsimile or by other means of electronic transmission.

Section 3.12. *Waiver of Notice.* Whenever the giving of any notice to Directors is required by applicable law, the Certificate of Incorporation or these By-laws, a waiver thereof, in writing signed by the Director entitled to the notice, whether before or after such notice is required, shall be deemed equivalent to notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except when the Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special Board or committee meeting need be specified in any waiver of notice.

Section 3.13. *Organization.* At each meeting of the Board, the Chairman or, in the absence of the Chairman, the Vice Chairman or, in the absence of or if there is no Vice Chairman, the Chief Executive Officer or, in the absence of the Chairman, the Vice Chairman and the Chief Executive Officer, another Director selected by the Board shall preside. The Secretary shall act as secretary at each meeting of the Board. If the Secretary is absent from any meeting of the Board, an Assistant Secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the Secretary and all Assistant Secretaries, the person presiding at the meeting may appoint any person to act as secretary of the meeting.

Section 3.14. *Quorum of Directors.* The presence in person of a majority of the total members of the Board shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board.

Section 3.15. *Action by Majority Vote.* Except as otherwise expressly required by these By-laws, or the Certificate of Incorporation, the vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board; provided that to the extent one or more Directors recuses himself or herself from an act, the act of a majority of the remaining Directors present shall be the act of the Board.

Section 3.16. *Action Without Meeting.* Unless otherwise restricted by these By-laws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all Directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board or committee.

ARTICLE 4
COMMITTEES OF THE BOARD

The Board may, by resolution, designate one or more committees, each committee to consist of one or more of the Directors of the Corporation. The Board may, by resolution, adopt charters for one or more of such committees. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. If a member of a committee shall be absent from any meeting, or disqualified from voting thereat, the remaining member or members present at the meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may, by a unanimous vote, appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent permitted by applicable law, and to the extent provided in the resolution of the Board designating such committee or the charter for such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers that may require it to the extent so authorized by the Board. The Board may remove any Director from any committee at any time, with or without cause. Unless the Board provides otherwise, at all meetings of such committee, a majority of the then authorized members of the committee shall constitute a quorum for the transaction of business, and the vote of a majority of the members of the committee present at any meeting at which there is a quorum shall be the act of the committee. Each committee shall keep regular minutes of its meetings. Unless the Board provides otherwise, each committee designated by the Board may make, alter and repeal rules and procedures for the conduct of its business. In the absence of such rules and procedures, each committee shall conduct its business in the same manner as the Board conducts its business pursuant to Article 3.

ARTICLE 5
OFFICERS

Section 5.01. *Positions; Election.* The Board may from time to time elect officers of the Corporation, which may include a Chairman, Vice Chairman, Chief Executive Officer, President, Vice Presidents, Secretary, Treasurer and any other officers as it may deem proper or may delegate to any elected officer of the Corporation the power to appoint and remove any such officers and to prescribe their respective terms of office, authorities and duties. Any number of offices may be held by the same person. Should the Corporation or any of its Subsidiaries enter into any management services or similar agreement with another entity (each as may be amended, supplemented, restated or replaced from time to time), the officers of the Corporation may be the officers or employees of such entity to the extent permitted by applicable law.

Section 5.02. *Term of Office.* Each officer of the Corporation shall hold office for such terms as may be determined by the Board or, except with respect to his or her own office, the Chief Executive Officer, or until such officer’s successor is elected and qualifies or until such officer’s earlier death, resignation or removal. Any officer may resign at any time upon written notice to the Corporation. Such resignation shall take effect at the date of receipt of such notice or at such later time as is therein specified, and, unless otherwise specified, the acceptance of

such resignation shall not be necessary to make it effective. The resignation of an officer shall be without prejudice to the contract rights of the Corporation, if any. Any officer may be removed at any time with or without cause by the Board or, in the case of appointed officers, by any elected officer upon whom such power of removal shall have been conferred by the Board. Any vacancy occurring in any office of the Corporation may be filled by the Board or, in the case of appointed officers, by any elected officer upon whom such power of appointment shall have been conferred by the Board. The election or appointment of an officer shall not of itself create contract rights.

Section 5.03. *Chairman.* The Chairman shall preside at all meetings of the Stockholders and at all meetings of the Board and shall exercise such powers and perform such other duties as shall be determined from time to time by the Board. In addition to the responsibilities, powers and duties of the Chairman, an Executive Chairman (if there be one) shall exercise such powers and perform such other duties as shall be determined from time to time by the Board and may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by resolution of the Board or by these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed.

Section 5.04. *Vice Chairman.* The Vice Chairman (if there be one) shall preside at all meetings of the Stockholders and at all meetings of the Board at which the Chairman is not present and shall exercise such powers and perform such other duties as shall be determined from time to time by the Board.

Section 5.05. *Chief Executive Officer.* The Chief Executive Officer shall have general supervision over, and direction of, the business and affairs of the Corporation, subject, however, to the control of the Board and of any duly authorized committee of the Board. The Chief Executive Officer shall preside at all meetings of the Stockholders and at all meetings of the Board at which the Chairman and the Vice Chairman (if there be one) are not present. The Chief Executive Officer may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by resolution of the Board or by these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed and, in general, the Chief Executive Officer shall perform all duties incident to the office of Chief Executive Officer of a corporation and such other duties as may be determined from time to time by the Board.

Section 5.06. *President.* The President shall have duties incident to the office of President, and any other duties as may from time to time be assigned to the President by the Chief Executive Officer (if the President and Chief Executive Officer are not the same person) or the Board and subject to the control of the Chief Executive Officer (if the President and Chief Executive Officer are not the same person) and the Board in each case. The President shall preside at all meetings of the Stockholders at which the Chairman, the Vice Chairman (if there be one) and the Chief Executive Officer are not present. The President may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by

these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed.

Section 5.07. *Vice Presidents.* Vice Presidents shall have the duties incident to the office of Vice President and any other duties that may from time to time be assigned to the Vice President by the Chief Executive Officer, the President or the Board. A Vice President shall preside at all meetings of the Stockholders at which the Chairman, the Vice Chairman (if there be one), the Chief Executive Officer and the President are not present. Any Vice President may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts or other instruments, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these By-laws to some other officer or agent of the Corporation, or shall be required by applicable law otherwise to be signed or executed.

Section 5.08. *Secretary.* The Secretary shall attend all meetings of the Board and of the Stockholders, record all the proceedings of the meetings of the Board and of the Stockholders in a book to be kept for that purpose and perform like duties for committees of the Board, when required. The Secretary shall give, or cause to be given, notice of all special meetings of the Board and of the Stockholders and perform such other duties as may be prescribed by the Board, the Chief Executive Officer or the President. The Secretary shall have custody of the corporate seal of the Corporation and the Secretary or an Assistant Secretary shall have authority to affix the same on any instrument that may require it, and when so affixed, the seal may be attested by the signature of the Secretary or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the same by such officer's signature. The Secretary or an Assistant Secretary may also attest all instruments signed by the Executive Chairman, Chief Executive Officer, President or any Vice President. The Secretary shall have charge of all the books, records and papers of the Corporation relating to its organization and management, see that the reports, statements and other documents required by applicable law are properly kept and filed and, in general, perform all duties incident to the office of secretary of a corporation and such other duties as may from time to time be assigned to the Secretary by the Board, the Chief Executive Officer or the President.

Section 5.09. *Treasurer.* The Treasurer shall have charge and custody of, and be responsible for, all funds, securities and notes of the Corporation, receive and give receipts for moneys due and payable to the Corporation from any sources whatsoever; deposit all such moneys and valuable effects in the name and to the credit of the Corporation in such depositaries as may be designated by the Board, against proper vouchers, cause such funds to be disbursed by checks or drafts on the authorized depositaries of the Corporation signed in such manner as shall be determined by the Board and be responsible for the accuracy of the amounts of all moneys so disbursed, regularly enter or cause to be entered in books or other records maintained for the purpose full and adequate account of all moneys received or paid for the account of the Corporation, have the right to require from time to time reports or statements giving such information as the Treasurer may desire with respect to any and all financial transactions of the Corporation from the officers or agents transacting the same, render to the Chief Executive Officer, the President or the Board, whenever the Chief Executive Officer, the President or the Board shall require the Treasurer so to do, an account of the financial condition of the Corporation and of all financial transactions of the Corporation, disburse the funds of the

Corporation as ordered by the Board and, in general, perform all duties incident to the office of Treasurer of a corporation and such other duties as may from time to time be assigned to the Treasurer by the Board, the Chief Executive Officer or the President.

Section 5.10. *Assistant Secretaries and Assistant Treasurers.* Assistant Secretaries and Assistant Treasurers shall perform such duties as shall be assigned to them by the Secretary or by the Treasurer, respectively, or by the Board, the Chief Executive Officer or the President.

ARTICLE 6
GENERAL PROVISIONS

Section 6.01. *Certificates Representing Shares.* The shares of stock of the Corporation may be represented by certificates or all of such shares shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock, or a combination of both. If shares are represented by certificates (if any), such certificates shall be in the form approved by the Board. The certificates representing shares of stock of each class shall be signed by, or in the name of, the Corporation by the Chairman, the Chief Executive Officer, the President or any Vice President, and by the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer. Any or all such signatures may be facsimiles. Although any officer, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such officer, transfer agent or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if such officer, transfer agent or registrar were still such at the date of its issue.

Section 6.02. *Transfer and Registry Agents.* The Corporation may from time to time maintain one or more transfer offices or agents and registry offices or agents at such place or places as may be determined from time to time by the Board.

Section 6.03. *Lost, Stolen or Destroyed Certificates.* The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate or his legal representative to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 6.04. *Form of Records.* Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be maintained on any information storage device or method; *provided* that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

Section 6.05. *Seal.* The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

Section 6.06. *Fiscal Year.* The fiscal year of the Corporation shall be determined by the Board.

Section 6.07. *Amendments.* These By-laws may be altered, amended or repealed in accordance with the Certificate of Incorporation and the General Corporation Law.

Section 6.08. *Conflict with Applicable Law or Certificate of Incorporation.* These By-laws are adopted subject to any applicable law and the Certificate of Incorporation. Whenever these By-laws may conflict with any applicable law or the Certificate of Incorporation, such conflict shall be resolved in favor of such law or the Certificate of Incorporation.

Exhibit C

Form of Max and Dane, LLC Subscription Agreement

[Attached]

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT, dated as of [●], 2018 (this "**Agreement**"), is being entered into between the new members of Max and Dane, LLC listed on the signature pages hereto (each, a "**New Member**", and together the "**New Members**") and Max and Dane, LLC, a Delaware limited liability company (the "**Company**"). The New Members and the Company are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, the Company desires to issue to the New Members, and the New Members desire to subscribe for, purchase and accept from the Company, limited liability company interests in the Company (the "**Interests**").

ACCORDINGLY, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. *Issuance of the Interests*. The Company hereby issues to the New Members, and the New Members hereby subscribe for, purchase and accept from the Company, the number of Interests with respect to each such New Member as set forth on Schedule A hereto. The consideration for the issuance and sale of the Interests is $0.01 per unit in cash to be paid by each New Member (the "**Subscription Consideration**"). Each New Member acknowledges and agrees that the Interests subscribed for by such New Member hereunder shall be subject to the restrictions on transfer and the other terms and conditions of the LLC Agreement.

2. *Representations and Warranties of the New Members.* Each New Member, severally but not jointly, represents and warrants to the Company that:

(a) If a New Member is not a natural person, such New Member is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(b) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such New Member.

(c) The execution, delivery and performance by such New Member of this Agreement, and the consummation of the transactions contemplated hereby, do not (d) if such New Member is not a natural person, contravene or conflict with, or constitute a violation of the organizational documents of such person; or (e) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

3. *Private Placement.*

(a) Each New Member understands that (A) the Interests have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from

registration is available, and (B) there is no existing public or other market for the Interests and there can be no assurance that any New Member will be able to sell or dispose of its Interests.

(b) The Interests are being acquired for each New Member's own account and without a view to the public distribution of such Interests or any interest therein other than as permitted under applicable law and the LLC Agreement.

(c) Each New Member is an "accredited investor" as such term is defined in Regulation D under the Securities Act. Each New Member has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Interests and each New Member is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Interests.

(d) Each New Member has been given the opportunity to ask questions of, and receive answers from, the Company concerning the Company, the terms and conditions of the Interests and other related matters. Each New Member further represents and warrants to the Company that the Company has made available to such New Member or its agents all documents and information relating to an investment in the Interests that such New Member believed to be necessary or appropriate for its investment in the Company.

(e) Each New Member understands that its investment in the Company and the Interests involves a high degree of risk and is therefore a speculative investment, and such New Member is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(f) Each New Member certifies that it has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

4. *Representations and Warranties of the Company.* The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (d) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (e) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *Further Assurances*. Each Party agrees to execute and deliver such further instruments and documents as may be reasonably requested by the other Party and that are necessary or appropriate in order to issue the Interests and admit each New Member as a "New Member" of the Company.

6. *Successors and Assigns.* The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns; *provided* that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto.

7. *Costs and Expenses*. Each Party to this Agreement shall be responsible for such Party's own expenses in connection with the preparation and negotiation of this Agreement and the consummation of the transactions contemplated hereby.

8. *Governing Law; WAIVER OF JURY TRIAL*. All questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement shall be governed by the internal law, and not the law of conflicts, of the State of Delaware. Each Party hereby agrees that (a) any and all litigation arising out of this Agreement shall be conducted only in state or federal courts located in the State of Delaware and (b) such courts shall have the exclusive jurisdiction to hear and decide such matters. Each Party hereby submits to the personal jurisdiction of such courts and waives any objection such Party may now or hereafter have to venue or that such courts are inconvenient forums. Each Party hereby (i) expressly waives any right to a trial by jury in any action or proceeding to enforce or defend any right, power or remedy under or in connection with this Agreement or arising from any relationship existing in connection with this Agreement, and (ii) agrees that any such action shall be tried before a court and not before a jury.

9. *Entire Agre*ement. This Agreement, together with the LLC Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings, both oral and written, between the Company and its affiliates, on the one hand and each New Member on the other, with respect to the subject matter hereof and thereof.

10. *Counterparts, No Oral Modification*. This Agreement may be executed by any Party hereto by facsimile or electronic transmission in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument, and may be amended or modified only in writing signed by the Parties hereto.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

COMPANY:

MAX AND DANE, LLC

By: _____
Name:
Title:

NEW MEMBER:

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

NEW MEMBER:

THE COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

NEW MEMBER:

MARK COLBY

By: _____
Name:
Title:

[Signature page to Max and Dane, LLC Subscription Agreement]

NEW MEMBER:

P. RYAN LANGSTON

By: _____
Name:
Title:

NEW MEMBER:

MICHAEL MOXLEY

By: _____
Name:
Title:

[Signature page to Max and Dane, LLC Subscription Agreement]

Schedule A

New Member	Interests of Goosehead Management, LLC Owned	Historical Ownership Percentage of Goosehead Management, LLC	Interests of Max and Dane, LLC to be Issued to New Member	Ownership Percentage of Max and Dane, LLC
The Mark and Robyn Jones Descendants Trust 2014				
The Colby 2014 Family Trust				
Mark Colby				
P. Ryan Langston				
Michael Moxley				

Exhibit D

Form of Max and Dane, LLC Contribution Agreement

[Attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement (this "**Agreement**") is entered into as of [·], 2018 by and among Max and Dane, LLC, a Delaware limited liability company (the "**Company**"), the members of Goosehead Management, LLC, a Delaware limited liability company ("**Goosehead Management**"), listed on the signature pages hereto (the "**Contributing Parties**"), Goosehead Management and Mark E. Jones, as Managing Member of Goosehead Management.

W I T N E S S E T H:

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**");

WHEREAS, prior to the date hereof, the Company was formed for the purpose of facilitating the transactions described herein;

WHEREAS, the Contributing Parties constitute all of the holders of the limited liability company interests of Goosehead Management (the "**Interests**"), which Interests constitute all of the outstanding equity of Goosehead Management, and the Contributing Parties desire to contribute the Interests to the Company;

WHEREAS, the Company has elected or will elect to be treated as a corporation for U.S. federal income tax purposes, effective on the date of its formation (the "**Company Tax Election**");

WHEREAS, Goosehead Management has elected or will elect to be treated as a QSub for U.S. federal income tax purposes, effective as of the date hereof, and to be disregarded as separate from its owner for U.S. federal income tax purposes, effective as of one day after the date hereof (together, the "**Goosehead Management Tax Elections**"); and

WHEREAS, the Company, Goosehead Management and the Contributing Parties intend for (i) the formation of the Company, (ii) the Company Tax Election, (iii) the Goosehead Management Tax Elections and (iv) the contribution of Goosehead Management to the Company by the Contributing Parties pursuant to this Agreement, taken together, to qualify as a "reorganization" within the meaning of Section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended the ("**Code**"), and hereby adopt this agreement as a "plan of reorganization" within the meaning of Section 368 of the Code.

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Contribution of Interests*. Each Contributing Party hereby contributes, assigns, transfers and conveys all of such Contributing Party's right, title and interest in

and to all of the Interests held by such Contributing Party as set forth on Schedule A hereto to the Company, and the Company hereby accepts and assumes, all of such Contributing Party's right, title and interest in and to such Interests.

2. *Transfer of Interests*. Pursuant to Section 11.2 of the Amended and Restated Limited Liability Company Agreement of Goosehead Management:

(a) the Company, in its capacity as transferee hereunder, hereby accepts all of the terms and provisions thereof;

(b) distributions and notifications in respect of the Interests should hereafter be sent to the Company at c/o Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware 19808;

(c) Mark E. Jones, in his capacity as Managing Member of Goosehead Management, hereby explicitly waives the requirements of Section 11.2(B); and

(d) Mark E. Jones, in his capacity as Managing Member of Goosehead Management, hereby acknowledges that the provisions of this Agreement are satisfactory to evidence the transfer of the Interests to the Company and approves the transfer contemplated herein.

3. *Representations and Warranties of the Contributing Parties*. Each Contributing Party, severally but not jointly, represents and warrants to the Company that:

(a) The Interests held by such Contributing Party are being transferred to the Company free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to the Company.

(b) If a Contributing Party is not a natural person, such Contributing Party is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(c) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Contributing Party.

(d) The execution, delivery and performance by such Contributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) if such Contributing Party is not a natural person, contravene or

conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

4. *Representations and Warranties of the Company*. The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter

arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

GOOSEHEAD MANAGEMENT, LLC

By: its Managing Member

By: _____
Name: Mark E. Jones
Title: Managing Member, Goosehead Management, LLC

MAX AND DANE, LLC

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title: Managing Member, Goosehead Management, LLC

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

THE COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

MARK COLBY

By: _____
Name:
Title:

P. RYAN LANGSTON

By: _____
Name:
Title:

MICHAEL MOXLEY

By: _____
Name:
Title:

Schedule A

Name of Contributing Party	Interests to be Contributed to the Company
The Mark and Robyn Jones Descendants Trust 2014	[·]
The Colby 2014 Family Trust	[·]
Mark Colby	[·]
P Ryan Langston	[·]
Michael Moxley	[·]

Exhibit E

Form of Goosehead Management, LLC Amended and Restated LLC Agreement

[Attached]

SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
GOOSEHEAD MANAGEMENT, LLC

This Limited Liability Company Agreement (this "**Agreement**"), dated as of [●], 2018, of Goosehead Management, LLC (the "**Company**") is entered into by Max and Dane, LLC (the "**Managing Member**") and GHM Holdings, LLC (the "**Subsidiary Member**"), as the members of the Company (the Managing Member, the Subsidiary Member and any other person who, at such time, is admitted to the Company as a member in accordance with the terms of this Agreement, being a "**Member**").

R E C I T A L S

WHEREAS, the Company was formed as a Delaware limited liability company by filing the certificate of formation of the Company (the "**Certificate**") with the Secretary of State of the State of Delaware on August 29, 2014, in accordance with the Act;

NOW, THEREFORE, in consideration of the representations, warranties, agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Members hereby adopt this limited liability company agreement on the following terms and conditions:

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions*. For purposes of this Agreement, each of the following terms shall have the meaning given such term in this Article 1.

"**Act**" means the Delaware Limited Liability Company Act, 6 Del. C. § 18-101 et seq, as amended from time to time.

"**Affiliate**" means, with respect to any Person, any other Person that controls, is controlled by, or is under common control with such Person. The term "**control**", as used with respect to any Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, the Managing Member shall not be considered an Affiliate of (x) any portfolio operating company in which the Managing Member or any of its Affiliates have made a debt or equity investment or (y) any Company Party.

"**Base Rate**" means a variable rate per annum equal to the rate of interest most recently published by *The Wall Street Journal* as the "prime rate" at large U.S. money center banks.

"**Book Value**" means, with respect to any of the Company's property, unless otherwise determined by the Managing Member, the Company's adjusted basis for federal income tax purposes, adjusted from time to time to reflect the adjustments required or permitted by Treasury Regulation Sections 1.704-l(b)(2)(iv)(d)-(g) and (m). The Book Value of the Company's property as of the date hereof shall equal the fair market value of the property as of such date (as determined in good faith by the Managing Member).

"**Capital Account**" has the meaning set forth in Section 3.03(a).

"**Capital Contributions**" means, with respect to any Member, the amount of cash, cash equivalents or the fair market value of other assets, securities or property (net of any liabilities) which such Member contributes or is deemed to have contributed to the Company with respect to any Unit pursuant to this Agreement, in each case, as determined in good faith by the Managing Member.

"**Certificate**" has the meaning set forth in the Recitals.

"**Code**" means the Internal Revenue Code of 1986.

"**Company Party**" means the Company or any of its subsidiaries.

"**Governmental Authority**" means the United States or any state, provincial, local or foreign government, or any subdivision, agency or authority of any thereof having competent jurisdiction over any Company Party or any Member, as applicable.

"**Law**" means each provision of any applicable federal, state or local law, statute, ordinance, order, code, rule or regulation, promulgated or issued by any Governmental Authority.

"**Officers**" has the meaning set forth in Section 5.03(a).

"**Percentage Interest**" means, in respect of a Member, the proportion of the total number of Units held by such Member as compared to the total number of Units outstanding from time to time.

"**Person**" means any natural person or any corporation, partnership, limited liability company, other legal entity or Governmental Authority.

"**Pledgor Member**" has the meaning set forth in Section 8.01(b).

"**Unreturned Capital**" means, with respect to any Unit, at any time, an amount equal to the excess, if any, of (i) the aggregate amount of Capital Contributions made with respect to such Unit, over (ii) the aggregate amount of Distributions made by the Company with respect to such Unit pursuant to Section 4.01(a)(ii) prior to such time.

"**Units**" has the meaning set forth in Section 3.01.

ARTICLE 2
THE COMPANY

Section 2.01. *Name*. The name of the limited liability company is "Goosehead Management, LLC" and all business of the Company shall be conducted in such name or such other name as the Managing Member shall determine. The Company shall hold all of its property in the name of the Company and not in the name of any Member.

Section 2.02. *Filings*. The Managing Member, as an authorized person within the meaning of the Act, shall execute, deliver and file, or cause the execution, delivery and filing of, all certificates required or permitted by the Act to be filed in the Office of the Secretary of State of the State of Delaware and any other certificates, notices or documents required or permitted by Law for the Company to qualify to do business in any jurisdiction in which the Company may wish to conduct business.

Section 2.03. *Limited Liability*. Except as required by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Members shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

Section 2.04. *Purpose*. The purpose of the Company is engage in any lawful act or activity for which limited liability companies may be formed under the Act.

Section 2.05. *Powers*. In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have and may exercise all the powers now or hereafter conferred by Delaware Law on limited liability companies formed under the Act. The Company shall have the power to do any and all acts necessary, appropriate, proper, advisable, incidental or convenient to or for the protection and benefit of the Company, and shall have, without limitation, any and all of the powers that may be exercised on behalf of the Company by the Managing Member.

Section 2.06. *Term*. The term of the Company shall be perpetual unless and until the Company is dissolved pursuant to the Act or as set forth herein. The

existence of the Company as a separate legal entity shall continue until cancellation of the Certificate in the manner required by the Act.

Section 2.07. *Registered Office; Registered Agent; Principal Office in the United States; Other Offices.* The registered office of the Company required by the Act to be maintained in the State of Delaware shall be the initial registered office named in the Certificate of Formation or such other office (which need not be a place of business of the Company) as the Managing Member may designate from time to time in the manner provided by law. The registered agent of the Company in the State of Delaware shall be the initial registered agent named in the Certificate of Formation or such other Person or Persons as the Managing Member may designate from time to time. The principal office of the Company in the United States shall be at such place as the Managing Member may designate from time to time, which need not be in the State of Delaware, and the Company shall maintain records there as required by the Act and shall keep the street address of such principal office at the registered office of the Company in the State of Delaware. The Company may have such other offices as the Managing Member may designate from time to time.

Section 2.08. *No State-Law Partnership*. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement, for any purposes other than as set forth in the last sentence of this Section 2.08, and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. The Members intend that the Company shall be treated as either an entity disregarded as separate from its owner or a partnership for federal and all applicable state and local income tax purposes, and that each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE 3
UNITS

Section 3.01. *Units*. Each Member's ownership interest in the Company shall be represented by units in the Company (the "**Units**"), having the rights and privileges set forth in this Agreement. As of the date hereof, the Company shall have (a) authorized an unlimited number of Units and (b) issued [1,000] Units. The number of Units issued to each Member as of the date hereof is set forth opposite such Member's name on Schedule A.

Section 3.02. *Capital Contributions*. Each Member listed on Schedule A shall be deemed for purposes of this Agreement to have made a Capital Contribution to the Company on the date hereof with respect to such Member's Units, in the amount set forth opposite such Member's name under the heading "Initial Capital" on Schedule A. Except as expressly provided in the immediately

preceding sentence and as set forth on Schedule A, no Capital Contributions made with respect to any Unit prior to the date hereof shall be treated as Capital Contributions for purposes of this Agreement. No other Capital Contributions are required or permitted, except in accordance with the terms of this Agreement.

Section 3.03. *Capital Accounts*.

(a) *Maintenance of Capital Accounts*. As long as the Company is treated as a partnership for U.S. federal income tax purposes, the Company shall maintain a separate capital account for each Member according to the rules of Treasury Regulation Section 1.704-l(b)(2)(iv) (a "**Capital Account**"). For this purpose, the Company may, upon the occurrence of any of the events specified in Treasury Regulation Section 1.704-l(b)(2)(iv)(f), increase or decrease the Capital Accounts in accordance with the rules of such regulation and Treasury Regulation Section 1.704-l(b)(2)(iv)(g) to reflect a revaluation of the Company's property.

Section 3.04. *Negative Capital Accounts*. No Member shall be required to make any payment to any other Member or the Company by reason of any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

Section 3.05. *No Withdrawal*. No Person shall be entitled to withdraw or demand the return of any part of such Person's Capital Contributions or Capital Account or to receive any distribution from the Company, except as expressly provided herein.

Section 3.06. *Transfer of Capital Accounts.* Upon a transfer of any Units in accordance with the terms of this Agreement, the transferee Member shall succeed to the Capital Account of the transferor which is attributable to such Units.

ARTICLE 4
DISTRIBUTIONS AND ALLOCATIONS

Section 4.01. *Distributions.*

(a) *General*. The Managing Member may (but shall not be obligated to) direct the Company to make distributions to the Members at any time or from time to time, and in amounts of any of the Company's assets available therefor, as determined by the Managing Member in its sole discretion to be appropriate. All distributions shall be made to the Members in proportion to their respective Percentage Interests at the time of such distributions (without preference to any Member).

Section 4.02. *Allocations*. (a) As long as the Company is treated as a partnership for U.S. federal income tax purposes, except as otherwise provided in

this Agreement, each item of income, gain, loss, or deduction of the Company (determined in accordance with U.S. federal income tax principles as applied to the maintenance of capital accounts) for any Fiscal Year shall be allocated among the Members in proportion to their respective Percentage Interests.

(b) It is the intention of the Members that the allocations made by the Company be respected for U.S. federal income tax purposes, and in furtherance of this intention, the "partnership minimum gain" provisions of Treasury Regulations Section 1.704-2(f), the "partner minimum gain" provisions of Treasury Regulation Section 1.704-2(i), the "qualified income offset" provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and any such other provision required by Section 704 of the Code and applicable Treasury Regulations (the "**Regulatory Allocations**") shall be incorporated by reference into this Agreement. The Regulatory Allocations shall be taken into account in computing subsequent allocations pursuant to this Section 4.02 so that the cumulative net amount of all items allocated to each Member shall, to the extent possible, be equal to the amount that would have been allocated to such Member if there had never been any allocations pursuant to this Section 4.02(b).

Section 4.03. *Tax Allocations*. (a) *Allocations Generally*. As long as the Company is treated as a partnership for U.S. federal income tax purposes, each item of income, gain, loss and deduction of the Company will be allocated for federal, state and local income tax purposes among the Members as nearly as possible in accordance with the allocation of such items of income, gains, losses, and deductions among the Members for computing their Capital Accounts pursuant to Section 4.02; *provided* that items of income, gain, loss and deduction with respect to any asset or liability of the Company that has Book Value that differs from its adjusted tax basis for U.S. federal income tax purposes shall be allocated, as determined by the Managing Member (using any permissible method selected by the Managing Member in its sole discretion), so as to take into account the variations between the Book Value of such asset or liability and its adjusted tax basis in accordance with the principles of Section 704(c) of the Code and the Treasury Regulations thereunder.

(b) *Allocation of Tax Credits, Tax Credit Recapture, Etc*. Tax credits, tax credit recapture, and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Managing Member taking into account the principles of Treasury Regulation Section 1.704-1(b)(4)(ii).

Section 4.04. *Other Allocation Principles*. If any allocation is required to be made under this Agreement in respect of a period that does not correspond to a full Fiscal Year, such allocation shall be made taking into account the items of income, gain, loss and deduction attributable to such period as determined by the Managing Member using any method that is permissible under Section 706 of the Code and the Treasury Regulations thereunder.

ARTICLE 5
MANAGEMENT

Section 5.01. *General Authority*. In accordance with Section 18-402 of the Act, management of the Company shall be vested in the Managing Member. The Managing Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the Laws of the State of Delaware. The Managing Member has the authority to bind the Company.

Section 5.02. *Managing Member*. Max and Dane, LLC shall be the initial managing member of the Company. The Managing Member may be removed from office, and a new managing member may be elected, in each case, only upon the agreement of all of the Members. In such event, the Members shall file any amendment to the Certificate or other certificates that may be required.

Section 5.03. *Officers*.

(a) The Managing Member may, from time to time as it deems advisable, select natural persons who are employees or agents of the Company and designate them as officers of the Company (the "**Officers**") and assign titles (including, without limitation, President, Vice President, Secretary, and Treasurer) to any such person. Unless the Managing Member decides otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Article 5 may be revoked at any time by the Managing Member. An Officer may be removed with or without cause by the Managing Member.

(b) As of the date hereof, the following individuals have been appointed as the initial Officers in such offices as are set forth opposite their respective names:

Name	**Office**
[●]	President
[●]	Secretary

ARTICLE 6
INDEMNIFICATION; RIGHTS AND OBLIGATIONS OF MEMBERS

Section 6.01. *Exculpation and Indemnification*.

(a) To the fullest extent permitted by the laws of the State of Delaware and except in the case of bad faith, gross negligence or willful misconduct, no Member or Officer shall be liable to the Company or any other Member for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member or Officer by this Agreement.

(b) Except in the case of bad faith, gross negligence or willful misconduct, each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Member or Officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the laws of the State of Delaware for directors and officers of corporations organized under the laws of the State of Delaware. Any indemnity under this Section 6.01(b) shall be provided out of and to the extent of Company assets only, and no Member or Officer shall have personal liability on account thereof.

ARTICLE 7
BOOKS AND RECORDS

Section 7.01. *Books and Records*. The Company shall keep appropriate books and records pertaining to the business of the Company. The books and records of the Company shall be kept at the principal office of the Company or at such other place, within or without the State of Delaware, as the Managing Member shall reasonably from time to time determine.

Section 7.02. *Determinations by Managing Member*. All matters concerning (a) the determination of the relative amount of allocations and distributions among the Members pursuant to Article 3 and Article 4, (b) any tax elections required or permitted to be made by or with respect to the Company under applicable Law, and (c) accounting methods, procedures and determinations, and other determinations not specifically and expressly provided for by the terms of this Agreement, shall be determined by the Managing Member, whose determination shall be final and conclusive as to all of the Members absent manifest clerical error.

Section 7.03. *Fiscal Year*. The fiscal year of the Company shall begin on the first day of January and end on the last day of December each year or such

other annual accounting period as may be established by the Managing Member as required under the Code ("**Fiscal Year**").

ARTICLE 8
EXIT; TRANSFER RESTRICTIONS

Section 8.01. *Transfers; Assignments*.

(a) A Member may transfer or assign all or any portion of its Units only with the consent of the Managing Member. If a Member transfers all of its Units in the Company pursuant to this Section 8.01, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the transferor Member shall cease to be a member of the Company (if such transferor Member transferred all of its limited liability company interest in the Company).

(b) Notwithstanding anything herein to the contrary, upon the sale, disposition or other transfer of the Managing Member's Units (or the Units of another Member that is a party to any financing to which the Managing Member is also a party (such other Member, the "**Pledgor Member**")) pursuant to a valid exercise of a remedy by any pledgee in accordance with a loan agreement, pledge agreement, security agreement or other collateral documentation entered into by the Managing Member (or such Pledgor Member), the pledgee shall become a Member of the Company and shall acquire all right, title and interest of the Managing Member (and such Pledgor Member) in the Company, including all rights under this Agreement (including removing or replacing any or all of the Managing Members and such Pledgor Members), and the Managing Member (and such Pledgor Members) shall be withdrawn as a Member of the Company hereunder and shall have no further right, title or interest in the Company under this Agreement. Such admission shall be deemed effective immediately prior to the sale, disposition or other transfer of the Managing Member's Units (or such Pledgor Member's Units), and, immediately following such admission, the transferor Member shall cease to be a Member of the Company. None of the provisions of this Article 8 or any other provision of this Agreement may be amended in any way which alters, limits, restricts or adversely affects a pledgee's ability to exercise its rights under any loan agreement, pledge agreement, security agreement or other collateral documentation entered into by the Managing Member and Pledgor Member or the intended result thereof, without the prior written consent of any such pledgee.

(c) Notwithstanding anything herein to the contrary, each of the Managing Member and the Pledgor Member shall have the right to mortgage, pledge, grant, hypothecate, sell, transfer or assign the Managing Member's and Pledgor Member's interest under this Agreement (for the avoidance of doubt,

including the Managing Member's Units and Pledgor Member's Units) to any Person if such sale, transfer or disposition complies with provisions of any loan agreement, pledge agreement, security agreement or other collateral documentation to which the Managing Member or the Pledgor Member is bound.

Section 8.02. *Resignation*. No Member shall have the power or right to withdraw or otherwise resign from the Company prior to the dissolution and winding up of the Company pursuant to Article 9, without the prior written consent of the Managing Member (which consent may be withheld by the Managing Member in its sole discretion), except as otherwise expressly permitted by this Agreement. Notwithstanding that payment on account of a withdrawal may be made after the effective time of such withdrawal, any completely withdrawing Member will not be considered a Member for any purpose after the effective time of such complete withdrawal, and, in the case of a partial withdrawal, such Member's Capital Account (and corresponding voting and other rights) shall be reduced for all other purposes hereunder upon the effective time of such partial withdrawal.

Section 8.03. *Admission of Additional Members*. One or more additional members of the Company may be admitted to the Company with the written consent of the Managing Member. Prior to the admission of any such additional members to the Company, the Managing Member shall amend this Agreement, including Schedule A attached hereto, to make such changes as the Managing Member shall determine to reflect the fact that the Company shall have such additional member(s).

ARTICLE 9
DISSOLUTION

Section 9.01. *Dissolution*.

(a) The Company shall dissolve and its affairs shall be wound up upon the first to occur of: (i) the written consent of the Managing Member or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets or proceeds from the sale of the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

(c) As soon as practicable upon dissolution of the Company, the assets of the Company (or liquidation proceeds) shall be distributed in the following manner and order of priority (and ratably within each level of priority):

(i) first, to creditors of the Company, including Members and Affiliates of Members who are creditors, to the extent otherwise permitted by Law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for which reasonable provision has been made and distributions to Members under Article 4; then

(ii) to the Members in respect of their Units in accordance with Section 4.01(a).

ARTICLE 10
TAX MATTERS

Section 10.01. *Tax Matters*. (a) The Managing Member shall cause all income tax returns of the Company to be prepared and filed on a timely basis.

(b) As long as the Company is treated as a partnership for U.S. federal income tax purposes, the Managing Member shall be the "partnership representative" as defined in Section 6223 of the Partnership Tax Audit Rules (the "**Partnership Representative**"). In such capacity, the Managing Partner shall have all of the rights, authority and power, and shall be subject to all of the obligations, of a "partnership representative" to the extent provided in the Code and the Regulations.

(c) As long as the Company is treated as a partnership for U.S. federal income tax purposes, the Company shall make a timely election under Section 754 of the Code (and a corresponding election under state and local Law) effective starting with the taxable year ended December 31, 2018, and the Managing Member shall not take any action to revoke such elections.

ARTICLE 11
MISCELLANEOUS

Section 11.01. *Separability of Provisions*. If any provision of this Agreement or the application thereof is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable to any extent, the remainder of this Agreement and the application of such provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 11.02. *Entire Agreement*. This Agreement constitutes the entire agreement of the Members with respect to the subject matter hereof.

Section 11.03. *Governing Law*. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles).

Section 11.04. *Amendments*. Subject to Section 8.03, this Agreement may not be modified, altered, supplemented or amended except pursuant to a written agreement executed and delivered by the Members.

Section 11.05. *Sole Benefit of Members*. The provisions of this Agreement are intended solely to benefit the Members and, to the fullest extent permitted by applicable Law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third-party beneficiary of this Agreement), and the Members shall have no duty or obligation to any creditor of the Company to make any contributions or payments to the Company.

Section 11.06. *Counterparts; Effectiveness*. This Agreement may be signed in any number of counterparts, each of which shall be deemed an original. This Agreement shall become effective when the Members shall have executed and delivered the Agreement to the Company.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Agreement as of the date first written above.

GOOSEHEAD MANAGEMENT, LLC

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

GHM HOLDINGS, LLC

By: _____
Name:
Title:

Schedule A

Member	Units	Initial Capital
Max and Dane, LLC	**[●]**	**$[●]**
GHM Holdings, LLC	**[●]**	**$[●]**

Exhibit F

Form of Evan and Jake, LLC Subscription Agreement

[Attached]

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT, dated as of [●], 2018 (this "**Agreement**"), is being entered into between the new members of Evan and Jake, LLC listed on the signature pages hereto (each, a "**New Member**", and together the "**New Members**") and Evan and Jake, LLC, a Delaware limited liability company (the "**Company**"). The New Members and the Company are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, the Company desires to issue to the New Members, and the New Members desire to subscribe for, purchase and accept from the Company, limited liability company interests in the Company (the "**Interests**").

ACCORDINGLY, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. *Issuance of the Interests*. The Company hereby issues to the New Members, and the New Members hereby subscribe for, purchase and accept from the Company, the number of Interests with respect to each such New Member as set forth on Schedule A hereto. The consideration for the issuance and sale of the Interests is $0.01 per unit in cash to be paid by each New Member (the "**Subscription Consideration**"). Each New Member acknowledges and agrees that the Interests subscribed for by such New Member hereunder shall be subject to the restrictions on transfer and the other terms and conditions of the LLC Agreement.

2. *Representations and Warranties of the New Members.* Each New Member, severally but not jointly, represents and warrants to the Company that:

(a) If a New Member is not a natural person, such New Member is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(b) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such New Member.

(c) The execution, delivery and performance by such New Member of this Agreement, and the consummation of the transactions contemplated hereby, do not (d) if such New Member is not a natural person, contravene or conflict with, or constitute a violation of the organizational documents of such person; or (e) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

3. *Private Placement.*

(a) Each New Member understands that (A) the Interests have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from

registration is available, and (B) there is no existing public or other market for the Interests and there can be no assurance that any New Member will be able to sell or dispose of its Interests.

(b) The Interests are being acquired for each New Member's own account and without a view to the public distribution of such Interests or any interest therein other than as permitted under applicable law and the LLC Agreement.

(c) Each New Member is an "accredited investor" as such term is defined in Regulation D under the Securities Act. Each New Member has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Interests and each New Member is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Interests.

(d) Each New Member has been given the opportunity to ask questions of, and receive answers from, the Company concerning the Company, the terms and conditions of the Interests and other related matters. Each New Member further represents and warrants to the Company that the Company has made available to such New Member or its agents all documents and information relating to an investment in the Interests that such New Member believed to be necessary or appropriate for its investment in the Company.

(e) Each New Member understands that its investment in the Company and the Interests involves a high degree of risk and is therefore a speculative investment, and such New Member is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(f) Each New Member certifies that it has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

4. *Representations and Warranties of the Company.* The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (d) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (e) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *Further Assurances.* Each Party agrees to execute and deliver such further instruments and documents as may be reasonably requested by the other Party and that are necessary or appropriate in order to issue the Interests and admit each New Member as a "New Member" of the Company.

6. *Successors and Assigns*. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto.

7. *Costs and Expenses*. Each Party to this Agreement shall be responsible for such Party's own expenses in connection with the preparation and negotiation of this Agreement and the consummation of the transactions contemplated hereby.

8. *Governing Law; WAIVER OF JURY TRIAL.* All questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement shall be governed by the internal law, and not the law of conflicts, of the State of Delaware. Each Party hereby agrees that (a) any and all litigation arising out of this Agreement shall be conducted only in state or federal courts located in the State of Delaware and (b) such courts shall have the exclusive jurisdiction to hear and decide such matters. Each Party hereby submits to the personal jurisdiction of such courts and waives any objection such Party may now or hereafter have to venue or that such courts are inconvenient forums. Each Party hereby (i) expressly waives any right to a trial by jury in any action or proceeding to enforce or defend any right, power or remedy under or in connection with this Agreement or arising from any relationship existing in connection with this Agreement, and (ii) agrees that any such action shall be tried before a court and not before a jury.

9. *Entire Agreement*. This Agreement, together with the LLC Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings, both oral and written, between the Company and its affiliates, on the one hand and each New Member on the other, with respect to the subject matter hereof and thereof.

10. *Counterparts, No Oral Modification*. This Agreement may be executed by any Party hereto by facsimile or electronic transmission in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument, and may be amended or modified only in writing signed by the Parties hereto.

[*Signature Page Follows***]**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

COMPANY:

TEXAS WASATCH INSURANCE HOLDINGS GROUP, LLC

By: _____
Name:
Title:

NEW MEMBER:

MARK E. JONES

By: _____
Name:
Title:

NEW MEMBER:

ROBYN JONES

By: _____
Name:
Title:

NEW MEMBER:

MICHAEL C. COLBY

By: _____
Name:
Title:

NEW MEMBER:

JEFFREY SAUNDERS

By: _____
Name:
Title:

NEW MEMBER:

MARK COLBY

By: _____
Name:
Title:

NEW MEMBER:

P. RYAN LANGSTON

By: _____
Name:
Title:

NEW MEMBER:

MICHAEL MOXLEY

By: _____
Name:
Title:

Schedule A

New Member	Interests of Texas Wasatch Insurance Holdings Group, LLC Owned	Historical Ownership Percentage of Texas Wasatch Insurance Holdings Group, LLC	Interests of Evan and Jake, LLC to be Issued to New Member	Ownership Percentage of Evan and Jake, LLC
Mark E. Jones				
Robyn Jones				
Michael Colby				
Jeff Saunders				
Mark Colby				
P. Ryan Langston				
Michael Moxley				

Exhibit G

Form of Evan and Jake, LLC Contribution Agreement

[Attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement (this "**Agreement**") is entered into as of [●], 2018 by and among Evan and Jake, LLC, a Delaware limited liability company (the "**Company**"), and the members of Texas Wasatch Insurance Holdings Group, LLC, a Texas limited liability company ("**TWIHG**"), listed on the signature pages hereto (the "**Contributing Parties**").

W I T N E S S E T H:

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**");

WHEREAS, prior to the date hereof, the Company was formed for the purpose of facilitating the transactions described herein;

WHEREAS, the Contributing Parties constitute all of the holders of the limited liability company interests of TWIHG (the "**Interests**"), which Interests constitute all of the outstanding equity of TWIHG, and the Contributing Parties desire to contribute the Interests to the Company;

WHEREAS, the Company has elected or will elect to be treated as a corporation for U.S. federal income tax purposes, effective on the date of its formation (the "**Company Tax Election**");

WHEREAS, TWIHG has elected or will elect to be treated as a QSub for U.S. federal income tax purposes, effective as of the date hereof, and to be disregarded as separate from its owner for U.S. federal income tax purposes, effective as of one day after the date hereof (together, the "**TWIHG Tax Elections**"); and

WHEREAS, the Company, TWIHG and the Contributing Parties intend for (i) the formation of the Company, (ii) the Company Tax Election, (iii) the TWIHG Tax Elections and (iv) the contribution of TWIHG to the Company by the Contributing Parties pursuant to this Agreement, taken together, to qualify as a "reorganization" within the meaning of Section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended the ("**Code**"), and hereby adopt this agreement as a "plan of reorganization" within the meaning of Section 368 of the Code.

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Contribution of Interests*. Each Contributing Party hereby contributes, assigns, transfers and conveys all of such Contributing Party's right, title and interest in and to all of the Interests held by such Contributing Party as set forth on Schedule A hereto to the Company, and the Company hereby accepts and assumes, all of such Contributing Party's right, title and interest in and to such Interests.

2. *Transfer of Interests*. Pursuant to Section 11.2 of the Second Amended and Restated Regulations of TWIHG:

(a) the Company, in its capacity as transferee hereunder, hereby accepts all of the terms and provisions thereof;

(b) distributions and notifications in respect of the Interests should hereafter be sent to the Company at c/o Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware 19808;

(c) The Contributing Parties, in their capacity as the Members of TWIHG, hereby explicitly waive the requirements of Section 11.2(B); and

(d) Mark E. Jones and Robyn Jones, in their capacity as the Class A Members of TWIHG, hereby acknowledge that the provisions of this Agreement are satisfactory to evidence the transfer of the Interests to the Company and approve the transfer contemplated herein.

3. *Representations and Warranties of the Contributing Parties*. Each Contributing Party, severally but not jointly, represents and warrants to the Company that:

(a) The Interests held by such Contributing Party are being transferred to the Company free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to the Company.

(b) If a Contributing Party is not a natural person, such Contributing Party is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(c) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Contributing Party.

(d) The execution, delivery and performance by such Contributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) if such Contributing Party is not a natural person, contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

4. *Representations and Warranties of the Company*. The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter

jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

EVAN AND JAKE, LLC

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

MARK COLBY

By: _____
Name:
Title:

P. RYAN LANGSTON

By: _____
Name:
Title:

MICHAEL MOXLEY

By: _____
Name:
Title:

Schedule A

Name of Contributing Party	Interests to be Contributed to the Company
Mark Jones	[●]
Robyn Jones	[●]
Michael Colby	[●]
Jeff Saunders	[●]
Mark Colby	[●]
P. Ryan Langston	[●]
Michael Moxley	[●]

Exhibit H

Form of Texas Wasatch Insurance Holdings Group, LLC Amended and Restated Regulations

[Attached]

THIRD AMENDED AND RESTATED REGULATIONS
OF
TEXAS WASATCH INSURANCE HOLDINGS GROUP, LLC

These Third Amended and Restated Regulations (these "**Regulations**"), dated as of [●], 2018, of Texas Wasatch Insurance Holdings Group, LLC (the "**Company**") is entered into by Evan and Jake, LLC (the "**Managing Member**") and TWIHG Holdings, LLC (the "**Subsidiary Member**"), as the members of the Company (the Managing Member, the Subsidiary Member and any other person who, at such time, is admitted to the Company as a member in accordance with the terms of these Regulations, being a "**Member**").

R E C I T A L S

WHEREAS, the Company was formed as a Texas limited liability company by filing the Articles of Organization of the Company with, and a Certificate of Organization was issued by, the Secretary of State of the State of Texas on October 17, 2003 (the "**Certificate**"), in accordance with the BOC;

WHEREAS, the Members desire to amend and restate the Second Amended and Restated Regulations in their entirety;

NOW, THEREFORE, in consideration of the representations, warranties, agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Members hereby adopt these Regulations on the following terms and conditions:

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions*. For purposes of these Regulations, each of the following terms shall have the meaning given such term in this Article 1.

"**Affiliate**" means, with respect to any Person, any other Person that controls, is controlled by, or is under common control with such Person. The term "**control**", as used with respect to any Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, the Managing Member shall not be considered an Affiliate of (x) any portfolio operating company in which the Managing Member or any of its Affiliates have made a debt or equity investment or (y) any Company Party.

"**Base Rate**" means a variable rate per annum equal to the rate of interest most recently published by *The Wall Street Journal* as the "prime rate" at large U.S. money center banks.

"**Book Value**" means, with respect to any of the Company's property, unless otherwise determined by the Managing Member, the Company's adjusted basis for federal income tax purposes, adjusted from time to time to reflect the adjustments required or permitted by Treasury Regulation Sections 1.704-l(b)(2)(iv)(d)-(g) and (m). The Book Value of the Company's property as of the date hereof shall equal the fair market value of the property as of such date (as determined in good faith by the Managing Member).

"**BOC**" means the Texas Business Organizations Code, as it may be amended from time to time, and any successor to such BOC.

"**Capital Account**" has the meaning set forth in Section 3.03(a).

"**Capital Contributions**" means, with respect to any Member, the amount of cash, cash equivalents or the fair market value of other assets, securities or property (net of any liabilities) which such Member contributes or is deemed to have contributed to the Company with respect to any Unit pursuant to these Regulations, in each case, as determined in good faith by the Managing Member.

"**Certificate**" has the meaning set forth in the Recitals.

"**Code**" means the Internal Revenue Code of 1986.

"**Company Party**" means the Company or any of its subsidiaries.

"**Governmental Authority**" means the United States or any state, provincial, local or foreign government, or any subdivision, agency or authority of any thereof having competent jurisdiction over any Company Party or any Member, as applicable.

"**Law**" means each provision of any applicable federal, state or local law, statute, ordinance, order, code, rule or regulation, promulgated or issued by any Governmental Authority.

"**Officers**" has the meaning set forth in Section 5.03(a).

"**Percentage Interest**" means, in respect of a Member, the proportion of the total number of Units held by such Member as compared to the total number of Units outstanding from time to time.

"**Person**" means any natural person or any corporation, partnership, limited liability company, other legal entity or Governmental Authority.

"**Pledgor Member**" has the meaning set forth in Section 8.01(b).

"**Unreturned Capital**" means, with respect to any Unit, at any time, an amount equal to the excess, if any, of (i) the aggregate amount of Capital

Contributions made with respect to such Unit, over (ii) the aggregate amount of Distributions made by the Company with respect to such Unit pursuant to Section 4.01(a)(ii) prior to such time.

"**Units**" has the meaning set forth in Section 3.01.

ARTICLE 2
THE COMPANY

Section 2.01. *Name*. The name of the limited liability company is "Texas Wasatch Insurance Holdings Group, LLC" and all business of the Company shall be conducted in such name or such other name as the Managing Member shall determine. The Company shall hold all of its property in the name of the Company and not in the name of any Member.

Section 2.02. *Filings*. The Managing Member, as an authorized person within the meaning of the BOC, shall execute, deliver and file, or cause the execution, delivery and filing of, all certificates required or permitted by the BOC to be filed in the Office of the Secretary of State of the State of Texas and any other certificates, notices or documents required or permitted by Law for the Company to qualify to do business in any jurisdiction in which the Company may wish to conduct business.

Section 2.03. *Limited Liability*. Except as required by the BOC, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Members shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

Section 2.04. *Purpose*. The purpose of the Company is engage in any lawful act or activity for which limited liability companies may be formed under the BOC.

Section 2.05. *Powers*. In furtherance of its purposes, but subject to all of the provisions of these Regulations, the Company shall have and may exercise all the powers now or hereafter conferred by Texas Law on limited liability companies formed under the BOC. The Company shall have the power to do any and all acts necessary, appropriate, proper, advisable, incidental or convenient to or for the protection and benefit of the Company, and shall have, without limitation, any and all of the powers that may be exercised on behalf of the Company by the Managing Member.

Section 2.06. *Term*. The term of the Company shall be perpetual unless and until the Company is dissolved pursuant to the BOC or as set forth herein. The existence of the Company as a separate legal entity shall continue until cancellation of the Certificate in the manner required by the BOC.

Section 2.07. *Registered Office; Registered Agent; Principal Office in the United States; Other Offices.* The registered office of the Company required by the BOC to be maintained in the State of Texas shall be the initial registered office named in the Certificate of Formation or such other office (which need not be a place of business of the Company) as the Managing Member may designate from time to time in the manner provided by law. The registered agent of the Company in the State of Texas shall be the initial registered agent named in the Certificate of Formation or such other Person or Persons as the Managing Member may designate from time to time. The principal office of the Company in the United States shall be at such place as the Managing Member may designate from time to time, which need not be in the State of Texas, and the Company shall maintain records there as required by the BOC and shall keep the street address of such principal office at the registered office of the Company in the State of Texas. The Company may have such other offices as the Managing Member may designate from time to time.

Section 2.08. *No State-Law Partnership*. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of these Regulations, for any purposes other than as set forth in the last sentence of this Section 2.08, and neither these Regulations nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. The Members intend that the Company shall be treated as either an entity disregarded as separate from its owner or a partnership for federal and all applicable state and local income tax purposes, and that each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE 3
UNITS

Section 3.01. *Units*. Each Member's ownership interest in the Company shall be represented by units in the Company (the "**Units**"), having the rights and privileges set forth in these Regulations. As of the date hereof, the Company shall have (a) authorized an unlimited number of Units and (b) issued [1,000] Units. The number of Units issued to each Member as of the date hereof is set forth opposite such Member's name on Schedule A.

Section 3.02. *Capital Contributions*. Each Member listed on Schedule A shall be deemed for purposes of these Regulations to have made a Capital Contribution to the Company on the date hereof with respect to such Member's Units, in the amount set forth opposite such Member's name under the heading "Initial Capital" on Schedule A. Except as expressly provided in the immediately preceding sentence and as set forth on Schedule A, no Capital Contributions made

with respect to any Unit prior to the date hereof shall be treated as Capital Contributions for purposes of these Regulations. No other Capital Contributions are required or permitted, except in accordance with the terms of these Regulations.

Section 3.03. *Capital Accounts*.

(a) *Maintenance of Capital Accounts*. As long as the Company is treated as a partnership for U.S. federal income tax purposes, the Company shall maintain a separate capital account for each Member according to the rules of Treasury Regulation Section 1.704-l(b)(2)(iv) (a "**Capital Account**"). For this purpose, the Company may, upon the occurrence of any of the events specified in Treasury Regulation Section 1.704-l(b)(2)(iv)(f), increase or decrease the Capital Accounts in accordance with the rules of such regulation and Treasury Regulation Section 1.704-l(b)(2)(iv)(g) to reflect a revaluation of the Company's property.

Section 3.04. *Negative Capital Accounts*. No Member shall be required to make any payment to any other Member or the Company by reason of any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

Section 3.05. *No Withdrawal*. No Person shall be entitled to withdraw or demand the return of any part of such Person's Capital Contributions or Capital Account or to receive any distribution from the Company, except as expressly provided herein.

Section 3.06. *Transfer of Capital Accounts.* Upon a transfer of any Units in accordance with the terms of these Regulations, the transferee Member shall succeed to the Capital Account of the transferor which is attributable to such Units.

ARTICLE 4
DISTRIBUTIONS AND ALLOCATIONS

Section 4.01. *Distributions.*

(a) *General*. The Managing Member may (but shall not be obligated to) direct the Company to make distributions to the Members at any time or from time to time, and in amounts of any of the Company's assets available therefor, as determined by the Managing Member in its sole discretion to be appropriate. All distributions shall be made to the Members in proportion to their respective Percentage Interests at the time of such distributions (without preference to any Member).

Section 4.02. *Allocations*. (a) As long as the Company is treated as a partnership for U.S. federal income tax purposes, except as otherwise provided in

these Regulations, each item of income, gain, loss, or deduction of the Company (determined in accordance with U.S. federal income tax principles as applied to the maintenance of capital accounts) for any Fiscal Year shall be allocated among the Members in proportion to their respective Percentage Interests.

(b) It is the intention of the Members that the allocations made by the Company be respected for U.S. federal income tax purposes, and in furtherance of this intention, the "partnership minimum gain" provisions of Treasury Regulations Section 1.704-2(f), the "partner minimum gain" provisions of Treasury Regulation Section 1.704-2(i), the "qualified income offset" provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and any such other provision required by Section 704 of the Code and applicable Treasury Regulations (the "**Regulatory Allocations**") shall be incorporated by reference into these Regulations. The Regulatory Allocations shall be taken into account in computing subsequent allocations pursuant to this Section 4.02 so that the cumulative net amount of all items allocated to each Member shall, to the extent possible, be equal to the amount that would have been allocated to such Member if there had never been any allocations pursuant to this Section 4.02(b).

Section 4.03. *Tax Allocations*. (a) *Allocations Generally*. As long as the Company is treated as a partnership for U.S. federal income tax purposes, each item of income, gain, loss and deduction of the Company will be allocated for federal, state and local income tax purposes among the Members as nearly as possible in accordance with the allocation of such items of income, gains, losses, and deductions among the Members for computing their Capital Accounts pursuant to Section 4.02; *provided* that items of income, gain, loss and deduction with respect to any asset or liability of the Company that has Book Value that differs from its adjusted tax basis for U.S. federal income tax purposes shall be allocated, as determined by the Managing Member (using any permissible method selected by the Managing Member in its sole discretion), so as to take into account the variations between the Book Value of such asset or liability and its adjusted tax basis in accordance with the principles of Section 704(c) of the Code and the Treasury Regulations thereunder.

(b) *Allocation of Tax Credits, Tax Credit Recapture, Etc*. Tax credits, tax credit recapture, and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Managing Member taking into account the principles of Treasury Regulation Section 1.704-1(b)(4)(ii).

Section 4.04. *Other Allocation Principles*. If any allocation is required to be made under these Regulations in respect of a period that does not correspond to a full Fiscal Year, such allocation shall be made taking into account the items of income, gain, loss and deduction attributable to such period as determined by the

Managing Member using any method that is permissible under Section 706 of the Code and the Treasury Regulations thereunder.

ARTICLE 5
MANAGEMENT

Section 5.01. *General Authority*. In accordance with Section 101.251 of the BOC, management of the Company shall be vested in the Managing Member. The Managing Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the Laws of the State of Texas. The Managing Member has the authority to bind the Company.

Section 5.02. *Managing Member*. Evan and Jake, LLC shall be the initial managing member of the Company. The Managing Member may be removed from office, and a new managing member may be elected, in each case, only upon the agreement of all of the Members. In such event, the Members shall file any amendment to the Certificate or other certificates that may be required.

Section 5.03. *Officers*.

(a) The Managing Member may, from time to time as it deems advisable, select natural persons who are employees or agents of the Company and designate them as officers of the Company (the "**Officers**") and assign titles (including, without limitation, President, Vice President, Secretary, and Treasurer) to any such person. Unless the Managing Member decides otherwise, if the title is one commonly used for officers of a business corporation formed under the BOC, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Article 5 may be revoked at any time by the Managing Member. An Officer may be removed with or without cause by the Managing Member.

(b) As of the date hereof, the following individuals have been appointed as the initial Officers in such offices as are set forth opposite their respective names:

Name	**Office**
[●]	President
[●]	Secretary

ARTICLE 6
INDEMNIFICATION; RIGHTS AND OBLIGATIONS OF MEMBERS

Section 6.01. *Exculpation and Indemnification*.

(a) To the fullest extent permitted by the laws of the State of Texas and except in the case of bad faith, gross negligence or willful misconduct, no Member or Officer shall be liable to the Company or any other Member for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member or Officer by these Regulations.

(b) Except in the case of bad faith, gross negligence or willful misconduct, each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Member or Officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the laws of the State of Texas for directors and officers of corporations organized under the laws of the State of Texas. Any indemnity under this Section 6.01(b) shall be provided out of and to the extent of Company assets only, and no Member or Officer shall have personal liability on account thereof.

ARTICLE 7
BOOKS AND RECORDS

Section 7.01. *Books and Records*. The Company shall keep appropriate books and records pertaining to the business of the Company. The books and records of the Company shall be kept at the principal office of the Company or at such other place, within or without the State of Texas, as the Managing Member shall reasonably from time to time determine.

Section 7.02. *Determinations by Managing Member*. All matters concerning (a) the determination of the relative amount of allocations and distributions among the Members pursuant to Article 3 and Article 4, (b) any tax elections required or permitted to be made by or with respect to the Company under applicable Law, and (c) accounting methods, procedures and determinations, and other determinations not specifically and expressly provided for by the terms of these Regulations, shall be determined by the Managing Member, whose determination shall be final and conclusive as to all of the Members absent manifest clerical error.

Section 7.03. *Fiscal Year*. The fiscal year of the Company shall begin on the first day of January and end on the last day of December each year or such other annual accounting period as may be established by the Managing Member as required under the Code ("**Fiscal Year**").

ARTICLE 8
EXIT; TRANSFER RESTRICTIONS

Section 8.01. *Transfers; Assignments*.

(a) A Member may transfer or assign all or any portion of its Units only with the consent of the Managing Member. If a Member transfers all of its Units in the Company pursuant to this Section 8.01, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of these Regulations. Such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the transferor Member shall cease to be a member of the Company (if such transferor Member transferred all of its limited liability company interest in the Company).

(b) Notwithstanding anything herein to the contrary, upon the sale, disposition or other transfer of the Managing Member's Units (or the Units of another Member that is a party to any financing to which the Managing Member is also a party (such other Member, the "**Pledgor Member**")) pursuant to a valid exercise of a remedy by any pledgee in accordance with a loan agreement, pledge agreement, security agreement or other collateral documentation entered into by the Managing Member (or such Pledgor Member), the pledgee shall become a Member of the Company and shall acquire all right, title and interest of the Managing Member (and such Pledgor Member) in the Company, including all rights under these Regulations (including removing or replacing any or all of the Managing Members and such Pledgor Members), and the Managing Member (and such Pledgor Members) shall be withdrawn as a Member of the Company hereunder and shall have no further right, title or interest in the Company under these Regulations. Such admission shall be deemed effective immediately prior to the sale, disposition or other transfer of the Managing Member's Units (or such Pledgor Member's Units), and, immediately following such admission, the transferor Member shall cease to be a Member of the Company. None of the provisions of this Article 8 or any other provision of these Regulations may be amended in any way which alters, limits, restricts or adversely affects a pledgee's ability to exercise its rights under any loan agreement, pledge agreement, security agreement or other collateral documentation entered into by the Managing Member and Pledgor Member or the intended result thereof, without the prior written consent of any such pledgee.

(c) Notwithstanding anything herein to the contrary, each of the Managing Member and the Pledgor Member shall have the right to mortgage, pledge, grant, hypothecate, sell, transfer or assign the Managing Member's and Pledgor Member's interest under these Regulations (for the avoidance of doubt, including the Managing Member's Units and Pledgor Member's Units) to any Person if such sale, transfer or disposition complies with provisions of any loan agreement, pledge agreement, security agreement or other collateral documentation to which the Managing Member or the Pledgor Member is bound.

Section 8.02. *Resignation*. No Member shall have the power or right to withdraw or otherwise resign from the Company prior to the dissolution and winding up of the Company pursuant to Article 9, without the prior written consent of the Managing Member (which consent may be withheld by the Managing Member in its sole discretion), except as otherwise expressly permitted by these Regulations. Notwithstanding that payment on account of a withdrawal may be made after the effective time of such withdrawal, any completely withdrawing Member will not be considered a Member for any purpose after the effective time of such complete withdrawal, and, in the case of a partial withdrawal, such Member's Capital Account (and corresponding voting and other rights) shall be reduced for all other purposes hereunder upon the effective time of such partial withdrawal.

Section 8.03. *Admission of Additional Members*. One or more additional members of the Company may be admitted to the Company with the written consent of the Managing Member. Prior to the admission of any such additional members to the Company, the Managing Member shall amend these Regulations, including Schedule A attached hereto, to make such changes as the Managing Member shall determine to reflect the fact that the Company shall have such additional member(s).

ARTICLE 9
DISSOLUTION

Section 9.01. *Dissolution*.

(a) The Company shall dissolve and its affairs shall be wound up upon the first to occur of: (i) the written consent of the Managing Member or (ii) an order by a court to wind up and terminate under Section 101.621 of the BOC.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets or proceeds from the sale of the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 11-052 of the BOC.

(c) As soon as practicable upon dissolution of the Company, the assets of the Company (or liquidation proceeds) shall be distributed in the following manner and order of priority (and ratably within each level of priority):

(i) first, to creditors of the Company, including Members and Affiliates of Members who are creditors, to the extent otherwise permitted by Law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for which reasonable provision has been made and distributions to Members under Article 4; then

(ii) to the Members in respect of their Units in accordance with Section 4.01(a).

ARTICLE 10
TAX MATTERS

Section 10.01. *Tax Matters*. (a) The Managing Member shall cause all income tax returns of the Company to be prepared and filed on a timely basis.

(b) As long as the Company is treated as a partnership for U.S. federal income tax purposes, the Managing Member shall be the "partnership representative" as defined in Section 6223 of the Partnership Tax Audit Rules (the "**Partnership Representative**"). In such capacity, the Managing Partner shall have all of the rights, authority and power, and shall be subject to all of the obligations, of a "partnership representative" to the extent provided in the Code and the Regulations.

(c) As long as the Company is treated as a partnership for U.S. federal income tax purposes, the Company shall make a timely election under Section 754 of the Code (and a corresponding election under state and local Law) effective starting with the taxable year ended December 31, 2018, and the Managing Member shall not take any action to revoke such elections.

ARTICLE 11
MISCELLANEOUS

Section 11.01. *Separability of Provisions*. If any provision of these Regulations or the application thereof is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable to any extent, the remainder of these Regulations and the application of such provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 11.02. *Entire Agreement*. These Regulations constitute the entire agreement of the Members with respect to the subject matter hereof.

Section 11.03. *Governing Law*. These Regulations shall be governed by, and construed under, the laws of the State of Texas (without regard to conflict of laws principles).

Section 11.04. *Amendments*. Subject to Section 8.03, these Regulations may not be modified, altered, supplemented or amended except pursuant to a written agreement executed and delivered by the Members.

Section 11.05. *Sole Benefit of Members*. The provisions of these Regulations are intended solely to benefit the Members and, to the fullest extent permitted by applicable Law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third-party beneficiary of these Regulations), and the Members shall have no duty or obligation to any creditor of the Company to make any contributions or payments to the Company.

Section 11.06. *Counterparts; Effectiveness*. These Regulations may be signed in any number of counterparts, each of which shall be deemed an original. These Regulations shall become effective when the Members shall have executed and delivered the Agreement to the Company.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed these Regulations as of the date first written above.

TEXAS WASATCH INSURANCE
HOLDINGS GROUP, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

TWIHG HOLDINGS, LLC

By: _____
Name:
Title:

Schedule A

Member	Units	Initial Capital
Evan and Jake, LLC	**[●]**	**$[●]**
TWIHG Holdings, LLC	**[●]**	**$[●]**

Exhibit I

Form of Evan and Jake, LLC Distribution Agreement

[Attached]

DISTRIBUTION AGREEMENT

This Distribution Agreement (this "**Agreement**") is entered into as of [●], 2018 by and between Evan and Jake, LLC, a Delaware limited liability company (the "**Company**") and Texas Wasatch Insurance Holdings Group, LLC, a Delaware limited liability company (the "**Distributing Party**").

W I T N E S S E T H:

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**"); and

WHEREAS, the Distributing Party owns 345.5 Class A limited liability company units (the "**Interests**") of Goosehead Financial, LLC, a Delaware limited liability company, and the Distributing Party desires to distribute the Interests to the Company.

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Distribution of Interests*. The Distributing Party hereby distributes, assigns, transfers and conveys all of the Distributing Party's right, title and interest in and to all of the Interests held by the Distributing Party, and the Company hereby accepts and assumes, all of such Distributing Party's right, title and interest in and to such Interests.

2. *Transfer of Interests*. Pursuant to Section 10.4 of the Limited Liability Company Agreement of Goosehead Financial, LLC:

(a) The Company, in its capacity as transferee hereunder, hereby agrees to deliver an executed counterpart of the Limited Liability Company Agreement of Goosehead Financial, LLC evidencing its adoption of the Limited Liability Company Agreement of Goosehead Financial, LLC; and

(b) Mark E. Jones, in his capacity as Managing Member of Goosehead Financial, LLC, hereby acknowledges that the provisions of this Agreement are satisfactory to evidence the transfer of the Interests to the Company, approves the transfer contemplated herein and agrees to accept the Company as a Member of Goosehead Financial, LLC upon receipt of a counterpart of the Limited Liability Company Agreement of Goosehead Financial, LLC duly executed by the Distributing Party.

3. *Representations and Warranties of the Distributing Party*. The Distributing Party represents and warrants to the Company that:

(a) The Interests held by such Distributing Party are being transferred to the Company free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements,

obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to the Company.

(b) The Distributing Party is validly organized and existing under the laws of its state of organization and has all requisite limited liability company power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Distributing Party.

(c) The execution, delivery and performance by such Distributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

4. *Representations and Warranties of the Company*. The Company represents and warrants to each Distributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and

delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not

be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

EVAN AND JAKE, LLC

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE HOLDINGS GROUP, LLC

By: _____
Name:
Title:

Exhibit J

Form of GHM Holdings, LLC Contribution Agreement

[Attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement (this "**Agreement**") is entered into as of [●], 2018 by and between GHM Holdings, LLC, a Delaware limited liability company (the "**Company**") and Max and Dane, LLC, a Delaware limited liability company (the "**Contributing Party**").

W I T N E S S E T H:

WHEREAS, on the date hereof the former members of Goosehead Management, LLC, a Delaware limited liability company ("**Goosehead Management**"), contributed their limited liability company interest in Goosehead Management to the Contributing Party;

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**");

WHEREAS, the Company is a wholly-owned subsidiary of the Contributing Party; and

WHEREAS, the Contributing Party owns 100% of the limited liability company interests of Goosehead Management (the "**Interests**"), and the Contributing Party desires to contribute 0.1% of the Interests to the Company (the "**Contributed Interest**").

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Contribution of Interests*. The Contributing Party hereby contributes, assigns, transfers and conveys all of the Contributing Party's right, title and interest in and to all of the Contributed Interest held by the Contributing Party, and the Company hereby accepts and assumes, all of such Contributing Party's right, title and interest in and to such Contributed Interest effective immediately after the consummation of the transactions described in that certain Contribution Agreement by and among the Contributing Party, Goosehead Management and the former members of Goosehead Management dated as of the date hereof.

2. *Transfer of Contributed Interest*. Pursuant to Section 8.01(a) of the Amended and Restated Limited Liability Company Agreement of Goosehead Management, the Company, in its capacity as transferee hereunder, hereby agrees to be bound by the terms and conditions thereof.

3. *Representations and Warranties of the Contributing Party*. The Contributing Party represents and warrants to the Company that:

(a) The Contributed Interest held by such Contributing Party is being transferred to the Company free and clear of any and all liens, charges, security

interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Contributed Interest, free and clear of all Liens and adverse interests, will pass to the Company.

(b) The Contributing Party is validly organized and existing under the laws of its state of organization and has all requisite limited liability company power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Contributing Party.

(c) The execution, delivery and performance by such Contributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

4. *Representations and Warranties of the Company*. The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *General Provisions.*

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this

Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the

application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

MAX AND DANE, LLC

By: _____
Name:
Title:

GHM HOLDINGS, LLC

By: _____
Name:
Title:

[Signature Page to GHM Holdings, LLC Contribution Agreement]

Exhibit K

Form of TWIHG Holdings, LLC Contribution Agreement

[Attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement (this "**Agreement**") is entered into as of [●], 2018 by and between TWIHG Holdings, LLC, a Delaware limited liability company (the "**Company**") and Evan and Jake, LLC, a Delaware limited liability company (the "**Contributing Party**").

W I T N E S S E T H:

WHEREAS, on the date hereof the former members of Texas Wasatch Insurance Holdings Group, LLC, a Texas limited liability company ("**TWIHG**"), contributed their limited liability company interest in TWIHG to the Contributing Party;

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**");

WHEREAS, the Company is a wholly-owned subsidiary of the Contributing Party; and

WHEREAS, the Contributing Party owns 100% of the limited liability company interests of TWIHG (the "**Interests**"), and the Contributing Party desires to contribute 0.1% of the Interests to the Company (the "**Contributed Interest**").

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Contribution of Interests*. The Contributing Party hereby contributes, assigns, transfers and conveys all of the Contributing Party's right, title and interest in and to all of the Contributed Interest held by the Contributing Party, and the Company hereby accepts and assumes, all of such Contributing Party's right, title and interest in and to such Contributed Interest effective immediately after the consummation of the transactions described in that certain Contribution Agreement by and among the Contributing Party, TWIHG and the former members of TWIHG dated as of the date hereof.

2. *Transfer of Contributed Interest*. Pursuant to Section 8.01(a) of the Third Amended and Restated Regulations of TWIHG, the Company, in its capacity as transferee hereunder, hereby agrees to be bound by the terms and conditions thereof.

3. *Representations and Warranties of the Contributing Party*. The Contributing Party represents and warrants to the Company that:

(a) The Contributed Interest held by such Contributing Party is being transferred to the Company free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on

title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Contributed Interest, free and clear of all Liens and adverse interests, will pass to the Company.

(b) The Contributing Party is validly organized and existing under the laws of its state of organization and has all requisite limited liability company power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Contributing Party.

(c) The execution, delivery and performance by such Contributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

4. *Representations and Warranties of the Company*. The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be

reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or

unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

EVAN AND JAKE, LLC

By: _____
Name:
Title:

TWIHG HOLDINGS, LLC

By: _____
Name:
Title:

[Signature Page to TWIHG Holdings, LLC Contribution Agreement]

Exhibit L

Form of Class B Securities Purchase Agreement

[Attached]

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this "**Agreement**") is entered into as of [●], 2018 by and among Goosehead Insurance, Inc., a Delaware corporation ("**Pubco**"), and certain owners of the limited liability company interests of Goosehead Financial, LLC, a Delaware limited liability company ("**Goosehead Financial**"), listed on the signature pages hereto (the "**Post-IPO LLC Members**").

W I T N E S S E T H:

WHEREAS, Pubco intends to consummate an initial public offering of its Class A common stock (the "**IPO**"); and

WHEREAS, the Post-IPO LLC Members constitute all of the holders of the limited liability company interests (collectively, the "**Interests**") of Goosehead Financial, which Interests constitute all of the outstanding equity of Goosehead Financial, and each Post-IPO LLC Members desires to receive Class B common shares of Pubco ("**Class B Shares**") equal to the number of such Post-IPO LLC Member's Interests in exchange for nominal consideration.

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Issuance of New Class B Shares*. As of the Effective Time (as defined below), as consideration for the contribution to Pubco by each Post-IPO LLC Member of such consideration pursuant to the terms of this Agreement, Pubco shall issue the number of Class B Shares set forth on Schedule A to each such Post-IPO LLC Member. The number of such Class B Shares issued to such Post-IPO LLC Member shall be equal in number to the number of Interests owned by such Post-IPO LLC Member as of the Effective Time.

2. *Contribution of Consideration*. Substantially concurrently with, but immediately prior to, the closing of the IPO (the "**Effective Time**"), each Post-IPO LLC Member shall contribute $0.01 per share to Pubco as full and valid consideration for the issuance and sale of the Class B Shares.

3. *Representations and Warranties of the Post-IPO LLC Members*. Each Post-IPO LLC Member, severally but not jointly, represents and warrants to Pubco that:

(a) If such Post-IPO LLC Member is not a natural person, such Post-IPO LLC Member is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(b) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Post-IPO LLC Member.

(c) The execution, delivery and performance by such Post-IPO LLC Member of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) if such Post-IPO LLC Member is not a natural person, contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

(d) Such Post-IPO LLC Member understands that (A) the Class B Shares have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from registration is available, and (B) there is no existing public or other market for the Class B Shares and there can be no assurance that any Post-IPO LLC Member will be able to sell or dispose of its Class B Shares.

(e) The Class B Shares are being acquired for such Post-IPO LLC Member's own account and without a view to the public distribution of such Class B Shares or any interest therein other than as permitted under applicable law.

(f) Such Post-IPO LLC Member is an "accredited investor" as such term is defined in Regulation D under the Securities Act. Such Post-IPO LLC Member has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Class B Shares and such Post-IPO LLC Member is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Class B Shares.

(g) Such Post-IPO LLC Member has been given the opportunity to ask questions of, and receive answers from, Pubco concerning Pubco, the terms and conditions of the Class B Shares and other related matters. Such Post-IPO LLC Member further represents and warrants to Pubco that Pubco has made available to such Post-IPO LLC Member or its agents all documents and information relating to an investment in the Class B Shares that such Post-IPO LLC Member believed to be necessary or appropriate for its investment in Pubco.

(h) Such Post-IPO LLC Member understands that its investment in Pubco and the Class B Shares involves a high degree of risk and is therefore a speculative investment, and such Post-IPO LLC Member is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(i) Such Post-IPO LLC Member has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

4. *Representations and Warranties of Pubco*. Pubco represents and warrants to each Post-IPO LLC Member that:

(a) Pubco is validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and, at the Effective Time, will have all requisite corporate power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as described in the organizational documents of Pubco.

(b) The execution, delivery and performance by Pubco of this Agreement, and the consummation of the transactions contemplated hereby, are within its corporate powers and have been duly authorized by all necessary corporate action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of Pubco.

(c) The execution, delivery and performance by Pubco of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of Pubco; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on Pubco.

(d) At the Effective Time, the Class B Shares to be issued to each Post-IPO LLC Member shall be (i) validly issued, and (ii) duly authorized, fully paid and nonassessable, free and clear of any and all Liens except for any restrictions set forth in the organizational documents of Pubco and transfer restrictions under applicable securities laws.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

(j) *IPO Closing*. This Agreement will automatically terminate and be of no force and effect if the Effective Time does not occur on or before [●], 2018.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE
PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES
DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY
TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY
TRUST 2014

By: _____

Name:
Title:

CAMILLE LAVAUN PETERSON
FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN
FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES
FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY
TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

Schedule A

Name of Post-IPO LLC Member	Interests owned by Post-IPO LLC Member	Class B Shares to be Issued to Post-IPO LLC Member
Max and Dane, LLC	[●]	[●]
Evan and Jake, LLC	[●]	[●]
The Mark and Robyn Jones Descendants Trust 2014	[●]	[●]
Lanni Elaine Romney Family Trust 2014	[●]	[●]
Lindy Jean Langston Family Trust 2014	[●]	[●]
Camille LaVaun Peterson Family Trust 2014	[●]	[●]
Desiree Robyn Coleman Family Trust 2014	[●]	[●]
Adrienne Morgan Jones Family Trust 2014	[●]	[●]
Mark Evan Jones, Jr. Family Trust 2014	[●]	[●]
Mark Jones	[●]	[●]
Robyn Jones	[●]	[●]
Doug Jones	[●]	[●]
Lanni Romney	[●]	[●]
Lindy Langston	[●]	[●]
Camille Peterson	[●]	[●]
Desiree Coleman	[●]	[●]
Adrienne Jones	[●]	[●]
Mark E. Jones, Jr.	[●]	[●]
Texas Wasatch Insurance Partners, L.P.	[●]	[●]
Colby 2014 Family Trust	[●]	[●]
Preston Michael Colby 2014 Trust	[●]	[●]

Lyla Kate Colby 2014 Trust	[●]	[●]
Michael C. Colby	[●]	[●]
Jeff Saunders	[●]	[●]

Exhibit M

Form of Goosehead Management Note Transfer Agreement

[Attached]

TRANSFER AGREEMENT

This Transfer Agreement (this "**Agreement**") is entered into as of [●], 2018 by and among Goosehead Insurance, Inc., a Delaware corporation ("**Pubco**"), and the holders of limited liability company interests of Max and Dane, LLC, a Delaware limited liability company ("**Max and Dane, LLC**"), listed on the signature pages hereto (the "**Transferring Parties**").

W I T N E S S E T H:

WHEREAS, Pubco intends to consummate an initial public offering of its Class A common stock (the "**IPO**"); and

WHEREAS, the Transferring Parties constitute all of the holders of the limited liability company interests of Max and Dane, LLC (the "**Interests**"), which Interests constitute all of the outstanding equity of Max and Dane, LLC, and the Transferring Parties desire to transfer the Interests to Pubco in exchange for a note issued by Pubco, which will be repaid on the closing of the IPO (the "**Goosehead Management Note**"), attached hereto as Exhibit A.

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Transfer of Interests*. Each Transferring Party hereby transfers, assigns, transfers and conveys all of such Transferring Party's right, title and interest in and to all of the Interests held by such Transferring Party as set forth on Schedule A hereto to Pubco, and Pubco hereby accepts and assume, all of such Transferring Party's right, title and interest in and to such Interests.

2. *Issuance of Goosehead Management Note.* Substantially concurrently with, but immediately prior to, the closing of the IPO (the "**Effective Time**"), as consideration for the transfer to Pubco by each Transferring Party of the Interests held by such Transferring Party pursuant to the terms of this Agreement, Pubco will issue the Goosehead Management Note to such Transferring Parties.

3. *Representations and Warranties of the Transferring Parties*. Each Transferring Party, severally but not jointly, represents and warrants to Pubco that:

(a) The Interests held by such Transferring Party are being transferred to Pubco free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to Pubco.

(b) If a Transferring Party is not a natural person, such Transferring Party is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(c) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Transferring Party.

(d) The execution, delivery and performance by each Transferring Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) if such Transferring Party is not a natural person, contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

(e) Such Transferring Party understands that (A) the Goosehead Management Note and Pubco's Class A common stock (the "**Class A Common Stock**") have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from registration is available, and (B) there is no existing public or other market for the Goosehead Management Note and Class A Common Stock and there can be no assurance that any Transferring Party will be able to sell or dispose of its Goosehead Management Note and Class A Common Stock.

(f) The Goosehead Management Note and Class A Common Stock are being acquired for each Transferring Party's own account and without a view to the public distribution of such Goosehead Management Note and Class A Common Stock or any interest therein other than as permitted under applicable law.

(g) Such Transferring Party is an "accredited investor" as such term is defined in Regulation D under the Securities Act. Each Transferring Party has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Goosehead Management Note and Class A Common Stock and each Transferring Party is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Goosehead Management Note and Class A Common Stock.

(h) Such Transferring Party has been given the opportunity to ask questions of, and receive answers from, the Company concerning the Company, the terms and conditions of the Goosehead Management Note and Class A Common Stock and other related matters. Each Transferring Party further represents and warrants to the Company that the Company has made available to

such Transferring Party or its agents all documents and information relating to an investment in the Goosehead Management Note and Class A Common Stock that such Transferring Party believed to be necessary or appropriate for its investment in the Company.

(i) Such Transferring Party understands that its investment in the Company and the Goosehead Management Note and Class A Common Stock involves a high degree of risk and is therefore a speculative investment, and such Transferring Party is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(j) Such Transferring Party has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

4. *Representations and Warranties of Pubco*. Pubco represents and warrants to each Transferring Party that:

(a) Pubco is validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and, at the Effective Time, will have all requisite corporate power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as described in the organizational documents of Pubco.

(b) The execution, delivery and performance by Pubco of this Agreement, and the consummation of the transactions contemplated hereby, are within its corporate powers and have been duly authorized by all necessary corporate action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of Pubco.

(c) The execution, delivery and performance by Pubco of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of Pubco; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on Pubco.

(d) At the Effective Time, the Goosehead Management Note to be issued to the Transferring Parties shall be (i) validly issued, and (ii) duly authorized, fully paid and nonassessable, free and clear of any and all Liens except for any restrictions set forth in the organizational documents of Pubco and transfer restrictions under applicable securities laws.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out,

so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

GOOSEHEAD MANAGEMENT, LLC

By: _____
Name:
Title:

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

THE COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

MARK COLBY

By: _____
Name:
Title:

P. RYAN LANGSTON

By: _____
Name:
Title:

MICHAEL MOXLEY

By: _____
Name:
Title:

[Signature Page to Goosehead Management Note Transfer Agreement]

SCHEDULE A

Holder	Number of Units of Max and Dane, LLC Owned
The Mark and Robyn Jones Descendants Trust 2014	**[●]**
The Colby 2014 Family Trust	**[●]**
Mark Colby	**[●]**
Ryan Langston	**[●]**
Michael Moxley	**[●]**

EXHIBIT A

Goosehead Management Note

[Attached]

GOOSEHEAD MANAGEMENT PROMISSORY NOTE

U.S. $[●]

For value received, **GOOSEHEAD INSURANCE, INC.** ("**Maker**") promises to pay on [●] 2018, to the owners of limited liability company interests of Max and Dane, LLC, a Delaware limited liability company, listed on Schedule A hereto (each, a "**Holder**", and together, the "**Holders**") at the respective addresses listed on Schedule A with respect to each Holder, or to a bank account designated by any Holder, the principal sum of U.S. Dollars and Cents listed on Schedule A with respect to each Holder. The note can be prepaid at any time without penalty. The note is payable in a combination of U.S. Dollars and shares of Class A common stock of the Maker in the amounts set forth on Schedule A. It is expressly provided that in the event default is made in the prompt payment of this note when due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceedings, then the Maker agrees and promises to pay a reasonable attorney's fee for collection, which in no event shall be less than the principal then owing.

Each Maker, surety and endorser of this note expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protest and notice of protest, as this note and as to each, every and all installments hereof.

The provisions of this agreement shall be governed by and construed in accordance with New York law.

Westlake, [●], 2018

GOOSEHEAD INSURANCE, INC.

By:_____
Name:
Title:

Exhibit N

Form of Goosehead Management Note

[Attached]

GOOSEHEAD MANAGEMENT PROMISSORY NOTE

U.S. $[●]

For value received, **GOOSEHEAD INSURANCE, INC.** ("**Maker**") promises to pay on [●] 2018, to the owners of limited liability company interests of Max and Dane, LLC, a Delaware limited liability company, listed on Schedule A hereto (each, a "**Holder**", and together, the "**Holders**") at the respective addresses listed on Schedule A with respect to each Holder, or to a bank account designated by any Holder, the principal sum of U.S. Dollars and Cents listed on Schedule A with respect to each Holder. The note can be prepaid at any time without penalty. The note is payable in a combination of U.S. Dollars and shares of Class A common stock of the Maker in the amounts set forth on Schedule A. It is expressly provided that in the event default is made in the prompt payment of this note when due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceedings, then the Maker agrees and promises to pay a reasonable attorney's fee for collection, which in no event shall be less than the principal then owing.

Each Maker, surety and endorser of this note expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protest and notice of protest, as this note and as to each, every and all installments hereof.

The provisions of this agreement shall be governed by and construed in accordance with New York law.

Westlake, [●], 2018

GOOSEHEAD INSURANCE, INC.

By:_____
Name:
Title:

SCHEDULE A

Holder	Address	Principal Sum	Amount to be Repaid in U.S. Dollars	Number of Shares of Class A Common Stock to be Issued in Repayment
The Mark and Robyn Jones Descendants Trust 2014	[●]	$[●]	$[●]	[●]
The Colby 2014 Family Trust	[●]	$[●]	$[●]	[●]
Mark Colby	[●]	$[●]	$[●]	[●]
Ryan Langston	[●]	$[●]	$[●]	[●]
Michael Moxley	[●]	$[●]	$[●]	[●]

Exhibit O

Form of Texas Wasatch Note Transfer Agreement

[Attached]

TRANSFER AGREEMENT

This Transfer Agreement (this "**Agreement**") is entered into as of [●], 2018 by and among Goosehead Insurance, Inc., a Delaware corporation ("**Pubco**"), and the holders of limited liability company interests of Evan and Jake, LLC, a Delaware limited liability company ("**Evan and Jake, LLC**"), listed on the signature pages hereto (the "**Transferring Parties**").

W I T N E S S E T H:

WHEREAS, Pubco intends to consummate an initial public offering of its Class A common stock (the "**IPO**"); and

WHEREAS, the Transferring Parties constitute all of the holders of the limited liability company interests of Evan and Jake, LLC (the "**Interests**"), which Interests constitute all of the outstanding equity of Evan and Jake, LLC, and the Transferring Parties desire to transfer the Interests to Pubco in exchange for a note issued by Pubco, which will be repaid on the closing of the IPO (the "**Texas Wasatch Note**"), attached hereto as Exhibit A.

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Transfer of Interests*. Each Transferring Party hereby transfers, assigns, transfers and conveys all of such Transferring Party's right, title and interest in and to all of the Interests held by such Transferring Party as set forth on Schedule A hereto to Pubco, and Pubco hereby accepts and assume, all of such Transferring Party's right, title and interest in and to such Interests.

2. *Issuance of Texas Wasatch Note.* Substantially concurrently with, but immediately prior to, the closing of the IPO (the "**Effective Time**"), as consideration for the transfer to Pubco by each Transferring Party of the Interests held by such Transferring Party pursuant to the terms of this Agreement, Pubco will issue the Texas Wasatch Note to such Transferring Parties.

3. *Representations and Warranties of the Transferring Parties*. Each Transferring Party, severally but not jointly, represents and warrants to Pubco that:

(a) The Interests held by such Transferring Party are being transferred to Pubco free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. Upon execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to Pubco.

(b) If a Transferring Party is not a natural person, such Transferring Party is validly organized and existing under the laws of its state of organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby.

(c) Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Transferring Party.

(d) The execution, delivery and performance by each Transferring Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) if such Transferring Party is not a natural person, contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

(e) Such Transferring Party understands that (A) the Texas Wasatch Note and Pubco's Class A common stock (the "**Class A Common Stock**") have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from registration is available, and (B) there is no existing public or other market for the Texas Wasatch Note and Class A Common Stock and there can be no assurance that any Transferring Party will be able to sell or dispose of its Texas Wasatch Note and Class A Common Stock.

(f) The Texas Wasatch Note and Class A Common Stock are being acquired for each Transferring Party's own account and without a view to the public distribution of such Texas Wasatch Note and Class A Common Stock or any interest therein other than as permitted under applicable law.

(g) Such Transferring Party is an "accredited investor" as such term is defined in Regulation D under the Securities Act. Each Transferring Party has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Texas Wasatch Note and Class A Common Stock and each Transferring Party is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Texas Wasatch Note and Class A Common Stock.

(h) Such Transferring Party has been given the opportunity to ask questions of, and receive answers from, the Company concerning the Company, the terms and conditions of the Texas Wasatch Note and Class A Common Stock and other related matters. Each Transferring Party further represents and warrants to the Company that the Company has made available to such Transferring Party or its agents all documents and information relating to an investment in the Texas Wasatch Note and Class A Common Stock that such Transferring Party believed to be necessary or appropriate for its investment in the Company.

(i) Such Transferring Party understands that its investment in the Company and the Texas Wasatch Note and Class A Common Stock involves a high degree of risk and is therefore a speculative investment, and such Transferring Party is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(j) Such Transferring Party has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

4. *Representations and Warranties of Pubco*. Pubco represents and warrants to each Transferring Party that:

(a) Pubco is validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and, at the Effective Time, will have all requisite corporate power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as described in the organizational documents of Pubco.

(b) The execution, delivery and performance by Pubco of this Agreement, and the consummation of the transactions contemplated hereby, are within its corporate powers and have been duly authorized by all necessary corporate action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of Pubco.

(c) The execution, delivery and performance by Pubco of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of Pubco; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on Pubco.

(d) At the Effective Time, the Texas Wasatch Note to be issued to the Transferring Parties shall be (i) validly issued, and (ii) duly authorized, fully paid and nonassessable, free and clear of any and all Liens except for any restrictions set forth in the organizational documents of Pubco and transfer restrictions under applicable securities laws.

5. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

MARK COLBY

By: _____
Name:
Title:

[Signature Page to Texas Wasatch Note Transfer Agreement]

SCHEDULE A

Holder	Number of Units of Evan and Jake, LLC Owned
Mark Jones	[●]
Robyn Jones	[●]
Michael Colby	[●]
Jeff Saunders	[●]
Mark Colby	[●]
Ryan Langston	[●]
Michael Moxley	[●]

EXHIBIT A

Texas Wasatch Note

[Attached]

TEXAS WASATCH PROMISSORY NOTE

U.S. $[●]

For value received, **GOOSEHEAD INSURANCE, INC.** ("**Maker**") promises to pay on [●] 2018, to the owners of limited liability company interests of Evan and Jake, LLC, a Delaware limited liability company, listed on Schedule A hereto (each, a "**Holder**", and together, the "**Holders**") at the respective addresses listed on Schedule A with respect to each Holder, or to a bank account designated by any Holder, the principal sum of U.S. Dollars and Cents listed on Schedule A with respect to each Holder. The note can be prepaid at any time without penalty. The note is payable in a combination of U.S. Dollars and shares of Class A common stock of the Maker in the amounts set forth on Schedule A. It is expressly provided that in the event default is made in the prompt payment of this note when due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceedings, then the Maker agrees and promises to pay a reasonable attorney's fee for collection, which in no event shall be less than the principal then owing.

Each Maker, surety and endorser of this note expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protest and notice of protest, as this note and as to each, every and all installments hereof.

The provisions of this agreement shall be governed by and construed in accordance with New York law.

Westlake, [●], 2018

GOOSEHEAD INSURANCE, INC.

By:_____
Name:
Title:

Exhibit P

Form of Texas Wasatch Note

[Attached]

TEXAS WASATCH PROMISSORY NOTE

U.S. $[●]

For value received, **GOOSEHEAD INSURANCE, INC.** ("**Maker**") promises to pay on [●] 2018, to the owners of limited liability company interests of Evan and Jake, LLC, a Delaware limited liability company, listed on Schedule A hereto (each, a "**Holder**", and together, the "**Holders**") at the respective addresses listed on Schedule A with respect to each Holder, or to a bank account designated by any Holder, the principal sum of U.S. Dollars and Cents listed on Schedule A with respect to each Holder. The note can be prepaid at any time without penalty. The note is payable in a combination of U.S. Dollars and shares of Class A common stock of the Maker in the amounts set forth on Schedule A. It is expressly provided that in the event default is made in the prompt payment of this note when due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceedings, then the Maker agrees and promises to pay a reasonable attorney's fee for collection, which in no event shall be less than the principal then owing.

Each Maker, surety and endorser of this note expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protest and notice of protest, as this note and as to each, every and all installments hereof.

The provisions of this agreement shall be governed by and construed in accordance with New York law.

Westlake, [●], 2018

GOOSEHEAD INSURANCE, INC.

By:_____
Name:
Title:

SCHEDULE A

Holder	Address	Principal Sum	Amount to be Repaid in U.S. Dollars	Number of Shares of Class A Common Stock to be Issued in Repayment
Mark Jones	[●]	$[●]	$[●]	[●]
Robyn Jones	[●]	$[●]	$[●]	[●]
Michael Colby	[●]	$[●]	$[●]	[●]
Jeff Saunders	[●]	$[●]	$[●]	[●]
Mark Colby	[●]	$[●]	$[●]	[●]
Ryan Langston	[●]	$[●]	$[●]	[●]
Michael Moxley	[●]	$[●]	$[●]	[●]

Exhibit Q

Form of Goosehead Financial, LLC Amended and Restated LLC Agreement

[Attached]

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

of

GOOSEHEAD FINANCIAL, LLC

Dated as of [●], 2018

TABLE OF CONTENTS

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this "**Agreement**") OF GOOSEHEAD FINANCIAL, LLC, a Delaware limited liability company (the "**Company**"), dated as of [ ], 2018, by and among the Company, Goosehead Insurance, Inc., a Delaware corporation ("**Pubco**"), and the other Persons listed on the signature pages hereto.

W I T N E S S E T H:

WHEREAS, the Company has been heretofore formed as a limited liability company under the Delaware Act (as defined below) pursuant to a certificate of formation which was executed and filed with the Secretary of State of the State of Delaware on December 22, 2015;

WHEREAS, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Holdings Group, LLC and Texas Wasatch Insurance Partners, L.P. entered into the initial Limited Liability Company Agreement of the Company, dated as of January 1, 2016 (the "**Initial LLC Agreement**");

WHEREAS, pursuant to the terms of the Reorganization Agreement, dated as of the date hereof, by and among the Company, Pubco and the other Persons listed on the signature pages thereto (the "**Reorganization Agreement**"), the parties thereto have agreed to consummate the reorganization of the Company and to take the other actions contemplated in such Reorganization Agreement (collectively, the "**Reorganization**"); and

WHEREAS, the parties listed on the signature pages hereto and listed on Schedule A (as defined below) represent all of the holders of limited liability company interests in the Company (the "**Members**").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and other good and valuable consideration, the Members hereto hereby agree, to amend and restate the Initial LLC Agreement in its entirety as follows:

ARTICLE 1
DEFINITIONS AND USAGE

Section 1.01. *Definitions*.

(a) The following terms shall have the following meanings for the purposes of this Agreement:

"**Additional Member**" means any Person admitted as a Member of the Company pursuant to Section 3.02 in connection with the new issuance of Units to such Person.

"**Adjusted Capital Account Deficit**" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts that such Member is deemed to be obligated to restore pursuant to the penultimate sentence in Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person; *provided* that no Member nor any Affiliate of any Member shall be deemed to be an Affiliate of any other Member or any of its Affiliates solely by virtue of such Members' Units.

"**Affiliated Transferee**" means (i) in the case of any Member that is an individual, any Transferee of such Member that is (x) an immediate family member of such Member, (y) a trust, family-partnership or estate-planning vehicle for the benefit of such Member and/or any of its immediate family members or (z) otherwise an Affiliate of such Member or (ii) in the case of any Member that is a limited liability company or other entity, any Transferee of such Member that is (x) an immediate family member of the individual that controls a majority of the voting or economic interest in such Member, (y) a trust, family-partnership or estate-planning vehicle for the benefit of such individual and/or any of its immediate family members or (z) otherwise an Affiliate of such Member. For the purposes of this definition, none of Pubco, the Company or any of their respective Controlled Affiliates shall be deemed to be an "Affiliate" of any Member and vice versa.

"**Applicable Law**" means, with respect to any Person, any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person or its assets, as amended unless expressly specified otherwise.

"**Business**" means the business of distributing, and franchising the distribution of, personal lines insurance products and services as conducted by the Company and its Subsidiaries.

"**Business Day**" means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

"**Capital Account**" means the capital account established and maintained for each Member pursuant to Section 5.02.

"**Capital Contribution**" means, with respect to any Member, the amount of money and the initial Carrying Value of any Property (other than money) contributed to the Company.

"**Carrying Value**" means with respect to any Property (other than money), such Property's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Carrying Value of any such Property contributed by a Member to the Company shall be the gross fair market value of such Property, as reasonably determined by the Managing Member;

(ii) The Carrying Values of all such Properties shall be adjusted to equal their respective gross fair market values (taking Section 7701(g) of the Code into account), as reasonably determined by the Managing Member, at the time of any Revaluation pursuant to Section 5.02(c);

(iii) The Carrying Value of any item of such Properties distributed to any Member shall be adjusted to equal the gross fair market value (taking Section 7701(g) of the Code into account) of such Property on the date of distribution as reasonably determined by the Managing Member; and

(iv) The Carrying Values of such Properties shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such Properties pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and subparagraph (vi) of the definition of "Net Income" and "Net Loss" or Section 5.04(b)(vi); *provided*, *however*, that Carrying Values shall not be adjusted pursuant to this subparagraph (iv) to the extent that an adjustment pursuant to subparagraph (ii) is required in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv). If the Carrying Value of such Property has been determined or adjusted pursuant to subparagraph (i), (ii) or (iv), such Carrying Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset, for purposes of computing Net Income and Net Loss.

"**Class A Common Stock**" means Class A common stock, $0.01 par value per share, of Pubco.

"**Class B Common Stock**" means Class B common stock, $0.01 par value per share, of Pubco.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time.

"**Common Equivalents**" means (i) with respect to Units, the number of Units, (ii) with respect to any Equity Securities that are convertible into or exchangeable for Units, the number of Units issuable in respect of the conversion or exchange of such securities into Units.

"**Company Minimum Gain**" means "partnership minimum gain," as defined in Treasury Regulation Sections 1.704-2(b)(2) and 1.704-2(d).

"**Competitive Activity**" means (i) any business that competes with the business of the Company or any of its subsidiaries, or (ii) acquiring directly or through an Affiliate in the aggregate directly or beneficially, whether as a shareholder, partner, member or otherwise, any equity (including stock options or warrants, whether or not exercisable), voting or profit participation interests (collectively, "**Ownership Interests**") in a Competitive Enterprise (it being understood that this clause (ii) shall not apply to prohibit the holding of an Ownership Interest if (a) at the time of acquisition of such Ownership Interest, the Person in which such direct or indirect Ownership Interest is acquired is not a Competitive Enterprise and the Member is not aware at the time of such acquisition, after reasonable inquiry, that such Person has any plans to become a Competitive Enterprise or (b) such Ownership Interest is a passive ownership position of less than five percent (5%) in any company whose shares are publicly traded).

"**Competitive Enterprise**" means any Person or business enterprise (in any form, including without limitation as a corporation, partnership, limited liability company or other Person), or subsidiary, division, unit, group or portion thereof, whose primary business is engaging in a Competitive Activity (as reasonably determined by the Managing Member). For the sake of clarity, in the case of a subsidiary, division, unit, group or portion whose primary business is described above: (1) the larger business enterprise or Person owning such subsidiary, division, unit, group or portion shall not be deemed to be a Competitive Enterprise unless the primary business of such larger business enterprise or Person is engaged in a Competitive Activity and (2) the subsidiary, division, unit, group or portion whose primary business is engaging in a Competitive Activity shall be deemed a Competitive Enterprise.

"**Control**" (including the terms "**controlling**" and "**controlled**"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"**Covered Person**" means (i) each Member or an Affiliate thereof, in each case in such capacity, (ii) each officer, director, shareholder, member, partner, employee, representative, agent or trustee of a Member or an Affiliate thereof, in all cases in such capacity, and (iii) each officer, director, shareholder (other than any public shareholder of Pubco that is not a Member), member, partner, employee, representative, agent or trustee of the Managing Member, Pubco (in the event Pubco is not the Managing Member), the Company or an Affiliate controlled thereby, in all cases in such capacity.

"**Delaware Act**" means the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq*.

"**Depreciation**" means, for each Fiscal Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Fiscal Year, except that if the Carrying Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year, Depreciation shall be an amount that bears the same ratio to such beginning Carrying Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning adjusted tax basis; *provided*, *however*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero, Depreciation shall be determined with reference to such beginning Carrying Value using any reasonable method selected by the Managing Member.

"**DGCL**" means the State of Delaware General Corporation Law, as amended from time to time.

"**Equity Securities**" means, with respect to any Person, any (i) membership interests or shares of capital stock, (ii) equity, ownership, voting, profit or participation interests or (iii) similar rights or securities in such Person or any of its Subsidiaries, or any rights or securities convertible into or exchangeable for, options or other rights to acquire from such Person or any of its Subsidiaries, or obligation on the part of such Person or any of its Subsidiaries to issue, any of the foregoing.

"**Family Member**" shall mean with respect to any natural person, the spouse, parents, grandparents, lineal descendants, siblings of such person or such person's spouse, and lineal descendants of siblings of such person or such person's spouse. Lineal descendants shall include adopted persons, but only so long as they are adopted during minority.

"**Fiscal Year**" means the Company's fiscal year, which shall initially be the calendar year and which may be changed from time to time as determined by the Managing Member.

"**Governmental Authority**" means any transnational, domestic or foreign federal, state or local governmental, regulatory or administrative authority, department, court, agency or official, including any political subdivision thereof.

"**Indebtedness**" means (a) all indebtedness for borrowed money (including capitalized lease obligations, sale-leaseback transactions or other similar transactions,

however evidenced), (b) any other indebtedness that is evidenced by a note, bond, debenture, draft or similar instrument, (c) notes payable and (d) lines of credit and any other agreements relating to the borrowing of money or extension of credit.

"**Involuntary Transfer**" means any Transfer of Units by a Member resulting from (i) any seizure under levy of attachment or execution, (ii) any bankruptcy (whether voluntary or involuntary), (iii) any Transfer to a state or to a public officer or agency pursuant to any statute pertaining to escheat or abandoned property, (iv) any divorce or separation agreement or a final decree of a court in a divorce action or (v) death or permanent disability.

"**IPO**" means the initial underwritten public offering of Pubco.

"**IRS**" means the Internal Revenue Service of the United States.

"**Liens**" means any pledge, encumbrance, security interest, purchase option, conditional sale agreement, call or similar right.

"**LLC Unit**" means a common limited liability interest in the Company.

"**Managing Member**" means (i) Pubco so long as Pubco has not withdrawn as the Managing Member pursuant to Section 7.02 and (ii) any successor thereof appointed as Managing Member in accordance with Section 7.02.

"**Member**" means any Person named as a Member of the Company on the Member Schedule and the books and records of the Company, as the same may be amended from time to time to reflect any Person admitted as an Additional Member or a Substitute Member, for so long as such Person continues to be a Member of the Company.

"**Member Nonrecourse Debt**" has the same meaning as the term "partner nonrecourse debt" in Treasury Regulations Section 1.704-2(b)(4).

"**Member Nonrecourse Debt Minimum Gain**" means an amount with respect to each "partner nonrecourse debt" (as defined in Treasury Regulation Section 1.704-2(b)(4)) equal to the Company Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulation Section 1.752-1(a)(2)) determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

"**Member Nonrecourse Deductions**" has the same meaning as the term "partner nonrecourse deductions" in Treasury Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

"**Net Income**" and "**Net Loss**" mean, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such Fiscal Year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section

703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments (without duplication):

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of "Net Income" and "Net Loss" shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Section 705(a)(2)(B) of the Code or treated as Section 705(a)(2)(B) of the Code expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income and Net Loss pursuant to this definition of "Net Income" and "Net Loss," shall be treated as deductible items;

(iii) In the event the Carrying Value of any Company asset is adjusted pursuant to subparagraphs (ii) or (iii) of the definition of "Carrying Value," the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Carrying Value of the asset) or an item of loss (if the adjustment decreases the Carrying Value of the asset) from the disposition of such asset and shall be taken into account, immediately prior to the event giving rise to such adjustment, for purposes of computing Net Income and/or Net Loss;

(iv) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Carrying Value of the Property disposed of, notwithstanding that the adjusted tax basis of such Property differs from its Carrying Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year, computed in accordance with the definition of Depreciation;

(vi) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) of the Code is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Net Income or Net Loss; and

(vii) Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.04(b), Section 5.04(c)

and Section 5.04(d) shall not be taken into account in computing Net Income and Net Loss.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.04(b), Section 5.04(c) and Section 5.04(d) shall be determined by applying rules analogous to those set forth in subparagraphs (i) through (vi) above.

"**Non-Pubco Member**" means any Member that is not a Pubco Member.

"**Nonrecourse Deductions**" has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

"**Owned Shares**" with respect to each of the Members, as the case may be, the total number of shares of Class A Common Stock beneficially owned (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by such Member, in the aggregate and without duplication, as of the date of such calculation (determined on an "as-converted" basis taking into account any and all securities then convertible into, or exercisable or exchangeable for, shares of Class A Common Stock (including LLC Units and shares of Class B Common Stock exchangeable pursuant to Section [·] of this Agreement).

"**Percentage Interest**" means, with respect to any Member, a fractional amount, expressed as a percentage: (i) the numerator of which is the aggregate number of LLC Units owned of record thereby and (ii) the denominator of which is the aggregate number of LLC Units issued and outstanding. The sum of the outstanding Percentage Interests of all Members shall at all times equal 100%.

"**Permitted Transferee**" means, other than with respect to Pubco, Max and Dane, LLC and Evan and Jake, LLC, (a) any Member and (b) (i) in the case of any Member that is not a natural person, any Person that is an Affiliate of such Member, and (ii) in the case of any Member that is a natural person, (A) any Person to whom LLC Units are Transferred from such Member (1) by will or the laws of descent and distribution or (2) by gift without consideration of any kind; provided that, in the case of clause (2), such transferee is the spouse, the lineal descendant, sibling, parent, heir, executor, administrator, testamentary trustee, legatee or beneficiary of such Member, (B) a trust that is for the exclusive benefit of such Member or its Permitted Transferees under (A) above or (C) any institution qualified as tax-exempt under Section 501(c)(3) of the Code.

"**Person**" means any individual, firm, corporation, partnership, limited liability company, trust, estate, joint venture, governmental authority or other entity.

"**Prime Rate**" means the rate of interest from time to time identified by JP Morgan Chase, N.A. as being its "prime" or "reference" rate.

"**Property**" means an interest of any kind in any real, personal or intellectual (or mixed) property, including cash, and any improvements thereto, and shall include both tangible and intangible property.

"**Pubco Common Stock**" means all classes and series of common stock of Pubco, including the Class A Common Stock and Class B Common Stock.

"**Pubco Member**" means (i) Pubco and (ii) any Subsidiary of Pubco (other than the Company and its Subsidiaries) that is a Member.

"**Redeemed Units Equivalent**" means the product of (a) the Share Settlement, times (b) the Unit Redemption Price.

"**Registration Rights Agreement**" means the Registration Rights Agreement, dated as of the date hereof, by and among Pubco and each of the Non-Pubco Members.

"**Relative Percentage Interest**" means, with respect to any Member relative to another Member or Members, a fractional amount, expressed as a percentage, the numerator of which is the Percentage Interest of such Member; and the denominator of which is (x) the Percentage Interest of such Member plus (y) the aggregate Percentage Interest of such other Member or Members.

"**Reorganization Date Capital Account Balance**" means, with respect to any Member, the positive Capital Account balance of such Member as of immediately following the Reorganization, the amount or deemed value of which is set forth on the Member Schedule.

"**Reorganization Agreement**" means the Reorganization Agreement, dated as of [·], by and among Pubco, the Company and each of the Non-Pubco Members.

"**Reorganization Documents**" means the Reorganization Agreement; the Max and Dane, LLC Contribution Agreement; the First Evan and Jake, LLC Contribution Agreement; the Second Evan and Jake, LLC Contribution Agreement; the GHM Holdings, LLC Contribution Agreement; the TWIHG Holdings, LLC Contribution Agreement; the Class B Securities Purchase Agreement; the Goosehead Management Note Exchange Agreement; the Goosehead Management Note; the Texas Wasatch Note Exchange Agreement; the Texas Wasatch Note; the Max and Dane, LLC Exchange Agreement; the Evan and Jake, LLC Exchange Agreement; this Agreement the Tax Receivable Agreement; the Registration Rights Agreement; the Securities Purchase Agreement and the Stockholders Agreement.

"**Reserves**" means, as of any date of determination, amounts allocated by the Managing Member, in its reasonable judgment, to reserves maintained for working capital of the Company, for contingencies of the Company, for operating expenses and debt reduction of the Company.

"**SEC**" means the United States Securities and Exchange Commission.

"**Stockholders Agreement**" means the Stockholders Agreement, dated as of the date hereof, by and among Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille

LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P. and Goosehead Insurance, Inc.

"**Subsidiary**" means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of Equity Securities or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof.

"**Substantial Ownership Requirement**" means the beneficial ownership (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P. and any Permitted Transferees, collectively, of shares of common stock of Pubco representing at least ten percent (10%) of the issued and outstanding shares of the common stock of Pubco.

"**Substitute Member**" means any Person admitted as a Member of the Company pursuant to Section 3.02 in connection with the Transfer of then-existing Units to such Person.

"**Tax Distribution**" means a distribution made by the Company pursuant to Section 5.03(e)(i) or Section 5.03(e)(iii) or a distribution made by the Company pursuant to another provision of Section 5.03 but designated as a Tax Distribution pursuant to Section 5.03(e)(ii).

"**Tax Distribution Amount**" means, with respect to a Member's Units, whichever of the following applies with respect to the applicable Tax Distribution, in each case in amount not less than zero:

(i) With respect to a Tax Distribution pursuant to Section 5.03(e)(i), the excess, if any, of (A) such Member's required annualized income installment for such estimated payment date under Section 6655(e) of the Code, assuming that (w) such Member is a corporation (which assumption, for the avoidance of doubt, shall not affect the determination of the Tax Rate), (x) Section

6655(e)(2)(C)(ii) is in effect, (y) such Member's only income is from the Company, and (z) the Tax Rate applies, which amount shall be calculated based on the projections believed by the Managing Member in good faith to be, reasonable projections of the net taxable income to be allocated to such Units pursuant to this Agreement and without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code over (B) the aggregate amount of Tax Distributions designated by the Company pursuant to Section 5.03(e)(ii) with respect to such Units since the date of the previous Tax Distribution pursuant to Section 5.03(e)(i) (or if no such Tax Distribution was required to be made, the date such Tax Distribution would have been made pursuant to Section 5.03(e)(i)).

(ii) With respect to the designation of an amount as a Tax Distribution pursuant to Section 5.03(e)(ii), the product of (x) the net taxable income, determined without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code projected, in the good faith belief of the Managing Member, to be allocated to such Units pursuant to this Agreement during the period since the date of the previous Tax Distribution (or, if more recent, the date that the previous Tax Distribution pursuant to Section 5.03(e)(i) would have been made or, in the case of the first distribution pursuant to Section 5.03(e)(i)Section 5.03(b), the date of this Agreement), and (y) the Tax Rate.

(iii) With respect to an entire Fiscal Year to be calculated for purposes of Section 5.03(e)(iii), the excess, if any, of (A) the product of (x) the net taxable income, determined without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code, allocated to such Units pursuant to this Agreement for the relevant Fiscal Year, and (y) the Tax Rate, over (B) the aggregate amount of Tax Distributions (other than Tax Distributions under Section 5.03(e)(iii) with respect to a prior Fiscal Year) with respect to such Units made with respect to such Fiscal Year.

For purposes of this Agreement, in determining the Tax Distribution Amount of a Member, the taxable income allocated to such Member's Units shall be offset by any taxable losses (determined without regard to any adjustments pursuant to Section 704(c), 734, 743, or 754 of the Code) previously allocated to such Units to the extent such losses were not allocated in the same proportion as the Member's Percentage Interests and have not previously offset taxable income in the determination of the Tax Distribution Amount.

"**Tax Rate**" means the highest marginal tax rates for an individual or corporation that is resident in the State of Texas applicable to ordinary income, qualified dividend income or capital gains, as appropriate, taking into account the holding period of the assets disposed of and the year in which the taxable net income is recognized by the Company, and taking into account the deductibility of state and local income taxes as applicable at the time for federal income tax purposes and any limitations thereon including pursuant to Section 68 of the Code, which Tax Rate shall be the same for all Members.

"**Tax Receivable Agreement**" means the Tax Receivable Agreement, dated as of the date hereof, by and among Pubco and each of the Non-Pubco Members.

"**Trading Day**" means a day on which the principal U.S. securities exchange on which the Class A Common Stock is listed or admitted to trading is open for the transaction of business (unless such trading shall have been suspended for the entire day).

"**Transfer**" means any sale, assignment, transfer, exchange, gift, bequest, pledge, hypothecation or other disposition or encumbrance, direct or indirect, in whole or in part, by operation of law or otherwise, and shall include all matters deemed to constitute a Transfer under Article 8. The terms "**Transferred**", "**Transferring**", "**Transferor**", "**Transferee**" and "**Transferable**" have meanings correlative to the foregoing.

"**Treasury Regulations**" mean the regulations promulgated under the Code, as amended from time to time.

"**Units**" means LLC Units or any other class of limited liability interests in the Company designated by the Company after the date hereof in accordance with this Agreement; *provided* that any type, class or series of Units shall have the designations, preferences and/or special rights set forth or referenced in this Agreement, and the membership interests of the Company represented by such type, class or series of Units shall be determined in accordance with such designations, preferences and/or special rights.

"**Unit Redemption Price**" means the arithmetic average of the volume weighted average prices for a share of Class A Common Stock on the principal U.S. securities exchange or automated or electronic quotation system on which the Class A Common Stock trades, as reported by *The Wall Street Journal* or its successor, for each of the three (3) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the date of Redemption, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Class A Common Stock. If the Class A Common Stock no longer trades on a securities exchange or automated or electronic quotation system, then the Unit Redemption Price shall be determined in good faith by a committee of the Board composed of a majority of the directors of Pubco that do not have an interest in the LLC Units being redeemed.

(b) Each of the following terms is defined in the Section set forth opposite such term:

"Agreement"	Preamble
"Call Member"	9.02(a)
"Call Notice"	9.02(a)
"Call Units"	9.02(a)

“Cash Settlement”	Section 10.01(b)
“Company”	Preamble
“Company Parties”	9.01(b)
“Confidential Information”	13.11(b)
“Contribution Notice”	10.01(b)
“Controlled Entities”	11.02(e)
“Direct Exchange”	10.03(a)
“Dispute”	14.01
“Dissolution Event”	12.01(c)
“Economic Pubco Security”	4.01(a)
“e-mail”	13.03
“Exchange Election Notice”	10.03(b)
“Expenses”	11.02(e)
“GAAP”	3.03(b)
“Indemnification Sources”	11.02(e)
“Indemnitee-Related Entities”	11.02(e)(i)
“Initial LLC Agreement”	Recitals
“Initiating Party”	14.01
“Jointly Indemnifiable Claims”	11.02(e)(ii)
“Member Parties”	13.11
“Member Schedule”	3.01(b)
“Officers”	7.05(a)
“Panel”	14.01
“Pubco”	Preamble
“Pubco Offer”	10.04(a)

“Redeemed Units”	10.01(a)
“Redeeming Member”	10.01(a)
“Redemption”	10.01(a)
“Redemption Date”	10.01(a)
“Redemption Notice”	10.01(a)
“Redemption Right”	10.01(a)
“Regulatory Allocations”	5.04(c)
“Reorganization”	Recitals
“Reorganization Agreement”	Recitals
“Responding Party”	14.01
“Retraction Notice”	10.01(b)
“Revaluation”	5.02(c)
“Share Settlement”	Section 10.01(b)
“Tax Matters Partner”	6.01
“Tax Matters Representative”	6.01
“Transferor Member”	5.02(b)
“Withholding Advances”	5.06(b)

Section 1.02. *Other Definitional and Interpretative Provisions*. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections and Schedules are to Articles, Sections and Schedules of this Agreement unless otherwise specified. All Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to

any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to "law", "laws" or to a particular statute or law shall be deemed also to include any Applicable Law. As used in this Agreement, all references to "majority in interest" and phrases of similar import shall be deemed to refer to such percentage or fraction of interest based on the Relative Percentage Interests of the Members subject to such determination. Unless otherwise expressly provided herein, when any approval, consent or other matter requires any action or approval of any group of Members, including any holders of any class of Units, such approval, consent or other matter shall require the approval of a majority in interest of such group of Members. Except to the extent otherwise expressly provided herein, all references to any Member shall be deemed to refer solely to such Person in its capacity as such Member and not in any other capacity.

ARTICLE 2
THE COMPANY

Section 2.01. *Formation*. The Company was formed upon the filing of the certificate of formation of the Company with the Secretary of State of the State of Delaware on December 22, 2015. The authorized officer or representative, as an "authorized person" within the meaning of the Delaware Act, shall file and record any amendments and/or restatements to the certificate of formation of the Company and such other certificates and documents (and any amendments or restatements thereof) as may be required under the laws of the State of Delaware and of any other jurisdiction in which the Company may conduct business. The authorized officer or representative shall, on request, provide any Member with copies of each such document as filed and recorded. The Members hereby agree that the Company and its Subsidiaries shall be governed by the terms and conditions of this Agreement and, except as provided herein, the Delaware Act.

Section 2.02. *Name*. The name of the Company shall be Goosehead Financial, LLC; provided that the Managing Member may change the name of the Company to such other name as the Managing Member shall determine in its sole discretion, and shall have the authority to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be required by Applicable Law or as, in the reasonable judgment of the Managing Member, may be necessary or advisable to effect such change.

Section 2.03. *Term*. The Company shall have perpetual existence unless sooner dissolved and its affairs wound up as provided in Article 11.

Section 2.04. *Registered Agent and Registered Office*. The name of the registered agent of the Company for service of process on the Company in the State of

Delaware shall be Corporation Service Company, and the address of such registered agent and the address of the registered office of the Company in the State of Delaware shall be Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808. Such office and such agent may be changed to such place within the State of Delaware and any successor registered agent, respectively, as may be determined from time to time by the Managing Member in accordance with the Delaware Act.

Section 2.05. *Purposes*. The Company has been formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is to engage in the Business and to carry on any other lawful act or activities for which limited liability companies may be organized under the Delaware Act.

Section 2.06. *Powers of the Company*. The Company shall have the power and authority to take any and all actions necessary, appropriate or advisable to or for the furtherance of the purposes set forth in Section 2.05.

Section 2.07. *Partnership Tax Status*. The Members intend that the Company shall be treated as a partnership for federal, state and local income tax purposes to the extent such treatment is available, and agree to take (or refrain from taking) such actions as may be necessary to receive and maintain such treatment and refrain from taking any actions inconsistent thereof.

Section 2.08. *Regulation of Internal Affairs*. The internal affairs of the Company and the conduct of its business shall be regulated by this Agreement, and to the extent not provided for herein, shall be determined by the Managing Member.

Section 2.09. *Ownership of Property*. Legal title to all Property, conveyed to, or held by the Company or its Subsidiaries shall reside in the Company or its Subsidiaries and shall be conveyed only in the name of the Company or its Subsidiaries and no Member or any other Person, individually, shall have any ownership of such Property.

Section 2.10. *Subsidiaries*. The Company shall cause the business and affairs of each of the Subsidiaries to be managed by the Managing Member in accordance with and in a manner consistent with this Agreement.

Section 2.11. *Qualification in Other Jurisdictions*. The Managing Member shall execute, deliver and file certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in the jurisdictions in which the Company may wish to conduct business. In those jurisdictions in which the Company may wish to conduct business in which qualification or registration under assumed or fictitious names is required or desirable, the Managing Member shall cause the Company to be so qualified or registered in compliance with Applicable Law.

ARTICLE 3
UNITS; MEMBERS; BOOKS AND RECORDS; REPORTS

Section 3.01. *Units; Admission of Members*. (a) Each Member's interest in the Company, including such Member's interest, if any, in the capital, income, gain, loss, deduction and expense of the Company and the right to vote, if any, on certain Company matters as provided in this Agreement, shall be represented by Units. The ownership by a Member of Units shall entitle such Member to allocations of profits and losses and other items and distributions of cash and other property as is set forth in Article 5. Units shall be issued in non-certificated form.

(b) Effective upon the Reorganization, pursuant to Section 2.01(a)(iii) of the Reorganization Agreement, (i) Pubco has been admitted to the Company as the Managing Member and (ii) the Company has hereby reclassified all of its outstanding equity interests outstanding into an aggregate of [●] LLC Units. After giving effect to the reclassification described in clause (ii) above and the Reorganization , each of the Persons listed on Schedule A (the "**Member Schedule**") owns the number of LLC Units set forth opposite such Member's name on the Member Schedule. The Member Schedule shall be maintained by the Managing Member on behalf of the Company in accordance with this Agreement and, upon any subsequent update to the Member Schedule, the Managing Member shall promptly deliver a copy of such updated Member Schedule to each of the Members. When any Units or other Equity Securities of the Company are issued, repurchased, redeemed, converted or Transferred in accordance with this Agreement, the Member Schedule shall be amended by the Managing Member to reflect such issuance, repurchase, redemption or Transfer, the admission of additional or substitute Members and the resulting Percentage Interest of each Member. Following the date hereof, no Person shall be admitted as a Member and no additional Units shall be issued except as expressly provided herein.

(c) The Managing Member may cause the Company to authorize and issue from time to time such other Units or other Equity Securities of any type, class or series and having the designations, preferences and/or special rights as may be determined by the Managing Member. Such Units or other Equity Securities may be issued pursuant to such agreements as the Managing Member shall approve with respect to Persons employed by or otherwise performing services for the Company or any of its Subsidiaries, other equity compensation agreements, options or warrants. When any such other Units or other Equity Securities are authorized and issued, the Member Schedule and this Agreement shall be amended by the Managing Member to reflect such additional issuances and resulting dilution, which shall be borne pro rata by all Members based on their LLC Units.

Section 3.02. *Substitute Members and Additional Members*. (a) No Transferee of any Units or Person to whom any Units are issued pursuant to this Agreement shall be admitted as a Member hereunder or acquire any rights hereunder, including any voting rights or the right to receive distributions and allocations in respect of the Transferred or issued Units, as applicable, unless (i) such Units are Transferred or issued in compliance with the provisions of this Agreement (including Article 8), (ii) such Transferee or

recipient shall have executed and delivered to the Company such instruments as the Managing Member deems necessary or desirable, in its reasonable discretion, to effectuate the admission of such Transferee or recipient as a Member and to confirm the agreement of such Transferee or recipient to be bound by all the terms and provisions of this Agreement, (iii) the Managing Member shall have received the opinion of counsel, if any, required by Section 3.02(b) in connection with such Transfer and (iv) all necessary instruments reflecting such Transfer and/or admission shall have been filed in each jurisdiction in which such filling is necessary in order to qualify the company to conduct business or to preserve the limited liability of the Members. Upon complying with the immediately preceding sentence, without the need for any further action of any Person, a Transferee or recipient shall be deemed admitted to the Company as a Member. A Substitute Member shall enjoy the same rights, and be subject to the same obligations, as the Transferor; *provided* that such Transferor shall not be relieved of any obligation or liability hereunder arising prior to the consummation of such Transfer but shall be relieved of all future obligations with respect to the Units so Transferred. As promptly as practicable after the admission of any Person as a Member, the books and records of the Company shall be changed to reflect such admission of a Substitute Member or Additional Member. In the event of any admission of a Substitute Member or Additional Member pursuant to this Section 3.02(a), this Agreement shall be deemed amended to reflect such admission, and any formal amendment of this Agreement (including the Member Schedule) in connection therewith shall only require execution by the Company and such Substitute Member or Additional Member, as applicable, to be effective.

(b) As a further condition to any Transfer of all or any part of a Member's Units, the Managing Member may, in its discretion, require a written opinion of counsel to the transferring Member reasonably satisfactory to the Managing Member, obtained at the sole expense of the transferring Member, reasonably satisfactory in form and substance to the Managing Member, as to such matters as are customary and appropriate in transactions of this type, including, without limitation (or, in the case of any Transfer made to a Permitted Transferee, limited to an opinion) to the effect that such Transfer will not result in a violation of the registration or other requirements of the Securities Act or any other federal or state securities laws. No such opinion, however, shall be required in connection with a Transfer made pursuant to Section [●] of this Agreement.

(c) If a Member shall Transfer all (but not less than all) its Units, the Member shall thereupon cease to be a Member of the Company.

(d) All reasonable costs and expenses incurred by the Managing Member and the Company in connection with any Transfer of a Member's Units, including any filing and recording costs and the reasonable fees and disbursements of counsel for the Company, shall be paid by the transferring Member. In addition, the transferring Member hereby indemnifies the Managing Member and the Company against any losses, claims, damages or liabilities to which the Managing Member, the Company, or any of their Affiliates may become subject arising out of or based upon any false representation or warranty made by, or breach or failure to comply with any covenant or agreement of, such transferring Member or such transferee in connection with such Transfer.

(e) In connection with any Transfer of any portion of a Member's Units pursuant to Article 10 of this Agreement, the Managing Member shall cause the Company to take any action as may be required under Section [●] of this Agreement or requested by any party thereto to effect such Transfer promptly.

Section 3.03. *Tax and Accounting Information*. (a) *Accounting Decisions and Reliance on Others*. All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by the Managing Member in accordance with Applicable Law and with accounting methods followed for federal income tax purposes. In making such decisions, the Managing Member may rely upon the advice of the independent accountants of the Company.

(b) *Records and Accounting Maintained*. The books and records of the Company shall be kept, and the financial position and the results of its operations recorded, in all material respects in accordance with United States generally accepted accounting principles as in effect from time to time ("**GAAP**"). The Fiscal Year of the Company shall be used for financial reporting and for federal income tax purposes.

(c) *Financial Reports*.

(i) The books and records of the Company shall be audited as of the end of each Fiscal Year by the same accounting firm that audits the books and records of Pubco (or, if such firm declines to perform such audit, by an accounting firm selected by the Managing Member).

(ii) In the event neither Pubco nor the Company is required to file an annual report on Form 10-K or quarterly report on Form 10-Q, the Company shall deliver, or cause to be delivered, the following to Pubco and each of the Non-Pubco Members, in each case for so long as the Substantial Ownership Requirement is met:

(A) not later than ninety (90) days after the end of each Fiscal Year of the Company, a copy of the audited consolidated balance sheet of the Company and its Subsidiaries as of the end of such Fiscal Year and the related statements of operations and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous year, all in reasonable detail; and

(B) not later than forty five (45) days or such later time as permitted under applicable securities law after the end of each of the first three fiscal quarters of each Fiscal Year, the unaudited consolidated balance sheet of the Company and its Subsidiaries, and the related statements of operations and cash flows for such quarter and for the period commencing on the first day of the Fiscal Year and ending on the last day of such quarter.

(d) *Tax Returns*.

(i) The Company shall timely prepare or cause to be prepared by an accounting firm selected by the Managing Member all federal, state, local and foreign tax returns (including information returns) of the Company and its Subsidiaries, which may be required by a jurisdiction in which the Company and its Subsidiaries operate or conduct business for each year or period for which such returns are required to be filed and shall cause such returns to be timely filed. Upon request of any Member, the Company shall furnish to such Member a copy of each such tax return;

(ii) The Company shall furnish to each Member (a) as soon as reasonably practical after the end of each Fiscal Year and in any event by April 30, all information concerning the Company and its Subsidiaries required for the preparation of tax returns of such Members (or any beneficial owner(s) of such Member), including a report (including Schedule K-1), indicating each Member's share of the Company's taxable income, gain, credits, losses and deductions for such year, in sufficient detail to enable such Member to prepare its federal, state and other tax returns; *provided* that estimates of such information believed by the Managing Member in good faith to be reasonable shall be provided by March 10, (b) as soon as reasonably possible after the close of the relevant fiscal period, but in no event later than ten days prior to the date an estimated tax payment is due, such information concerning the Company as is required to enable such Member (or any beneficial owner of such Member) to pay estimated taxes and (c) as soon as reasonably possible after a request by such Member, such other information concerning the Company and its Subsidiaries that is reasonably requested by such Member for compliance with its tax obligations (or the tax obligations of any beneficial owner(s) of such Member) or for tax planning purposes; and

(iii) For so long as the Substantial Ownership Requirement is met, each Non-Pubco Member shall be entitled to review and comment on any tax returns or reports to be prepared pursuant to this Section 3.03(d) at least 60 days prior to the due date for the applicable tax return or report (including extensions). Each Non-Pubco Member shall notify the Company no later than 30 days after receipt of a tax return or report of any changes recommended thereby to such return or report. The Company shall consider in good faith all reasonable comments of the Non-Pubco Members to such tax returns or reports. If the Company does not accept any such comment, the Company shall notify the such Non-Pubco Member of that fact. If within five (5) days of such notification, a Non-Pubco Member request in writing a review of a rejected comment, the Company shall cause its regular tax advisors to review the comment and consult with such Non-Pubco Member. The determination of the tax advisors following such review and consultation shall definitively determine the position taken on the Company's tax return or report.

(e) *Inconsistent Positions*. No Member shall take a position on its income tax return with respect to any item of Company income, gain, deduction, loss or credit that is different from the position taken on the Company's income tax return with respect to such item unless such Member notifies the Company of the different position the Member desires to take and the Company's regular tax advisors, after consulting with the

Member, are unable to provide an opinion that (after taking into account all of the relevant facts and circumstances) the arguments in favor of the Company's position outweigh the arguments in favor of the Member's position.

Section 3.04. *Books and Records*. The Company shall keep full and accurate books of account and other records of the Company at its principal place of business. For so long as the Substantial Ownership Requirement is met, each Non-Pubco Member shall have any right to inspect the books and records of Pubco, the Company or any of its Subsidiaries; *provided* that (i) such inspection shall be at reasonable times and upon reasonable prior notice to the Company, but not more frequently than once per calendar quarter and (ii) neither Pubco, the Company nor any of its Subsidiaries shall be required to disclose (x) any information the Managing Member determines to be competitively sensitive or (y) any privileged information of Pubco, the Company or any of its Subsidiaries so long as the Company has used commercially reasonable efforts to enter into an arrangement pursuant to which it may provide such information to the Non-Pubco Members, as the case may be, without the loss of any such privilege.

ARTICLE 4
PUBCO OWNERSHIP; RESTRICTIONS ON PUBCO STOCK

Section 4.01. *Pubco Ownership*. (a) Except as otherwise determined by Pubco, if at any time Pubco issues a share of Class A Common Stock any other Equity Security of Pubco entitled to any economic rights (including in the IPO) (an "**Economic Pubco Security**") with regard thereto (other than Class B Common Stock, or other Equity Security of Pubco not entitled to any economic rights with respect thereto), (i) the Company shall issue to Pubco one LLC Unit (if Pubco issues a share of Class A Common Stock) or such other Equity Security of the Company (if Pubco issues an Economic Pubco Security other than Class A Common Stock) corresponding to the Economic Pubco Security, and with substantially the same rights to dividends and distributions (including distributions upon liquidation) and other economic rights as those of such Economic Pubco Security and (ii) the net proceeds received by Pubco with respect to the corresponding Economic Pubco Security, if any, shall be concurrently contributed to the Company; *provided*, *however*, that if Pubco issues any Economic Pubco Securities, some or all of the net proceeds of which are to be used to fund expenses or other obligations of Pubco for which Pubco would be permitted a distribution pursuant to Section 5.03(c), then Pubco shall not be required to transfer such net proceeds to the Company which are used or will be used to fund such expenses or obligations and *provided, further*, that if Pubco issues any shares of Class A Common Stock (including in the IPO) in order to purchase or fund the purchase from a Non-Pubco Member of a number of LLC Units (and shares of Class B Common Stock) or to purchase or fund the purchase of shares of Class A Common Stock, in each case equal to the number of shares of Class A Common Stock issued, then the Company shall not issue any new LLC Units in connection therewith and Pubco shall not be required to transfer such net proceeds to the Company (it being understood that such net proceeds shall instead be transferred to such Non-Pubco Member as consideration for such purchase).

(b) For the avoidance of doubt, this Article 4 shall apply to the issuance and distribution to holders of shares of Pubco Common Stock of rights to purchase Equity Securities of Pubco under a "poison pill" or similar shareholders rights plan (it also being understood that upon redemption or exchange of LLC Units (including any such right to purchase LLC Units in the Company) for shares of Class A Common Stock, such Class A Common Stock will be issued together with a corresponding right to purchase Equity Securities of Pubco).

(c) If at any time Pubco issues one or more shares of Class A Common Stock in connection with an equity incentive program, whether such share or shares are issued upon exercise of an option, settlement of a restricted stock unit, as restricted stock or otherwise, the Company shall issue to Pubco a corresponding number of LLC Units; provided that Pubco shall be required to concurrently contribute the net proceeds (if any) received by Pubco from or otherwise in connection with such corresponding issuance of one or more shares of Class A Common Stock, including the exercise price of any option exercised, to the Company. If any such shares of Class A Common Stock so issued by Pubco in connection with an equity incentive program are subject to vesting or forfeiture provisions, then the LLC Units that are issued by the Company to Pubco in connection therewith in accordance with the preceding provisions of this Section 4.01(c) shall be subject to vesting or forfeiture on the same basis; if any, of such shares of Class A Common Stock vest or are forfeited, then a corresponding number of the LLC Units issued by the Company in accordance with the preceding provisions of this Section 4.01(c) shall automatically vest or be forfeited. Any cash or property held by either Pubco or the Company or on either's behalf in respect of dividends paid on restricted Class A Common Stock that fails to vest shall be returned to the Company upon the forfeiture of such restricted Class A Common Stock.

Section 4.02. *Restrictions on Pubco Common Stock*. (a) Except as otherwise determined by the Managing Member in accordance with Section 4.02(d), (i) the Company may not issue any additional LLC Units to Pubco or any of its Subsidiaries unless substantially simultaneously therewith Pubco or such Subsidiary issues or sells an equal number of shares of Class A Common Stock to another Person, (ii) the Company may not issue any additional LLC Units to any Person (other than Pubco or any of its Subsidiaries) unless simultaneously therewith Pubco issues or sells an equal number of shares of Class B Common Stock to such Person and (iii) the Company may not issue any other Equity Securities of the Company to Pubco or any of its Subsidiaries unless substantially simultaneously therewith, Pubco or such Subsidiary issues or sells, to another Person, an equal number of shares of a new class or series of Equity Securities of Pubco or such Subsidiary with substantially the same rights to dividends and distributions (including distributions upon liquidation) and other economic rights as those of such Equity Securities of the Company.

(b) Except as otherwise determined by the Managing Member in accordance with Section 4.02(d), (i) Pubco or any of its Subsidiaries may not redeem, repurchase or otherwise acquire any shares of Class A Common Stock unless substantially simultaneously therewith the Company redeems, repurchases or otherwise acquires from Pubco or any of its Subsidiaries an equal number of LLC Units for the same price per

security (or, if Pubco uses funds received from distributions from the Company or the net proceeds from an issuance of Class A Common Stock to fund such redemption, repurchase or acquisition, then the Company shall cancel an equal number of LLC Units for no consideration) and (ii) Pubco or any of its Subsidiaries may not redeem or repurchase any other Equity Securities of Pubco unless substantially simultaneously therewith the Company redeems or repurchases from Pubco or any of its Subsidiaries an equal number of Equity Securities of the Company of a corresponding class or series with substantially the same rights to dividends and distributions (including distributions upon liquidation) or other economic rights as those of such Equity Securities of Pubco for the same price per security (or, if Pubco uses funds received from distributions from the Company or the net proceeds from an issuance of Equity Securities other than Class A Common Stock to fund such redemption, repurchase or acquisition, then the Company shall cancel an equal number of its corresponding Equity Securities for no consideration). Except as otherwise determined by the Managing Member in accordance with Section 4.02(d), (x) the Company may not redeem, repurchase or otherwise acquire LLC Units from Pubco or any of its Subsidiaries unless substantially simultaneously Pubco or such Subsidiary redeems, repurchases or otherwise acquires an equal number of Class A Common Stock for the same price per security from holders thereof (except that if the Company cancels LLC Units for no consideration as described in Section 4.02(b)(i), then the price per security need not be the same) and (y) the Company may not redeem, repurchase or otherwise acquire any other Equity Securities of the Company from Pubco or any of its Subsidiaries unless substantially simultaneously Pubco or such Subsidiary redeems, repurchases or otherwise acquires for the same price per security an equal number of Equity Securities of Pubco of a corresponding class or series with substantially the same rights to dividends and distributions (including dividends and distributions upon liquidation) and other economic rights as those of such Equity Securities of Pubco (except that if the Company cancels Equity Securities for no consideration as described in Section 4.02(b)(ii), then the price per security need not be the same). Notwithstanding the immediately preceding sentence, to the extent that any consideration payable to Pubco in connection with the redemption or repurchase of any shares or other Equity Securities of Pubco or any of its Subsidiaries consists (in whole or in part) of shares or such other Equity Securities (including, for the avoidance of doubt, in connection with the cashless exercise of an option or warrant), then redemption or repurchase of the corresponding LLC Units or other Equity Securities of the Company shall be effectuated in an equivalent manner (except if the Company cancels LLC Units or other Equity Securities for no consideration as described in this Section 4.02(b)).

(c) The Company shall not in any manner effect any subdivision (by any stock or unit split, stock or unit dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock or unit split, reclassification, reorganization, recapitalization or otherwise) of the outstanding LLC Units unless accompanied by a substantively identical subdivision or combination, as applicable, of the outstanding Pubco Common Stock, with corresponding changes made with respect to any other exchangeable or convertible securities. Pubco shall not in any manner effect any subdivision (by any stock or unit split, stock or unit dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock or unit split, reclassification, reorganization, recapitalization or

otherwise) of the outstanding Pubco Common Stock unless accompanied by a substantively identical subdivision or combination, as applicable, of the outstanding LLC Units, with corresponding changes made with respect to any other exchangeable or convertible securities.

(d) Notwithstanding anything to the contrary in this Article 4:

(i) if at any time the Managing Member shall determine that any debt instrument of Pubco, the Company or its Subsidiaries shall not permit Pubco or the Company to comply with the provisions of Section 4.02(a) or Section 4.02(b) in connection with the issuance, redemption or repurchase of any shares of Class A Common Stock or other Equity Securities of Pubco or any of its Subsidiaries or any Units or other Equity Securities of the Company, then the Managing Member may in good faith implement an economically equivalent alternative arrangement without complying with such provisions; *provided* that, in the case that any such alternative arrangement is implemented because of restrictions in any debt instrument, such arrangement shall also be subject to the prior written consent (not to be unreasonably withheld) of each of the Non-Pubco Members, in each case for so long as the Substantial Ownership Requirement is met; and

(ii) if (x) Pubco incurs any indebtedness and desires to transfer the proceeds of such indebtedness to the Company and (y) Pubco is unable to lend the proceeds of such indebtedness to the Company on an equivalent basis because of restrictions in any debt instrument of Pubco, the Company or its Subsidiaries, then notwithstanding Section 4.02(a) or Section 4.02(b), the Managing Member may in good faith implement an economically equivalent alternative arrangement in connection with the transfer of proceeds to the Company using non-participating preferred Equity Securities of the Company without complying with such provisions; *provided* that, in the case that any such alternative arrangement is implemented because of restrictions in any debt instrument, such arrangement shall also be subject to the prior written consent (not to be unreasonably withheld) of each of the Non-Pubco Members, in each case for so long as the Substantial Ownership Requirement is met.

ARTICLE 5
CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS ; DISTRIBUTIONS; ALLOCATIONS

Section 5.01. *Capital Contributions*. (a) From and after the date hereof, no Member shall have any obligation to the Company, to any other Member or to any creditor of the Company to make any further Capital Contribution, except as expressly provided in Section 4.01(a).

(b) Except as expressly provided herein, no Member, in its capacity as a Member, shall have the right to receive any cash or any other property of the Company.

Section 5.02. *Capital Accounts*.

(a) *Maintenance of Capital Accounts*. The Company shall maintain a Capital Account for each Member on the books of the Company in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv) and, to the extent consistent with such provisions, the following provisions:

(i) Each Member listed on the Member Schedule shall be credited with the Reorganization Date Capital Account Balance set forth on the Member Schedule. The Member Schedule shall be amended by the Managing Member after the closing of the IPO and from time to time to reflect adjustments to the Members' Capital Accounts made in accordance with Sections 5.02(a)(ii), 5.02(a)(iii), 5.02(a)(iv), 5.02(c) or otherwise.

(ii) To each Member's Capital Account there shall be credited: (A) such Member's Capital Contributions, (B) such Member's distributive share of Net Income and any item in the nature of income or gain that is allocated pursuant to Section 5.04 and (C) the amount of any Company liabilities assumed by such Member or that are secured by any Property distributed to such Member.

(iii) To each Member's Capital Account there shall be debited: (A) the amount of money and the Carrying Value of any Property distributed to such Member pursuant to any provision of this Agreement, (B) such Member's distributive share of Net Loss and any items in the nature of expenses or losses that are allocated to such Member pursuant to Section 5.04 and (C) the amount of any liabilities of such Member assumed by the Company or that are secured by any Property contributed by such Member to the Company.

(iv) In determining the amount of any liability for purposes of subparagraphs (ii) and (iii) above there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and the Treasury Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations. In the event that the Managing Member shall reasonably determine that it is prudent to modify the manner in which the Capital Accounts or any debits or credits thereto are maintained (including debits or credits relating to liabilities that are secured by contributed or distributed Property or that are assumed by the Company or the Members), the Managing Member may make such modification so long as such modification will not have any effect on the amounts distributed to any Person pursuant to Article 11 upon the dissolution of the Company. The Managing Member also shall (i) make any adjustments that are necessary or appropriate to maintain equality between Capital Accounts of the Members and the amount of capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulations Section 1.704-1(b).

(b) *Succession to Capital Accounts*. In the event any Person becomes a Substitute Member in accordance with the provisions of this Agreement, such Substitute Member shall succeed to the Capital Account of the former Member (the "**Transferor Member**") to the extent such Capital Account relates to the Transferred Units.

(c) *Adjustments of Capital Accounts*. The Company shall revalue the Capital Accounts of the Members in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f) (a "**Revaluation**") at the following times: (i) immediately prior to the contribution of more than a de minimis amount of money or other property to the Company by a new or existing Member as consideration for one or more Units; (ii) the distribution by the Company to a Member of more than a de minimis amount of property in respect of one or more Units; (iii) the issuance by the Company of more than a de minimis amount of Units as consideration for the provision of services to or for the benefit of the Company (as described in Treasury Regulations Section 1.704-1(b)(2)(iv)(f)(5)(iii)); and (iv) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g) (other than a liquidation pursuant to Section 708(b)(1)(B) of the Code); provided, however, that adjustments pursuant to clauses (i), (ii) and (iii) above shall be made only if the Managing Member reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interest of the Members.

(d) No Member shall be entitled to withdraw capital or receive distributions except as specifically provided herein. A Member shall have no obligation to the Company, to any other Member or to any creditor of the Company to restore any negative balance in the Capital Account of such Member. Except as expressly provided elsewhere herein, no interest shall be paid on the balance in any Member's Capital Account.

(e) Whenever it is necessary for purposes of this Agreement to determine a Member's Capital Account on a per Unit basis, such amount shall be determined by dividing the Capital Account of such Member attributable to the applicable class of Units held of record by such Member by the number of Units of such class held of record by such Member.

(f) Notwithstanding anything to the contrary in this Section 5.02, it is intended that each Member's Capital Account per Unit be equal to each of the other Member's Capital Account per Unit. If at any time there is a difference between a Member's Capital Account per Unit and the other Members' Capital Accounts per Unit, the Company shall make appropriate adjustments with respect to the Members' Capital Accounts to eliminate or minimize such difference.

Section 5.03. *Amounts and Priority of Distributions*. (a) *Distributions Generally*. Except as otherwise provided in Section 11.02, distributions shall be made to the Members as set forth in this Section 5.03, at such times and in such amounts as the Managing Member, in its sole discretion, shall determine.

(b) *Distributions to the Members*. Subject to Sections 5.03(e), and 5.03(f), at such times and in such amounts as the Managing Member, in its sole discretion, shall

determine, distributions shall be made to the Members in proportion to their respective Percentage Interests.

(c) *Pubco Distributions*. Notwithstanding the provisions of Section 5.03(b), the Managing Member, in its sole discretion, may authorize that (i) cash be paid to Pubco or any of its Subsidiaries (which payment shall be made without pro rata distributions to the other Members) in exchange for the redemption, repurchase or other acquisition of Units held by Pubco or any of its Subsidiaries to the extent that such cash payment is used to redeem, repurchase or otherwise acquire an equal number of shares of Class A Common Stock in accordance with Section 4.02(b) in accordance with Section 12.01.

(d) *Distributions in Kind*. Any distributions in kind shall be made at such times and in such amounts as the Managing Member, in its sole discretion, shall determine based on their fair market value as determined by the Managing Member in the same proportions as if distributed in accordance with Section 5.03(b), with all Members participating in proportion to their respective Percentage Interests. If cash and property are to be distributed in kind simultaneously, the Company shall distribute such cash and property in kind in the same proportion to each Member.

(e) *Tax Distributions*.

(i) Notwithstanding any other provision of this Section 5.03 to the contrary, to the extent permitted by Applicable Law and consistent with the Company's obligations to its creditors as reasonably determined by the Managing Member, the Company shall make cash distributions by wire transfer of immediately available funds pursuant to this Section 5.03(e)(i) to each Member with respect to its Units at least two (2) Business Days prior to the date on which any U.S. federal corporate estimated tax payments are due, in an amount equal to such Member's Tax Distribution Amount, if any; *provided* that the Managing Member shall have no liability to any Member in connection with any underpayment of estimated taxes, so long as cash distributions are made in accordance with this Section 5.03(e)(i) and the Tax Distribution Amounts are determined as provided in paragraph (i) of the definition of Tax Distribution Amount.

(ii) On any date that the Company makes a distribution to the Members with respect to their Units under a provision of Section 5.03 other than this Section 5.03(e), if the Tax Distribution Amount is greater than zero, the Company shall designate all or a portion of such distribution as a Tax Distribution with respect to a Member's Units to the extent of the Tax Distribution Amount with respect to such Member's Units as of such date (but not to exceed the amount of such distribution). For the avoidance of doubt, such designation shall be performed with respect to all Members with respect to which there is a Tax Distribution Amount as of such date.

(iii) Notwithstanding any other provision of this Section 5.03 to the contrary, if the Tax Distribution Amount for such Fiscal Year is greater than zero,

to the extent permitted by Applicable Law and consistent with the Company's obligations to its creditors as reasonably determined by the Managing Member, the Company shall make additional distributions under this Section 5.03(e)(iii) to the extent of such Tax Distribution Amount for such Fiscal Year as soon as reasonably practicable after the end of such Fiscal Year (or as soon as reasonably practicable after any event that subsequently adjusts the taxable income of such Fiscal Year).

(iv) Under no circumstances shall Tax Distributions reduce the amount otherwise distributable to any Member pursuant to this Section 5.03 (other than this Section 5.03(e)) after taking into account the effect of Tax Distributions on the amount of cash or other assets available for distribution by the Company.

(v) For the avoidance of doubt, Tax Distributions shall be made to all Members on a pro rata basis in accordance with their Percentage Interests, notwithstanding the differing amount of tax liabilities of such Members.

(f) *Assignment*. Each Member and its Affiliated Transferees shall have the right to assign to any Transferee of LLC Units, pursuant to a Transfer made in compliance with this Agreement, the right to receive any portion of the amounts distributable or otherwise payable to such Member pursuant to Section 5.03(b).

Section 5.04. *Allocations*. (a) *Net Income and Net Loss*. Except as otherwise provided in this Agreement, and after giving effect to the special allocations set forth in Section 5.04(b), Section 5.04(c) and Section 5.04(d), Net Income and Net Loss (and, to the extent necessary, individual items of income, gain, loss, deduction or credit) of the Company shall be allocated among the Members in a manner such that the Capital Account of each Member, immediately after making such allocation, is, as nearly as possible, equal to (i) the distributions that would be made to such Member pursuant to Section 5.03(b) if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the Carrying Value of the assets securing such liability), and the net assets of the Company were distributed, in accordance with Section 5.03(b), to the Members immediately after making such allocation, minus (ii) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets.

(b) *Special Allocations*. The following special allocations shall be made in the following order:

(i) *Minimum Gain Chargeback*. Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding any other provision of this Article 5, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g).

Allocations pursuant to the immediately preceding sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.04(b)(i) is intended to comply with the minimum gain chargeback requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(ii) *Member Minimum Gain Chargeback*. Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Article 5, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.04(b)(ii) is intended to comply with the minimum gain chargeback requirement in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) *Qualified Income Offset*. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or Section 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of the Member as promptly as possible; *provided* that an allocation pursuant to this Section 5.04(b)(iii) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 5 have been tentatively made as if this Section 5.04(b)(iii) were not in the Agreement.

(iv) *Nonrecourse Deductions*. Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Members in a manner determined by the Managing Member consistent with Treasury Regulations Sections 1.704-2(b) and 1.704-2(c).

(v) *Member Nonrecourse Deductions*. Any Member Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to

which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Sections 1.704-2(i)(1) and 1.704-2(j)(1).

(vi) *Section 754 Adjustments*. (A) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 734(b) or 743(b) of the Code is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company or as a result of a Transfer of a Member's interest in the Company, as the case may be, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of such asset) or loss (if the adjustment decreases the basis of such asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income and Net Loss. (B) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 734(b) or 743(b) of the Code is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member's interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to such Members in accordance with their interests in the Company in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(c) *Curative Allocations*. The allocations set forth in Section 5.04(b)(i) through Section 5.04(b)(vi) and Section 5.04(d) (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 5.04(c). Therefore, notwithstanding any other provision of this Article 5 (other than the Regulatory Allocations), the Managing Member shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 5.04.

(d) *Loss Limitation*. Net Loss (or individual items of loss or deduction) allocated pursuant to Section 5.04 hereof shall not exceed the maximum amount of Net Loss (or individual items of loss or deduction) that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Net Loss (or individual items of loss or deduction) pursuant to Section 5.04 hereof, the limitation set forth in this Section 5.04(d) shall be

applied on a Member by Member basis and Net Loss (or individual items of loss or deduction) not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Member's Capital Accounts so as to allocate the maximum permissible Net Loss to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Any reallocation of Net Loss pursuant to this (d) shall be subject to chargeback pursuant to the curative allocation provision of Section 5.04(c).

Section 5.05. *Other Allocation Rules*. (a) *Interim Allocations Due to Percentage Adjustment*. If a Percentage Interest is the subject of a Transfer or the Members' interests in the Company change pursuant to the terms of the Agreement during any Fiscal Year, the amount of Net Income and Net Loss (or items thereof) to be allocated to the Members for such entire Fiscal Year shall be allocated to the portion of such Fiscal Year which precedes the date of such Transfer or change (and if there shall have been a prior Transfer or change in such Fiscal Year, which commences on the date of such prior Transfer or change) and to the portion of such Fiscal Year which occurs on and after the date of such Transfer or change (and if there shall be a subsequent Transfer or change in such Fiscal Year, which precedes the date of such subsequent Transfer or change), in accordance with an interim closing of the books, and the amounts of the items so allocated to each such portion shall be credited or charged to the Members in accordance with Section 5.04 as in effect during each such portion of the Fiscal Year in question. Such allocation shall be in accordance with Section 706 of the Code and the regulations thereunder and made without regard to the date, amount or receipt of any distributions that may have been made with respect to the transferred Percentage Interest to the extent consistent with Section 706 of the Code and the regulations thereunder. As of the date of such Transfer, the Transferee Member shall succeed to the Capital Account of the Transferor Member with respect to the transferred Units.

(b) *Tax Allocations: Code Section 704(c)*. In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any Property contributed to the capital of the Company and with respect to reverse Code Section 704(c) allocations described in Treasury Regulations 1.704-3(a)(6) shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial Carrying Value or its Carrying Value determined pursuant to Treasury Regulation 1.704-1(b)(2)(iv)(f) (computed in accordance with the definition of Carrying Value) using the traditional allocation method without curative allocations under Treasury Regulation 1.704-3(b). Any elections or other decisions relating to such allocations shall be made by the Managing Member in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 5.05(b), Section 704(c) of the Code (and the principles thereof), and Treasury Regulation 1.704-1(b)(4)(i) are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Loss, other items, or distributions pursuant to any provision of this Agreement.

Section 5.06. *Tax Withholding; Withholding Advances*. (a) *Tax Withholding*.

(i) If requested by the Managing Member, each Member shall, if able to do so, deliver to the Managing Member: (A) an affidavit in form satisfactory to the Company that the applicable Member (or its partners, as the case may be) is not subject to withholding under the provisions of any federal, state, local, foreign or other law; (B) any certificate that the Company may reasonably request with respect to any such laws; and/or (C) any other form or instrument reasonably requested by the Company relating to any Member's status under such law. In the event that a Member fails or is unable to deliver to the Company an affidavit described in subclause (A) of this clause (i), the Company may withhold amounts from such Member in accordance with Section 5.06(b).

(ii) After receipt of a written request of any Member, the Company shall provide such information to such Member and take such other action as may be reasonably necessary to assist such Member in making any necessary filings, applications or elections to obtain any available exemption from, or any available refund of, any withholding imposed by any foreign taxing authority with respect to amounts distributable or items of income allocable to such Member hereunder to the extent not adverse to the Company or any Member. In addition, the Company shall, at the request of any Member, make or cause to be made (or cause the Company to make) any such filings, applications or elections; *provided* that any such requesting Member shall cooperate with the Company, with respect to any such filing, application or election to the extent reasonably determined by the Company and that any filing fees, taxes or other out-of-pocket expenses reasonably incurred and related thereto shall be paid and borne by such requesting Member or, if there is more than one requesting Member, by such requesting Members in accordance with their Relative Percentage Interests.

(b) *Withholding Advances*. To the extent the Company is required by Applicable Law to withhold or to make tax payments on behalf of or with respect to any Member (including backup withholding and any tax payment made by the Company pursuant to Section 6225 of the Code that is attributable to such Member) ("**Withholding Advances**"), the Company may withhold such amounts and make such tax payments as so required.

(c) *Repayment of Withholding Advances*. All Withholding Advances made on behalf of a Member, plus interest thereon at a rate equal to the Prime Rate as of the date of such Withholding Advances plus 2.0% per annum, shall (i) be paid on demand by the Member on whose behalf such Withholding Advances were made (it being understood that no such payment shall increase such Member's Capital Account), or (ii) with the consent of the Managing Member and the affected Member be repaid by reducing the amount of the current or next succeeding distribution or distributions that would otherwise have been made to such Member or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Member. Whenever repayment of a Withholding Advance by a Member is made as described in clause (ii) of this Section 5.06(c), for all other purposes of this Agreement such Member shall be treated as having received all distributions (whether before or upon

any Dissolution Event) unreduced by the amount of such Withholding Advance and interest thereon.

(d) *Withholding Advances — Reimbursement of Liabilities*. Each Member hereby agrees to reimburse the Company for any liability with respect to Withholding Advances (including interest thereon) required or made on behalf of or with respect to such Member (including penalties imposed with respect thereto). The obligation of a Member to reimburse the Company for taxes pursuant to this Section 5.06 shall continue after such Member Transfers its LLC Units with respect to all payments or allocations to such Member were made prior to the date of such Transfer.

ARTICLE 6
CERTAIN TAX MATTERS

Section 6.01. *Tax Matters Representative*. Pubco is hereby appointed the "tax matters partner" or the "partnership representative," as the case may be (in each case, the "**Tax Matters Representative**"), of the Company under Section 6231 of the Code prior to the enactment of U.S. Public Law 114-74 or Section 6223 of the Code, as applicable. The Company shall not be obligated to pay any fees or other compensation to the Tax Matters Representative in its capacity as such, but the Company shall reimburse the Tax Matters Representative for all reasonable out-of-pocket costs and expenses (including attorneys' and other professional fees) incurred by it in its capacity as Tax Matters Representative. The Company shall defend, indemnify, and hold harmless the Tax Matters Representative against any and all liabilities sustained or incurred as a result of any act or decision concerning Company tax matters and within the scope of such Member's responsibilities as Tax Matters Representative, so long as such act or decision was done or made in good faith and does not constitute gross negligence or willful misconduct. The Members acknowledge that the Company shall make the election described in Section 6226 of the Code, unless the Tax Matter Representative determines not to make such election in its sole discretion.

Section 6.02. *Section 754 Elections*. The Company shall make, and shall cause any Subsidiary of the Company that is treated as a partnership for U.S. federal income tax purposes to make, a timely election under Section 754 of the Code (and a corresponding election under state and local law) effective starting with the taxable year ended December 31, 2018, and the Managing Member shall not take any action to revoke such elections.

Section 6.03. *Debt Allocation*. Indebtedness of the Company treated as "excess nonrecourse liabilities" (as defined in Treasury Regulation Section 1.752-3(a)(3)) shall be allocated among the Members based on their Percentage Interests.

ARTICLE 7
MANAGEMENT OF THE COMPANY

Section 7.01. *Management by the Managing Member*. Except as otherwise specifically set forth in this Agreement, the Managing Member shall be deemed to be a

"manager" for purposes of applying the Delaware Act. Except as expressly provided in this Agreement or the Delaware Act, the day-to-day business and affairs of the Company and its Subsidiaries shall be managed, operated and controlled by the Managing Member in accordance with the terms of this Agreement and no other Members shall have management authority or rights over the Company or its Subsidiaries. The Managing Member is, to the extent of its rights and powers set forth in this Agreement, an agent of the Company for the purpose of the Company's and its Subsidiaries' business, and the actions of the Managing Member taken in accordance with such rights and powers, shall bind the Company (and no other Members shall have such right). Except as expressly provided in this Agreement, the Managing Member shall have all necessary powers to carry out the purposes, business, and objectives of the Company and its Subsidiaries. The Managing Member shall have the power and authority to delegate to one or more other Persons the Managing Member's rights and powers to manage and control the business and affairs of the Company, including to delegate to agents and employees of a Member or the Company (including any officers or Subsidiary thereof), and to delegate by a management agreement or another agreement with, or otherwise to, other Persons. The Managing Member may authorize any Person (including any Member or officer of the Company) to enter into and perform any document on behalf of the Company or any Subsidiary.

Section 7.02. *Withdrawal of the Managing Member*. Pubco may withdraw as the Managing Member and appoint as its successor at any time upon written notice to the Company (i) any wholly-owned Subsidiary of Pubco, (ii) any Person of which Pubco is a wholly-owned Subsidiary, (iii) any Person into which Pubco is merged or consolidated or (iv) any transferee of all or substantially all of the assets of Pubco, which withdrawal and replacement shall be effective upon the delivery of such notice. No appointment of a Person other than Pubco (or its successor, as applicable) as Managing Member shall be effective unless Pubco (or its successor, as applicable) and the new Managing Member (as applicable) provide all other Members with contractual rights, directly enforceable by such other Members against the new Managing Member, to cause the new Managing Member to comply with all the Managing Member's obligations under this Agreement and the Reorganization Documents.

Section 7.03. *Decisions by the Members*. (a) Other than the Managing Member, the Members shall take no part in the management of the Company's business and shall transact no business for the Company and shall have no power to act for or to bind the Company. The Managing Member shall not (i) engage in any non-Business activity or (ii) own any material assets other than Units and/or any cash or other property or assets distributed by, or otherwise received from, the Company, without the prior written consent of each of the Members, unless the Managing Member determines in good faith that such actions or ownership are in the best interest of the Company; *provided*, *however*, that the Company may engage any Member or principal, partner, member, shareholder or interest holder thereof as an employee, independent contractor or consultant to the Company, in which event the duties and liabilities of such individual or firm with respect to the Company as an employee, independent contractor or consultant shall be governed by the terms of such engagement with the Company.

(b) Except as expressly provided herein, the Members shall not have the power or authority to vote, approve or consent to any matter or action taken by the Company. Except as otherwise provided herein, any proposed matter or action subject to the vote, approval or consent of the Members shall require the approval of (i) a majority in interest of the Members or such class of Members, as the case may be (by (x) resolution at a duly convened meeting of the Members, or (y) written consent of the Members). Except as expressly provided herein, all Members shall vote together as a single class on any matter subject to the vote, approval or consent of the Members. In the case of any such approval, a majority in interest of the Members may call a meeting of the Members at such time and place or by means of telephone or other communications facility that permits all persons participating in such meeting to hear and speak to each other for the purpose of a vote thereon. Notice of any such meeting shall be required, which notice shall include a brief description of the action or actions to be considered by the Members. Unless waived by any such Member in writing, notice of any such meeting shall be given to each Member at least four (4) days prior thereto. Attendance or participation of a Member at a meeting shall constitute a waiver of notice of such meeting, except when such Member attends or participates in the meeting for the express purpose of objecting at the beginning thereof to the transaction of any business because the meeting is not properly called or convened. Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the actions so taken, shall be signed by Members sufficient to approve such action pursuant to this Section 7.03(b). A copy of any such consent in writing will be provided to the Members promptly thereafter.

Section 7.04. *Duties*. (a) The parties acknowledge that the Managing Member will take action through its board of directors, and that the members of the Managing Member's board of directors will owe fiduciary duties to the stockholders of the Managing Member. The Managing Member will use all commercially reasonable and appropriate efforts and means, as determined in good faith by the Managing Member, to minimize any conflict of interest between the Members, on the one hand, and the stockholders of the Managing Member, on the other hand, and to effectuate any transaction that involves or affects any of the Company, the Managing Member, the Members and/or the stockholders of the Managing Member in a manner that does not (i) disadvantage the Members or their interests relative to the stockholders of the Managing Member, (ii) advantage the stockholders of the Managing Member relative to the Members or (iii) treats the Members and the stockholders of the Managing Member differently; *provided* that in the event of a conflict between the interests of the stockholders of the Managing Member and the interests of the Members other than the Managing Member, such other Members agree that the Managing Member shall discharge its fiduciary duties to such other Members by acting in the best interests of the Managing Member's stockholders.

Section 7.05. *Officers*. (a) *Appointment of Officers*. The Managing Member may appoint individuals as officers ("**Officers**") of the Company, which may include such officers as the Managing Member determines are necessary and appropriate. No Officer need be a Member. An individual may be appointed to more than one office.

(b) *Authority of Officers*. The Officers shall have the duties, rights, powers and authority as may be prescribed by the Managing Member from time to time.

(c) *Removal, Resignation and Filling of Vacancy of Officers*. The Managing Member may remove any Officer, for any reason or for no reason, at any time. Any Officer may resign at any time by giving written notice to the Company, and such resignation shall take effect at the date of the receipt of that notice or any later time specified in that notice; provided that, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any such resignation shall be without prejudice to the rights, if any, of the Company or such Officer under this Agreement. A vacancy in any office because of death, resignation, removal or otherwise shall be filled by the Managing Member.

ARTICLE 8
TRANSFERS OF INTERESTS

Section 8.01. *Restrictions on Transfers*. (a) Except as expressly permitted by Section 8.02, and subject to Section 8.01(b), Section 8.01(c), Section 8.01(d) and Section 8.01(e), any underwriter lock-up agreement applicable to such Member and/or any other agreement between such Member and the Company, Pubco or any of their controlled Affiliates, without the prior written approval of the Managing Member, no Member shall directly or indirectly Transfer all or any part of its Units or any right or economic interest pertaining thereto, including the right to vote or consent on any matter or to receive or have any economic interest in distributions or advances from the Company pursuant thereto, to any Person that is not a Permitted Transferee. Any such Transfer which is not in compliance with the provisions of this Agreement shall be deemed a Transfer by such Member of Units in violation of this Agreement (and a breach of this Agreement by such Member) and shall be null and void ab initio. Notwithstanding anything to the contrary in this Article 8, (i) Section [●] of this Agreement shall govern the exchange of LLC Units for shares of Class A Common Stock, and an exchange pursuant to, and in accordance with, Section [●] of this Agreement shall not be considered a "Transfer" for purposes of this Agreement, and (ii) t any other Transfer of shares of Class A Common Stock shall not be considered a "Transfer" for purposes of this Agreement.

(b) Except as otherwise expressly provided herein, it shall be a condition precedent to any Transfer otherwise permitted or approved pursuant to this Article 8 that:

(i) the Transferor shall have provided to the Company prior notice of such Transfer; and

(ii) the Transfer shall comply with all Applicable Laws and the Managing Member shall be reasonably satisfied that such Transfer will not result in a violation of the Securities Act.

(c) Notwithstanding any other provision of this Agreement to the contrary,no Member shall directly or indirectly Transfer all or any part of its Units or any right or economic interest pertaining thereto if such Transfer, in the reasonable discretion of the

Managing Member, would cause the Company to be classified as a "publicly traded partnership" as that term is defined in Section 7704 of the Code and Regulations promulgated thereunder.

(d) Any Transfer of Units pursuant to this Agreement, including this Article 8, shall be subject to the provisions of Section 3.01 and Section 3.02.

(e) If there is a Transfer of Units to Permitted Transferees pursuant to this Agreement, the Units held by each such Permitted Transferee shall be included in calculating the Substantial Ownership Requirement.

Section 8.02. *Certain Permitted Transfers*. Notwithstanding anything to the contrary herein but subject to Section 8.01(b) and Section 8.01(c), the following Transfers shall be permitted:

(a) Any Transfer by any Member of its Units pursuant to a Disposition Event (as such term is defined in the certificate of incorporation of Pubco);

(b) At any time, any Transfer by any Member of Units to any Transferee approved in writing by the Managing Member (not to be unreasonably withheld), it being understood that it shall be reasonable for the Managing Member to withhold such consent if the Managing Member reasonably determines that such Transfer would materially increase the risk that the Company would be classified as a "publicly traded partnership" as that term is defined in Section 7704 of the Code and Regulations promulgated thereunder; and

(c) The Transfer of all or any portion of a Member's Units to a Permitted Transferee of such Member.

Section 8.03. *Distributions*. Notwithstanding anything in this Article 8 or elsewhere in this Agreement to the contrary, if a Member Transfers all or any portion of its Units after the designation of a record date and declaration of a distribution pursuant to Article 5 and before the payment date of such distribution, the transferring Member (and not the Person acquiring all or any portion of its LLC Units) shall be entitled to receive such distribution in respect of such transferred LLC Units.

Section 8.04. *Registration of Transfers*. When any Units are Transferred in accordance with the terms of this Agreement, the Company shall cause such Transfer to be registered on the books of the Company.

ARTICLE 9
CERTAIN OTHER AGREEMENTS

Section 9.01. *Non-Compete; Non-Disparagement*. Each Non-Pubco Member agrees for the benefit of the Company and Pubco that:

(a) No Member shall directly or indirectly engage in any Competitive Activity from and after the date hereof until the date on which such Member no longer holds any LLC Units.

(b) No Member shall take, and each Member shall take reasonable steps to cause its Affiliates not to take, any action or make any public statement, whether or not in writing, that disparages or denigrates the Company or any of its Subsidiaries (the "**Company Parties**") or their respective directors, officers, employees, members, representatives and agents.

(c) Each Member agrees that (i) the agreements and covenants contained in this Section 9.01 are reasonable in scope and duration, an integral part of the transactions contemplated by this Agreement and the Reorganization Documents, and necessary to protect and preserve the Members' and Company Parties' legitimate business interests and to prevent any unfair advantage conferred on such Member taking into account and in specific consideration of the undertakings and obligations of the parties under the Agreement and the Reorganization Documents, (ii) but for each Member's agreement to be bound by the agreements and covenants contained under this Section 9.01, the Members and the Company Parties would not have entered into or consummated those transactions contemplated the Agreement and the Reorganization Documents and (iii) that irreparable harm would result to the Members and the Company Parties as a result of a violation or breach (or potential violation or breach) by such Member (or its Affiliates) of this Section 9.01. In addition, each Member agrees that each Member shall have the right to specifically enforce the provisions of this Section 9.01 in any federal court located in the State of Delaware or any Delaware state court, in addition to any other remedy to which such parties are entitled at law or in equity. If a final judgment of a court of competent jurisdiction or other Governmental Authority determines that any term, provision, covenant or restriction contained in this Section 9.01 is invalid or unenforceable, then the parties hereto agree that the court of competent jurisdiction or other Governmental Authority will have the power to modify this Section 9.01 (including by reducing the scope, duration or geographic area of the term or provision, deleting specific words or phrases or replacing any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision) so as to effect the original intention of the invalid or unenforceable term or provision. To the fullest extent permitted by law, in the event that any proceeding is brought under or in connection with this Section 9.01, the prevailing party in such proceeding (whether at final or on appeal) shall be entitled to recover from the other party all costs, expenses, and reasonable attorneys' fees incident to any such proceeding. The term "prevailing party" as used herein means the party in whose favor the final judgment or award is entered in any such proceeding.

Section 9.02. *Company Call Right*. (a) In connection with any Involuntary Transfer by any Non-Pubco Member, the Company or the Managing Member may, in the Managing Member's sole discretion, elect to purchase from such Member and/or such Transferee(s) in such Involuntary Transfer (each, a "**Call Member**") any or all of Units so Transferred ("**Call Units**"), at any time by delivery of a written notice (a "**Call Notice**") to such Call Member. The Call Notice shall set forth the Unit Redemption Price

and the proposed closing date of such purchase of such Call Units; provided that such closing date shall occur within ninety (90) days following the date of such Call Notice. At the closing of any such sale, in exchange for the payment by the Company or the Managing Member to such Call Members of the Unit Redemption Price in cash, (i) each Call Member shall deliver its Call Units, duly endorsed, or accompanied by written instruments of transfer in form satisfactory to the Company or the Managing Member, as applicable, duly executed by such Call Member and accompanied by all requisite transfer taxes, if any, (ii) such Call Units shall be free and clear of any Liens and (iii) each Call Member shall so represent and warrant and further represent and warrant that it is the sole beneficial and record owner of such Call Units. Following such closing, any such Call Member shall no longer be entitled to any rights in respect of its Call Units, including any distributions of the Company or Pubco thereupon (other than the payment of the Unit Redemption Price at such closing), and, to the extent any such Call Member does not hold any Units thereafter, shall thereupon cease to be a Member of the Company and, to the extent any such Call Member does not hold any shares of Pubco Common Stock thereafter, shall thereupon cease to be a stockholder of Pubco.

Section 9.03.*Preemptive Rights*.

(a) No Person shall have any preemptive, preferential or other similar right with respect to (i) additional Capital Contributions; (ii) issuances or sales by the Company of any class or series of Interests, whether unissued or hereafter created; (iii) issuances of any obligations, evidences of indebtedness or other securities of the Company convertible into or exchangeable for, or carrying or accompanied by any rights to receive, purchase or subscribe to, any Interests; (iv) issuances of any right of subscription to or right to receive, or any warrant or option for the purchase of, any Interests; or (v) issuances or sales of any other securities that may be issued or sold by the Company.

ARTICLE 10
REDEMPTION AND EXCHANGE RIGHTS

Section 10.01.*Redemption Right of a Member*

(a) Notwithstanding any provision to the contrary in the Agreement and without the need for approval by the Managing Member or consent by any other Members, each Member (other than the Pubco Members) shall be entitled to cause the Company to redeem (a "**Redemption**") its Units (the "**Redemption Right**") at any time following the expiration of any contractual lock-up period relating to the shares of Pubco that may be applicable to such Member. A Member desiring to exercise its Redemption Right (the "**Redeeming Member**") shall exercise such right by giving written notice (the "**Redemption Notice**") to the Company with a copy to Pubco. The Redemption Notice shall specify the number of Units (the "**Redeemed Units**") that the Redeeming Member intends to have the Company redeem and a date, not less than seven (7) Business Days nor more than ten (10) Business Days after delivery of such Redemption Notice (unless and to the extent that the Managing Member in its sole discretion agrees in writing to waive such time periods), on which exercise of the Redemption Right shall be completed

(the "**Redemption Date**"); provided that the Company, Pubco and the Redeeming Member may change the number of Redeemed Units and/or the Redemption Date specified in such Redemption Notice to another number and/or date by mutual agreement signed in writing by each of them; provided further that a Redemption Notice may be conditioned by the Redeeming Member on the closing of an underwritten distribution of the shares of Class A Common Stock that may be issued in connection with such proposed Redemption. Unless the Redeeming Member timely has delivered a Retraction Notice as provided in Section 10.01(b) or has revoked or delayed a Redemption as provided in Section 10.01(c), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) the Redeeming Member shall transfer and surrender the Redeemed Units to the Company, free and clear of all liens and encumbrances, and (ii) the Company shall (x) cancel the Redeemed Units, (y) transfer to the Redeeming Member the consideration to which the Redeeming Member is entitled under Section 10.01(b), and (z), if the Units are certificated, issue to the Redeeming Member a certificate for a number of Units equal to the difference (if any) between the number of Units evidenced by the certificate surrendered by the Redeeming Member pursuant to clause (i) of this Section 10.01(a) and the Redeemed Units.

(b) In exercising its Redemption Right, a Redeeming Member shall be entitled to receive the number of shares of Class A Common Stock equal to the number of Redeemed Units (the "**Share Settlement**") or the immediately available funds in U.S. dollars in an amount equal to the Redeemed Units Equivalent (the "**Cash Settlement**"); provided that Pubco shall have the option as provided in Section 10.02 and subject to Section 10.01(d) to select whether the redemption payment is made by means of a Share Settlement or a Cash Settlement. Within three (3) Business Days of delivery of the Redemption Notice, Pubco shall give written notice (the "**Contribution Notice**") to the Company (with a copy to the Redeeming Member) of its intended settlement method; provided that if Pubco does not timely deliver a Contribution Notice, Pubco shall be deemed to have elected the Share Settlement method. If Pubco elects the Cash Settlement method, the Redeeming Member may retract its Redemption Notice by giving written notice (the "**Retraction Notice**") to the Company (with a copy to Pubco) within two (2) Business Days of delivery of the Contribution Notice. The timely delivery of a Retraction Notice shall terminate all of the Redeeming Member's, Company's and Pubco's rights and obligations under this Section 10.01 arising from the Redemption Notice.

(c) In the event Pubco elects a Share Settlement in connection with a Redemption, a Redeeming Member shall be entitled to revoke its Redemption Notice or delay the consummation of a Redemption if any of the following conditions exists: (i) any registration statement pursuant to which the resale of the Class A Common Stock to be registered for such Redeeming Member at or immediately following the consummation of the Redemption shall have ceased to be effective pursuant to any action or inaction by the SEC or no such resale registration statement has yet become effective; (ii) Pubco shall have failed to cause any related prospectus to be supplemented by any required prospectus supplement necessary to effect such Redemption; (iii) Pubco shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement and such deferral, delay or suspension shall affect the ability of

such Redeeming Member to have its Class A Common Stock registered at or immediately following the consummation of the Redemption; (iv) Pubco shall have disclosed to such Redeeming Member any material non-public information concerning Pubco, the receipt of which results in such Redeeming Member being prohibited or restricted from selling Class A Common Stock at or immediately following the Redemption without disclosure of such information (and Pubco does not permit disclosure); (v) any stop order relating to the registration statement pursuant to which the Class A Common Stock was to be registered by such Redeeming Member at or immediately following the Redemption shall have been issued by the SEC; (vi) there shall have occurred a material disruption in the securities markets generally or in the market or markets in which the Class A Common Stock is then traded; (vii) there shall be in effect an injunction, a restraining order or a decree of any nature of any Governmental Entity that restrains or prohibits the Redemption; (viii) Pubco shall have failed to comply in all material respects with its obligations under the Registration Rights Agreement, and such failure shall have affected the ability of such Redeeming Member to consummate the resale of Class A Common Stock to be received upon such redemption pursuant to an effective registration statement; (ix) the Redemption Date would occur three (3) Business Days or less prior to, or during, any "black-out" or similar period under the Corporation's policies covering trading in the Pubco's securities to which the applicable Redeeming Member is subject, which period restricts the ability of such Redeeming Member to immediately resell shares of Class A Common Stock to be delivered to such Redeeming Member in connection with a Share Settlement; provided further, that in no event shall the Redeeming Member seeking to revoke its Redemption Notice or delay the consummation of such Redemption and relying on any of the matters contemplated in clauses (i) through (ix) above have controlled or intentionally materially influenced any facts, circumstances, or Persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of Pubco) in order to provide such Redeeming Member with a basis for such delay or revocation. If a Redeeming Member delays the consummation of a Redemption pursuant to this Section 10.01(c), the Redemption Date shall occur on the fifth Business Day following the date on which the conditions giving rise to such delay cease to exist (or such earlier day as Pubco, the Company and such Redeeming Member may agree in writing).

(d) The number of shares of Class A Common Stock or the Redeemed Units Equivalent that a Redeeming Member is entitled to receive under Section 10.01(b) (whether through a Share Settlement or Cash Settlement) shall not be adjusted on account of any Distributions previously made with respect to the Redeemed Units or dividends previously paid with respect to Class A Common Stock; provided, however, that if a Redeeming Member causes the Company to redeem Redeemed Units and the Redemption Date occurs subsequent to the record date for any Distribution with respect to the Redeemed Units but prior to payment of such Distribution, the Redeeming Member shall be entitled to receive such Distribution with respect to the Redeemed Units on the date that it is made notwithstanding that the Redeeming Member transferred and surrendered the Redeemed Units to the Company prior to such date.

(e) In the event of a reclassification or other similar transaction as a result of which the shares of Class A Common Stock are converted into another security, then in

exercising its Redemption Right a Redeeming Member shall be entitled to receive the amount of such security that the Redeeming Member would have received if such Redemption Right had been exercised and the Redemption Date had occurred immediately prior to the record date of such reclassification or other similar transaction.

Section 10.02. *Election and Contribution of Pubco*. In connection with the exercise of a Redeeming Member's Redemption Rights under Section 10.01(a), Pubco shall contribute to the Company the consideration the Redeeming Member is entitled to receive under Section 10.01(b). Pubco, at its option, shall determine whether to contribute, pursuant to Section 10.01(b), the Share Settlement or the Cash Settlement. Unless the Redeeming Member has timely delivered a Retraction Notice as provided in Section 10.01(b), or has revoked or delayed a Redemption as provided in Section 10.01(c), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) Pubco shall make its Capital Contribution to the Company (in the form of the Share Settlement or the Cash Settlement) required under this Section 10.02, and (ii) the Company shall issue to Pubco a number of Units equal to the number of Redeemed Units surrendered by the Redeeming Member. Notwithstanding any other provisions of this Agreement to the contrary, in the event that Pubco elects a Cash Settlement, Pubco shall only be obligated to contribute to the Company an amount in respect of such Cash Settlement equal to the net proceeds (after deduction of any underwriters' discounts or commissions and brokers' fees or commissions) from the sale by Pubco of a number of shares of Class A Common Stock equal to the number of Redeemed Units to be redeemed with such Cash Settlement provided that Pubco's Capital Account shall be increased by an amount equal to any discount relating to such sale of shares of Class A Common Stock in accordance with Section 6.06. The timely delivery of a Retraction Notice shall terminate all of the Company's and Pubco' rights and obligations under this Section 10.02 arising from the Redemption Notice.

Section 10.03. *Exchange Right of Pubco*

(a) Notwithstanding anything to the contrary in this Article 10, Pubco may, in its sole and absolute discretion, elect to effect on the Redemption Date the exchange of Redeemed Units for the Share Settlement or Cash Settlement, as the case may be, through a direct exchange of such Redeemed Units and such consideration between the Redeeming Member and Pubco (a "**Direct Exchange**"). Upon such Direct Exchange pursuant to this Section 10.03, Pubco shall acquire the Redeemed Units and shall be treated for all purposes of this Agreement as the owner of such Units.

(b) Pubco may, at any time prior to a Redemption Date, deliver written notice (an "**Exchange Election Notice**") to the Company and the Redeeming Member setting forth its election to exercise its right to consummate a Direct Exchange; provided that such election does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. An Exchange Election Notice may be revoked by Pubco at any time; provided that any such revocation does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. The right to consummate a Direct Exchange in all events shall be exercisable for all the

Redeemed Units that would have otherwise been subject to a Redemption. Except as otherwise provided by this Section 10.03, a Direct Exchange shall be consummated pursuant to the same timeframe and in the same manner as the relevant Redemption would have been consummated if Pubco had not delivered an Exchange Election Notice.

Section 10.04. *Tender Offers and Other Events with Respect to Pubco*

(a) In the event that a tender offer, share exchange offer, issuer bid, take-over bid, recapitalization or similar transaction with respect to Class A Common Stock (a "**Pubco Offer**") is proposed by Pubco or is proposed to Pubco or its stockholders and approved by the board of directors of Pubco or is otherwise effected or to be effected with the consent or approval of the board of directors of Pubco, the holders of LLC Units (other than the Pubco Members) shall be permitted to participate in such Pubco Offer by delivery of a notice of exchange (which notice of exchange shall be effective immediately prior to the consummation of such Pubco Offer (and, for the avoidance of doubt, shall be contingent upon such Pubco Offer and not be effective if such Pubco Offer is not consummated)). In the case of a Pubco Offer proposed by Pubco, Pubco will use its reasonable efforts expeditiously and in good faith to take all such actions and do all such things as are necessary or desirable to enable and permit the holders of LLC Units (other than the Pubco Members) to participate in such Pubco Offer to the same extent or on an economically equivalent basis as the holders of shares of Class A Common Stock without discrimination; *provided*, that without limiting the generality of this sentence, Pubco will use its reasonable efforts expeditiously and in good faith to ensure that such holders may participate in each such Pubco Offer without being required to exchange LLC Units to the extent such participation is practicable. For the avoidance of doubt (but subject to Section 10.04(c)), in no event shall the holders of LLC Units be entitled to receive in such Pubco Offer aggregate consideration for each LLC Unit that is greater than the consideration payable in respect of each share of Class A Common Stock in connection with a Pubco Offer.

(b) Notwithstanding any other provision of this Agreement, if a Disposition Event (as such term is defined in the Pubco Certificate of Incorporation) is approved by the board of directors of Pubco and consummated in accordance with Applicable Law, at the request of the Company (or following such Disposition Event, its successor) or Pubco (or following such Disposition Event, its successor), each of the holders shall be required to exchange with Pubco, at any time and from time to time after, or simultaneously with, the consummation of such Disposition Event, all of such holder's LLC Units for aggregate consideration for each LLC Unit that is equivalent to the consideration payable in respect of each share of Class A Common Stock in connection with the Disposition Event, *provided*, *however*, that in the event of a Disposition Event intended to qualify as a reorganization within the meaning of Section 368(a) of the Code or as a transfer described in Section 351(a) or Section 721 of the Code, a holder shall not be required to exchange LLC Unit pursuant to this Section 10.04(b) unless, as a part of such transaction, the holders are permitted to exchange their LLC Units for securities in a transaction that is expected to permit such exchange without current recognition of gain or loss, for U.S. and non-U.S. tax purposes, for the direct and indirect holders of LLC Units (except to the extent that property other than securities is received in such exchange), based on a

"should" or "will" level opinion from independent tax counsel of recognized standing and expertise.

(c) Notwithstanding any other provision of this Agreement, (i) in a Disposition Event where the consideration payable in connection therewith includes Equity Securities, the aggregate consideration for any LLC Unit shall be deemed to be equivalent to the consideration payable in respect of each share of Class A Common Stock if the only difference in the per share distribution to the holders of LLC Units is that the Equity Securities distributed to such holders have not more than ten times the voting power of any Equity Securities distributed to the holder of a share of Class A Common Stock (so long as such Equity Securities issued to the holders of the LLC Units remain subject to automatic conversion on terms substantially comparable to those set forth in Section 6.2 of the Pubco Certificate of Incorporation) and (ii) in a Disposition Event, payments under or in respect of the Tax Receivable Agreement shall not be considered part of the consideration payable in respect of any LLC Unit or share of Class A Common Stock in connection with such Disposition Event for the purposes of Section 10.04(a) and Section 10.04(b).

Section 10.05. *Reservation of Shares of Class A Common Stock; Certificate of Pubco.* At all times Pubco shall reserve and keep available out of its authorized but unissued Class A Common Stock, solely for the purpose of issuance upon a Redemption or Direct Exchange, such number of shares of Class A Common Stock as shall be issuable upon any such Redemption or Direct Exchange pursuant to Share Settlements; provided that nothing contained herein shall be construed to preclude Pubco from satisfying its obligations in respect of any such Redemption or Direct Exchange by delivery of purchased Class A Common Stock (which may or may not be held in the treasury of Pubco) or the delivery of cash pursuant to a Cash Settlement. Pubco shall deliver Class A Common Stock that has been registered under the Securities Act with respect to any Redemption or Direct Exchange to the extent a registration statement is effective and available for such shares. Pubco covenants that all Class A Common Stock issued upon a Redemption or Direct Exchange will, upon issuance, be validly issued, fully paid and non-assessable. The provisions of this Article 10 shall be interpreted and applied in a manner consistent with the corresponding provisions of Pubco's certificate of incorporation.

Section 10.06. *Effect of Exercise of Redemption or Exchange Right.* This Agreement shall continue notwithstanding the consummation of a Redemption or Direct Exchange and all governance or other rights set forth herein shall be exercised by the remaining Members and the Redeeming Member (to the extent of such Redeeming Member's remaining interest in the Company). No Redemption or Direct Exchange shall relieve such Redeeming Member of any prior breach of this Agreement.

Section 10.07. *Tax Treatment.* Unless otherwise required by applicable Law, the parties hereto acknowledge and agree a Redemption or a Direct Exchange, as the case may be, shall be treated as a direct exchange between Pubco and the Redeeming Member for U.S. federal and applicable state and local income tax purposes.

ARTICLE 11
LIMITATION ON LIABILITY, EXCULPATION AND INDEMNIFICATION

Section 11.01. *Limitation on Liability*. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company; *provided* that the foregoing shall not alter a Member's obligation to return funds wrongfully distributed to it.

Section 11.02. *Exculpation and Indemnification*. (a) Subject to the duties of the Managing Member and Officers set forth in Section 7.01, neither the Managing Member nor any other Covered Person described in clause (iii) of the definition thereof shall be liable, including under any legal or equitable theory of fiduciary duty or other theory of liability, to the Company or to any other Covered Person for any losses, claims, damages or liabilities incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company. There shall be, and each Covered Person shall be entitled to, a presumption that such Covered Person acted in good faith.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such Person's professional or expert competence.

(c) The Company shall indemnify, defend and hold harmless each Covered Person against any losses, claims, damages, liabilities, expenses (including all reasonable out-of-pocket fees and expenses of counsel and other advisors), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, in which such Covered Person may be involved or become subject to, in connection with any matter arising out of or in connection with the Company's business or affairs, or this Agreement or any related document, unless such loss, claim, damage, liability, expense, judgment, fine, settlement or other amount (i) is a result of a Covered Person not acting in good faith on behalf of the Company or arose as a result of the willful commission by such Covered Person of any act that is dishonest and materially injurious to the Company, (ii) results from its contractual obligations under any Reorganization Document to be performed in a capacity other than as a Covered Person or from the breach by such Covered Person of Section 9.04 or (iii) results from the breach by any Member (in such capacity) of its contractual obligations under this Agreement. If any Covered Person becomes involved in any capacity in any action, suit, proceeding or investigation in connection with any matter arising out of or in connection with the Company's business or affairs, or this Agreement or any related document (other than any Reorganization Document), other than (x) by reason of any act or omission performed or omitted by such Covered Person that was not in good faith on behalf of the Company or constituted a willful commission by such Covered Person of an act that is dishonest and materially injurious to the Company or (y) as a result of any breach by such Covered Person of Section 9.04, the Company shall reimburse such Covered Person for

its reasonable legal and other reasonable out-of-pocket expenses (including the cost of any investigation and preparation) as they are incurred in connection therewith; *provided* that such Covered Person shall promptly repay to the Company the amount of any such reimbursed expenses paid to it if it shall be finally judicially determined that such Covered Person was not entitled to indemnification by, or contribution from, the Company in connection with such action, suit, proceeding or investigation. If for any reason (other than the bad faith of a Covered Person or the willful commission by such Covered Person of an act that is dishonest and materially injurious to the Company) the foregoing indemnification is unavailable to such Covered Person, or insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by such Covered Person as a result of such loss, claim, damage, liability, expense, judgment, fine, settlement or other amount in such proportion as is appropriate to reflect any relevant equitable considerations. There shall be, and each Covered Person shall be entitled to, a rebuttable presumption that such Covered Person acted in good faith.

(d) The obligations of the Company under Section 11.02(c) shall be satisfied solely out of and to the extent of the Company's assets, and no Covered Person shall have any personal liability on account thereof.

(e) Given that certain Jointly Indemnifiable Claims may arise by reason of the service of a Covered Person to the Company and/or as a director, trustee, officer, partner, member, manager, employee, consultant, fiduciary or agent of other corporations, limited liability companies, partnerships, joint ventures, trusts, employee benefit plans or other enterprises controlled by the Company (collectively, the "**Controlled Entities**"), or by reason of any action alleged to have been taken or omitted in any such capacity, the Company acknowledges and agrees that the Company shall, and to the extent applicable shall cause the Controlled Entities to, be fully and primarily responsible for the payment to the Covered Person in respect of indemnification or advancement of all out-of-pocket costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements) in each case, actually and reasonably incurred by or on behalf of a Covered Person in connection with either the investigation, defense or appeal of a claim, demand, action, suit or proceeding or establishing or enforcing a right to indemnification under this Agreement or otherwise incurred in connection with a claim that is indemnifiable hereunder (collectively, "**Expenses**") in connection with any such Jointly Indemnifiable Claim, pursuant to and in accordance with (as applicable) the terms of (i) the Delaware Act, (ii) this Agreement, (iii) any other agreement between the Company or any Controlled Entity and the Covered Person pursuant to which the Covered Person is indemnified, (iv) the laws of the jurisdiction of incorporation or organization of any Controlled Entity and/or (v) the certificate of incorporation, certificate of organization, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership, certificate of qualification or other organizational or governing documents of any Controlled Entity ((i) through (v) collectively, the "**Indemnification Sources**"), irrespective of any right of recovery the Covered Person may have from the Indemnitee-Related Entities. Under no circumstance shall the Company or any Controlled Entity be entitled to any right of subrogation or contribution by the Indemnitee-Related Entities and no right of advancement or recovery the Covered Person may have from the Indemnitee-Related Entities shall reduce or

otherwise alter the rights of the Covered Person or the obligations of the Company or any Controlled Entity under the Indemnification Sources. In the event that any of the Indemnitee-Related Entities shall make any payment to the Covered Person in respect of indemnification or advancement of Expenses with respect to any Jointly Indemnifiable Claim, (i) the Company shall, and to the extent applicable shall cause the Controlled Entities to, reimburse the Indemnitee-Related Entity making such payment to the extent of such payment promptly upon written demand from such Indemnitee-Related Entity, (ii) to the extent not previously and fully reimbursed by the Company and/or any Controlled Entity pursuant to clause (i), the Indemnitee-Related Entity making such payment shall be subrogated to the extent of the outstanding balance of such payment to all of the rights of recovery of the Covered Person against the Company and/or any Controlled Entity, as applicable, and (iii) the Covered Person shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the Indemnitee-Related Entities effectively to bring suit to enforce such rights. The Company and the Covered Person agree that each of the Indemnitee-Related Entities shall be third-party beneficiaries with respect to this Section 11.02(e), entitled to enforce this Section 11.02(e) as though each such Indemnitee-Related Entity were a party to this Agreement. The Company shall cause each of the Controlled Entities to perform the terms and obligations of this Section 11.02(e) as though each such Controlled Entity was the "**Company**" under this Agreement. For purposes of this Section 11.02(e), the following terms shall have the following meanings:

(i)The term "**Indemnitee-Related Entities**" means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Company, any Controlled Entity or the insurer under and pursuant to an insurance policy of the Company or any Controlled Entity) from whom a Covered Person may be entitled to indemnification or advancement of Expenses with respect to which, in whole or in part, the Company or any Controlled Entity may also have an indemnification or advancement obligation.

(ii)The term "**Jointly Indemnifiable Claims**" shall be broadly construed and shall include, without limitation, any claim, demand, action, suit or proceeding for which the Covered Person shall be entitled to indemnification or advancement of Expenses from both (i) the Company and/or any Controlled Entity pursuant to the Indemnification Sources, on the one hand, and (ii) any Indemnitee-Related Entity pursuant to any other agreement between any Indemnitee-Related Entity and the Covered Person pursuant to which the Covered Person is indemnified, the laws of the jurisdiction of incorporation or organization of any Indemnitee-Related Entity and/or the certificate of incorporation, certificate of organization, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or other organizational or governing documents of any Indemnitee-Related Entity, on the other hand.

ARTICLE 12
DISSOLUTION AND TERMINATION

Section 12.01. *Dissolution*. (a) The Company shall not be dissolved by the admission of Additional Members or Substitute Members pursuant to Section 3.02.

(b) No Member shall (i) resign from the Company prior to the dissolution and winding up of the Company except in connection with a Transfer of Units pursuant to the terms of this Agreement or (ii) take any action to dissolve, terminate or liquidate the Company or to require apportionment, appraisal or partition of the Company or any of its assets, or to file a bill for an accounting, except as specifically provided in this Agreement, and each Member, to the fullest extent permitted by Applicable Law, hereby waives any rights to take any such actions under Applicable Law, including any right to petition a court for judicial dissolution under Section 18-802 of the Delaware Act.

(c) The Company shall be dissolved and its business wound up only upon the earliest to occur of any one of the following events (each a "**Dissolution Event**"):

(i) The expiration of forty-five (45) days after the sale or other disposition of all or substantially all the assets of the Company;

(ii) upon the approval of the Managing Member;

(iii) the entry of a decree of dissolution of the Company under §18-802 of the Delaware Act; or

(iv) at any time there are no members of the Company, unless the Company is continued in accordance with the Delaware Act.

(d) The death, retirement, resignation, expulsion, bankruptcy, insolvency or dissolution of a Member or the occurrence of any other event that terminates the continued membership of a Member of the Company shall not in and of itself cause dissolution of the Company.

Section 12.02. *Winding Up of the Company*. (a) The Managing Member shall promptly notify the other Members of any Dissolution Event. Upon dissolution, the Company's business shall be liquidated in an orderly manner. The Managing Member shall appoint a liquidating trustee to wind up the affairs of the Company pursuant to this Agreement. In performing its duties, the liquidating trustee is authorized to sell, distribute, exchange or otherwise dispose of the assets of the Company in accordance with the Delaware Act and in any reasonable manner that the liquidating trustee shall determine to be in the best interest of the Members.

(b) The proceeds of the liquidation of the Company shall be distributed in the following order and priority:

(i) first, to the creditors (including any Members or their respective Affiliates that are creditors) of the Company in satisfaction of all of the

Company's liabilities (whether by payment or by making reasonable provision for payment thereof, including the setting up of any reserves which are, in the judgment of the liquidating trustee, reasonably necessary therefor); and

(ii) second, to the Members in the same manner as distributions under Section 5.03(b).

(c) *Distribution of Property*. In the event it becomes necessary in connection with the liquidation of the Company to make a distribution of Property in-kind, subject to the priority set forth in Section 11.02, the liquidating trustee shall have the right to compel each Member to accept a distribution of any Property in-kind (with such Property, as a percentage of the total liquidating distributions to such Member, corresponding as nearly as possible to such Member's Percentage Interest), with such distribution being based upon the amount of cash that would be distributed to such Members if such Property were sold for an amount of cash equal to the fair market value of such Property, as determined by the liquidating trustee in good faith, subject to the last sentence of Section 5.03(d).

(d) In the event of a dissolution pursuant to Section 12.01(c), the relative economic rights of each class of Units immediately prior to such dissolution shall be preserved to the greatest extent practicable with respect to distributions made to Members pursuant to Section 10.01(b) in connection with such dissolution, taking into consideration tax and other legal constraints that may adversely affect one or more parties to such dissolution and subject to compliance with Applicable Laws.

Section 12.03. *Termination*. The Company shall terminate when all of the assets of the Company, after payment of or reasonable provision for the payment of all debts and liabilities of the Company, shall have been distributed to the Members in the manner provided for in this Article 11, and the certificate of formation of the Company shall have been cancelled in the manner required by the Delaware Act.

Section 12.04. *Survival*. Termination, dissolution, liquidation or winding up of the Company for any reason shall not release any party from any liability which at the time of such termination, dissolution, liquidation or winding up already had accrued to any other party or which thereafter may accrue in respect to any act or omission prior to such termination, dissolution, liquidation or winding up.

ARTICLE 13
MISCELLANEOUS

Section 13.01. *Expenses*. Other than as set forth in Section 4.12 of the Reorganization Agreement or as provided for in the Tax Receivable Agreement, the Company shall (a) pay, or cause to be paid, all costs, fees, operating expenses, administrative expenses and other expenses of the Company (including the costs, fees and expenses of attorneys, accountants or other professionals and the compensation of all personnel providing services to the Company) incurred in pursuing and conducting, or otherwise related to, the business of the Company and (b) in the sole discretion of the

Managing Member, reimburse the Managing Member for any out-of-pocket costs, fees and expenses incurred by it or its Subsidiaries in connection therewith. To the extent that the Managing Member reasonably determines in good faith that its expenses are related to the business conducted by the Company and/or its subsidiaries, then the Managing Member may cause the Company to pay or bear all such expenses of the Managing Member or its Subsidiaries, including, (i) costs of any securities offerings (including any underwriters discounts and commissions), investment or acquisition transaction (whether or not successful) not borne directly by Members, (ii) compensation and meeting costs of its board of directors, (iii) cost of periodic reports to its stockholders, (iv) any judgments, settlements, penalties, fines or other costs and expenses in respect of any claims against, or any litigation or proceedings involving, Pubco, (v) accounting and legal costs, (vi) franchise taxes (which are not based on, or measured by, income), (vii) payments in respect of Indebtedness and preferred stock, to the extent the proceeds are used or will be used by Pubco or its Subsidiaries to pay expenses or other obligations described in this Section 13.01 (in either case only to the extent economically equivalent Indebtedness or Equity Securities of the Company were not issued to Pubco or its Subsidiaries), (viii) payments representing interest with respect to payments not made when due under the terms of the Tax Receivable Agreement and (ix) other fees and expenses in connection with the maintenance of the existence of Pubco and its Subsidiaries (including any costs or expenses associated with being a public company listed on a national securities exchange), *provided* that the Company shall not pay or bear any income tax obligations of the Managing Member or its Subsidiaries pursuant to this provision. Payments under this Section 13.01 are intended to constitute reasonable compensation for past or present services and are not “distributions” within the meaning of §18-607 of the Delaware Act.

Section 13.02. *Further Assurances*. Each Member agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be required by Applicable Law or as, in the reasonable judgment of the Managing Member, may be necessary or advisable to carry out the intent and purposes of this Agreement.

Section 13.03. *Notices*. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail (“**e-mail**”) transmission, so long as a receipt of such e-mail is requested and received) and shall be given to such party at the address, facsimile number or e-mail address specified for such party on the Member Schedule hereto or, or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt. All such notices, requests and other communications to any party hereunder shall be given to such party as follows:

If to [●] addressed to it at:

[●]

With copies (which shall not constitute notice) to:

[Counsel]

If to [●] addressed to it at:

[●]

With copies (which shall not constitute actual notice) to:

[Counsel]

If to Pubco or the Company:

1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Telephone: [****]
Attention: Ryan Langston
E-mail: [****]

With copies (which shall not constitute actual notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Richard D. Truesdell, Jr.
Facsimile: [****]
E-mail: [****]

Section 13.04. *Binding Effect; Benefit; Assignment*. (a) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns.

(b) Except as provided in Article 8, no Member may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the Managing Member.

Section 13.05. *Jurisdiction*. (a) The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby (whether brought by any party or any of its Affiliates or against any party or any of its Affiliates) shall be brought in the Delaware Chancery Court or, if such court shall not have jurisdiction, any federal court located in the State of Delaware or other Delaware state court, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or

proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 12.03 shall be deemed effective service of process on such party.

(b) EACH OF THE COMPANY AND THE MEMBERS HEREBY IRREVOCABLY DESIGNATES CORPORATION SERVICE COMPANY (IN SUCH CAPACITY, THE "PROCESS AGENT"), WITH AN OFFICE AT CORPORATION SERVICE COMPANY, 251 LITTLE FALLS DRIVE, CITY OF WILMINGTON, COUNTY OF NEW CASTLE, DELAWARE 19808, AS ITS DESIGNEE, APPOINTEE AND AGENT TO RECEIVE, FOR AND ON ITS BEHALF SERVICE OF PROCESS IN SUCH JURISDICTION IN ANY LEGAL ACTION OR PROCEEDINGS WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION WITH THIS AGREEMENT, AND SUCH SERVICE SHALL BE DEEMED COMPLETE UPON DELIVERY THEREOF TO THE PROCESS AGENT; PROVIDED THAT IN THE CASE OF ANY SUCH SERVICE UPON THE PROCESS AGENT, THE PARTY EFFECTING SUCH SERVICE SHALL ALSO DELIVER A COPY THEREOF TO EACH OTHER SUCH PARTY IN THE MANNER PROVIDED IN SECTION 12.03 OF THIS AGREEMENT. EACH PARTY SHALL TAKE ALL SUCH ACTION AS MAY BE NECESSARY TO CONTINUE SAID APPOINTMENT IN FULL FORCE AND EFFECT OR TO APPOINT ANOTHER AGENT SO THAT SUCH PARTY SHALL AT ALL TIMES HAVE AN AGENT FOR SERVICE OF PROCESS FOR THE ABOVE PURPOSES IN WILMINGTON, DELAWARE. NOTHING HEREIN SHALL AFFECT THE RIGHT OF ANY PARTY TO SERVE PROCESS IN ANY MANNER PERMITTED BY APPLICABLE LAW. EACH PARTY EXPRESSLY ACKNOWLEDGES THAT THE FOREGOING WAIVER IS INTENDED TO BE IRREVOCABLE UNDER THE LAWS OF THE STATE OF DELAWARE AND OF THE UNITED STATES OF AMERICA.

Section 13.06. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.07. *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 13.08. *Entire Agreement*. This Agreement and the Reorganization Documents constitute the entire agreement between the parties with respect to the subject

matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement. Nothing in this Agreement shall create any third-party beneficiary rights in favor of any Person or other party, except to the extent provided herein with respect to Indemnitee Related Entities, each of whom are intended third-party beneficiaries of those provisions that specifically related to them with the right to enforce such provisions as if they were a party hereto.

Section 13.09. *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

Section 13.10. *Amendment*. (a) This Agreement can be amended at any time and from time to time by written instrument signed by each of the Members who together own a majority in interest of the Units then outstanding, *provided* that no amendment to this Agreement may adversely modify in any material respect the Units (or the rights, preferences or privileges of the Units) then held by any Members in any materially disproportionate manner to those then held by any other Members without the prior written consent of a majority in interest of such disproportionately affected Member or Members.

(b) For the avoidance of doubt: (i) the Managing Member, acting alone, may amend this Agreement, including the Member Schedule, (x) to reflect the admission of new Members or Transfers of Units, each as provided by and in accordance with, the terms of this Agreement and (y) to effect any subdivisions or combinations of Units made in compliance with Section 4.02(c) and (z) to issue additional LLC Units or any new class of Units (whether or not pari passu with the LLC Units) in accordance with the terms of this Agreement and to provide that the Members being issued such new Units be entitled to the rights provided to Members; and (ii) any merger, consolidation or other business combination that constitutes a Disposition Event (as such term is defined in the certificate of incorporation of Pubco) in which the Non-Pubco Members are required to exchange all of their LLC Units pursuant to Section [●] of this Agreement and receive consideration in such Disposition Event in accordance with the terms of this Agreement and Section [●] of this Agreement shall not be deemed an amendment hereof; *provided*, that such amendment is only effective upon consummation of such Disposition Event.

(c) No waiver of any provision or default under, nor consent to any exception to, the terms of this Agreement or any agreement contemplated hereby shall be effective unless in writing and signed by the party to be bound and then only to the specific purpose, extent and instance so provided.

Section 13.11. *Confidentiality*. (a) Each Member shall, and shall direct those of its Affiliates and their respective directors, officers, members, stockholders, partners, employees, attorneys, accountants, consultants, trustees and other advisors (the "**Member Parties**") who have access to Confidential Information to, keep confidential and not disclose any Confidential Information to any Person other than a Member Party who agrees to keep such Confidential Information confidential in accordance with this Section 13.11, in each case without the express consent, in the case of Confidential Information acquired from the Company, of the Managing Member or, in the case of Confidential Information acquired from another Member, such other Member, unless:

(i) such disclosure shall be required by Applicable Law;

(ii) such disclosure is reasonably required in connection with any tax audit involving the Company or any Member or its Affiliates;

(iii) such disclosure is reasonably required in connection with any litigation against or involving the Company or any Member; or

(iv) such disclosure is reasonably required in connection with any proposed Transfer of all or any part of such Member's Units in the Company; *provided* that with respect to any such use of any Confidential Information referred to in this clause (iv), advance notice must be given to the Managing Member so that it may require any proposed Transferee that is not a Member to enter into a confidentiality agreement with terms substantially similar to the terms of this Section 13.11 (excluding this clause (iv)) prior to the disclosure of such Confidential Information.

(v) such disclosure is of financial and other information of the type typically disclosed to limited partners and limited liability company members (and prospective transferees or investors thereof) and is made to the partners or members of, and/or prospective investors in, Affiliates of the Members and such partner, Member or prospective investor is bound by the confidentiality provisions of a customary non-disclosure agreement entered into with the disclosing party that covers the Confidential Information so disclosed.

(b) "**Confidential Information**" means any information related to the activities of the Company, the Members and their respective Affiliates that a Member may acquire from the Company or the Members, other than information that (i) is already available through publicly available sources of information (other than as a result of disclosure by such Member), (ii) was available to a Member on a non-confidential basis prior to its disclosure to such Member by the Company, or (iii) becomes available to a Member on a non-confidential basis from a third party, provided such third party is not known by such Member, after reasonable inquiry, to be bound by this Agreement or another confidentiality agreement with the Company. Such Confidential Information may include information that pertains or relates to the business and affairs of any other Member or any other Company matters. Confidential Information may be used by a Member and its

Member Parties only in connection with Company matters and in connection with the maintenance of its interest in the Company.

(c) In the event that any Member or any Member Parties of such Member is required to disclose any of the Confidential Information, such Member shall use reasonable efforts to provide the Company with prompt written notice so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement, and such Member shall use reasonable efforts to cooperate with the Company in any effort any such Person undertakes to obtain a protective order or other remedy. In the event that such protective order or other remedy is not obtained, or that the Company waives compliance with the provisions of this Section 13.11, such Member and its Member Parties shall furnish only that portion of the Confidential Information that is legally required and shall exercise all reasonable efforts to obtain reasonably reliable assurance that the Confidential Information shall be accorded confidential treatment.

(d) Notwithstanding anything in this Agreement to the contrary, each Member may disclose to any persons the U.S. federal income tax treatment and tax structure of the Company and the transactions set out in the Reorganization Documents. For this purpose, "tax structure" is limited to any facts relevant to the U.S. federal income tax treatment of the Company and does not include information relating to the identity of the Company or any Member.

Section 13.12. *Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State that would result in the application of the laws of any other State.

ARTICLE 14
ARBITRATION

Section 14.01. *Title*. The Members shall attempt in good faith to resolve all claims, disputes and other disagreements arising hereunder (each, a "**Dispute**") by negotiation. If a Dispute between Members cannot be resolved in such manner, such Dispute shall, at the request of any Member, after providing written notice to the other Members party to the Dispute, be submitted to arbitration in The City of New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceeding shall be confidential. The party initially asserting the Dispute (the "**Initiating Party**") shall notify the other party (the "**Responding Party**") of the name and address of the arbitrator chosen by the Initiating Party and shall specifically describe the Dispute in issue to be submitted to arbitration. Within 30 days of receipt of such notification, the Responding Party shall notify the Initiating Party of its answer to the Dispute, any counterclaim which it wishes to assert in the arbitration and the name and address of the arbitrator chosen by the Responding Party. If the Responding Party does not appoint an arbitrator during such 30-day period, appointment of the second arbitrator shall be made by the American Arbitration Association upon request of the Initiating Party. The two arbitrators so chosen or

appointed shall choose a third arbitrator, who shall serve as president of the panel of arbitrators (the "**Panel**") thus composed. If the two arbitrators so chosen or appointed fail to agree upon the choice of a third arbitrator within 30 days from the appointment of the second arbitrator, the third arbitrator will be appointed by the American Arbitration Association upon the request of the arbitrators or either of the parties. In all cases, the arbitrators must be persons who are knowledgeable about, and have recognized ability and experience in dealing with, the subject matter of the Dispute. The arbitrators will act by majority decisions. Any decision of the arbitrators shall (a) be rendered in writing and shall bear the signatures of at least two arbitrators, and (b) identify the members of the Panel. Absent fraud or manifest error, any such decision of the Panel shall be final, conclusive and binding on the parties to the arbitration and enforceable by a court of competent jurisdiction. The expenses of the arbitration shall be borne equally by the parties to the arbitration; *provided, however*, that each party shall pay for and bear the costs of its own experts, evidence and legal counsel, unless the arbitrator rules otherwise in the arbitration. The parties shall complete all discovery within 30 days after the Panel is composed, shall complete the presentation of evidence to the Panel within 15 days after the completion of discovery, and a final decision with respect to the matter submitted to arbitration shall be rendered within 15 days after the completion of presentation of evidence. The Members shall cause to be kept a record of the proceedings of any matter submitted to arbitration hereunder.

ARTICLE 15
REPRESENTATIONS OF MEMBERS

Section 15.01. *Representations of Members*. Each Member (unless otherwise noted) to which a Unit is issued as of the date of this Agreement represents and warrants to the Company as follows:

(a) The Units issued to such Member, if any, are being acquired for investment for such Member's own account, not as a nominee or agent, and not with a view to or for sale in connection with the distribution thereof.

(b) Such Member has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the Member's investment in the Units; such Member has the ability to bear the economic risks of such investment; such Member has the capacity to protect its own interests in connection with the transactions contemplated by this Agreement; and such Member has had an opportunity to ask questions and to obtain such financial and other information regarding the Company as such Member deems necessary or appropriate in connection with evaluating the merits of the investment in the Units. Such Member acknowledges that the Units have not been and will not be registered under the Securities Act or under any state securities act and may not be transferred except in compliance with the Securities Act and all applicable state laws.

(c) Each Member qualifies as an Accredited Investor within the meaning of Regulation D promulgated under the Securities Act or the acquisition of its interest

otherwise qualifies under an applicable exemption from registration under the Securities Act.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Limited Liability Company Agreement to be duly executed as of the day and year first written above.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

[*Signature Page to the Amended and Restated LLC Agreement of Goosehead Financial, LLC*]

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON
FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN
FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES
FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY
TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

SCHEDULE A – MEMBER SCHEDULE

Member	LLC Units (%)	Reorganization Date Capital Account Balance
Goosehead Insurance, Inc., as Managing Member	N/A	N/A
Mark E. Jones	[●] ([__]%)	[●]
Robyn Jones	[●] ([__]%)	[●]
Michael C. Colby	[●] ([__]%)	[●]
Jeffrey Saunders		
The Mark and Robyn Jones Descendants Trust 2014		
Lanni Elaine Romney Family Trust 2014		
Lindy Jean Langston Family Trust 2014		
Camille LaVaun Peterson Family Trust 2014		
Desiree Robyn Coleman Family Trust 2014		
Adrienne Morgan Jones Family Trust 2014		
Mark Evan Jones, Jr. Family Trust 2014		
The estate of Doug Jones		
Lanni Romney		
Lindy Langston		

Camille Peterson		
Desiree Coleman		
Adrienne Jones		
Mark E. Jones, Jr.		
Colby 2014 Family Trust		
Preston Michael Colby 2014 Trust		
Lyla Kate Colby 2014 Trust		
Texas Wasatch Insurance Partners, L.P.		
Max and Dane, LLC		
Evan and Jake, LLC		

Exhibit R

Form of First Goosehead Financial, LLC Contribution Agreement

[Attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement (this "**Agreement**") is entered into as of [·], 2018 by and between Goosehead Financial, LLC, a Delaware limited liability company (the "**Company**") and Max and Dane, LLC, a Delaware limited liability company (the "**Contributing Party**").

W I T N E S S E T H:

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**");

WHEREAS, the Contributing Party owns 99.9% of the limited liability company interests of Goosehead Management, LLC, a Delaware limited liability company ("**Goosehead Management**"), (the "**Goosehead Management Interests**") and 100% of the limited liability company interests of GHM Holdings, LLC, a Delaware limited liability company (the "**GHM Holdings, LLC Interests**, and together with the Goosehead Management Interests, the "**Interests**"), and the Contributing Party desires to contribute the Interests to the Company in exchange for [·] limited liability company units of the Company (the "**LLC Units**"), with the rights, privileges and obligations set forth in the Amended and Restated Limited Liability Company Agreement of the Company as in effect on the date hereof; and

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Contribution of Interests*. The Contributing Party hereby contributes, assigns, transfers and conveys all of the Contributing Party's right, title and interest in and to all of the Interests held by the Contributing Party, and the Company hereby accepts and assumes, all of such Contributing Party's right, title and interest in and to such Interests.

2. *Transfer of Goosehead Management Interests*. Pursuant to Section 8.01(a) of the Amended and Restated Limited Liability Company Agreement of Goosehead Management, the Company, in its capacity as transferee hereunder, hereby agrees to be bound by the terms and conditions thereof.

3. *Transfer of GHM Holdings, LLC Interests*. The Company, in its capacity as transferee hereunder, hereby agrees to be bound by the terms and conditions of the Limited Liability Company Agreement of GHM Holdings, LLC, as amended, supplemented or restated, pursuant to Section 16 thereof.

4. *Issuance of LLC Units*. As consideration for the contribution to the Company by the Contributing Party of such consideration pursuant to the terms of this Agreement, the Company hereby issues [·] LLC Units to the Contributing Party.

5. *Representations and Warranties of the Contributing Party*. The Contributing Party represents and warrants to the Company that:

(a) The Interests held by such Contributing Party are being transferred to the Company free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. As of the execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to the Company.

(b) The Contributing Party is validly organized and existing under the laws of its state of organization and has all requisite limited liability company power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Contributing Party.

(c) The execution, delivery and performance by the Contributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

(d) The Contributing Party understands that (A) the LLC Units have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from registration is available, and (B) there is no existing public or other market for the LLC Units and there can be no assurance that the Contributing Party will be able to sell or dispose of its LLC Units.

(e) The LLC Units are being acquired for the Contributing Party's own account and without a view to the public distribution of such LLC Units or any interest therein other than as permitted under applicable law.

(f) The Contributing Party is an "accredited investor" as such term is defined in Regulation D under the Securities Act. The Contributing Party has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the LLC Units and the Contributing Party is capable of bearing the economic risks of such investment, including a complete loss of its investment in the LLC Units.

(g) The Contributing Party has been given the opportunity to ask questions of, and receive answers from, the Company concerning the Company,

the terms and conditions of the LLC Units and other related matters. The Contributing Party further represents and warrants to the Company that the Company has made available to the Contributing Party or its agents all documents and information relating to an investment in the LLC Units that the Contributing Party believed to be necessary or appropriate for its investment in the Company.

(h) The Contributing Party understands that its investment in the Company and the LLC Units involves a high degree of risk and is therefore a speculative investment, and the Contributing Party is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(i) The Contributing Party has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

6. *Representations and Warranties of the Company*. The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

(d) The LLC Units to be issued to the Contributing Party are (i) validly issued, and (ii) duly authorized, fully paid and nonassessable, free and clear of any and all Liens except for any restrictions set forth in the organizational documents of the Company and transfer restrictions under applicable securities laws.

7. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this

Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the

application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

MAX AND DANE, LLC

By: _____
Name:
Title:

GOOSEHEAD FINANCIAL, LLC

By: _____
Name:
Title:

[Signature Page to First Goosehead Financial, LLC Contribution Agreement]

Exhibit S

Form of Second Goosehead Financial, LLC Contribution Agreement

[Attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement (this "**Agreement**") is entered into as of [·], 2018 by and between Goosehead Financial, LLC, a Delaware limited liability company (the "**Company**") and Evan and Jake, LLC, a Delaware limited liability company (the "**Contributing Party**").

W I T N E S S E T H:

WHEREAS, Goosehead Insurance, Inc. intends to consummate an initial public offering of its Class A common stock (the "**IPO**");

WHEREAS, the Contributing Party owns 99.9% of the limited liability company interests of Texas Wasatch Insurance Holdings Group, LLC, a Texas limited liability company ("**TWIHG**"), (the "**Texas Wasatch Interests**") and 100% of the limited liability company interests of TWIHG Holdings, LLC, a Delaware limited liability company (the "**TWIHG Holdings, LLC Interests**, and together with the Texas Wasatch Interests, the "**Interests**"), and the Contributing Party desires to contribute the Interests to the Company in exchange for [·] limited liability company units of the Company (the "**LLC Units**"), with the rights, privileges and obligations set forth in the Amended and Restated Limited Liability Company Agreement of the Company as in effect on the date hereof; and

NOW THEREFORE, in consideration of the premises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

1. *Contribution of Interests*. The Contributing Party hereby contributes, assigns, transfers and conveys all of the Contributing Party's right, title and interest in and to all of the Interests held by the Contributing Party, and the Company hereby accepts and assumes, all of such Contributing Party's right, title and interest in and to such Interests.

2. *Transfer of Texas Wasatch Interests*. Pursuant to Section 8.01(a) of the Third Amended and Restated Regulations of TWIHG, the Company, in its capacity as transferee hereunder, hereby agrees to be bound by the terms and conditions thereof.

3. *Transfer of TWIHG Holdings, LLC Interests*. The Company, in its capacity as transferee hereunder, hereby agrees to be bound by the terms and conditions of the Limited Liability Company Agreement of TWIHG Holdings, LLC, as amended, supplemented or restated, pursuant to Section 16 thereof.

4. *Issuance of LLC Units*. As consideration for the contribution to the Company by the Contributing Party of such consideration pursuant to the terms of this Agreement, the Company hereby issues [·] LLC Units to the Contributing Party.

5. *Representations and Warranties of the Contributing Party*. The Contributing Party represents and warrants to the Company that:

(a) The Interests held by such Contributing Party are being transferred to the Company free and clear of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**"), other than transfer restrictions under applicable securities laws. As of the execution of this Agreement, valid title to such Interests, free and clear of all Liens and adverse interests, will pass to the Company.

(b) The Contributing Party is validly organized and existing under the laws of its state of organization and has all requisite limited liability company power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of such Contributing Party.

(c) The execution, delivery and performance by the Contributing Party of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of such person; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any agreement or order binding on such person.

(d) The Contributing Party understands that (A) the LLC Units have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") and, therefore, cannot be resold unless they are registered under the Securities Act or unless an exemption from registration is available, and (B) there is no existing public or other market for the LLC Units and there can be no assurance that the Contributing Party will be able to sell or dispose of its LLC Units.

(e) The LLC Units are being acquired for the Contributing Party's own account and without a view to the public distribution of such LLC Units or any interest therein other than as permitted under applicable law.

(f) The Contributing Party is an "accredited investor" as such term is defined in Regulation D under the Securities Act. The Contributing Party has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the LLC Units and the Contributing Party is capable of bearing the economic risks of such investment, including a complete loss of its investment in the LLC Units.

(g) The Contributing Party has been given the opportunity to ask questions of, and receive answers from, the Company concerning the Company,

the terms and conditions of the LLC Units and other related matters. The Contributing Party further represents and warrants to the Company that the Company has made available to the Contributing Party or its agents all documents and information relating to an investment in the LLC Units that the Contributing Party believed to be necessary or appropriate for its investment in the Company.

(h) The Contributing Party understands that its investment in the Company and the LLC Units involves a high degree of risk and is therefore a speculative investment, and the Contributing Party is able to bear the economic risk of such investment for an indefinite period of time, and is presently able to afford the complete loss of such investment.

(i) The Contributing Party has not had a "disqualifying event" described in Securities Act Rule 506(d)(1) subsections (i) through (viii).

6. *Representations and Warranties of the Company*. The Company represents and warrants to each Contributing Party that:

(a) The Company is validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and all material governmental licenses, authorizations, permits, consents and approvals required to carry on its business as it is currently being conducted, and as described in the organizational documents of the Company.

(b) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, are within its limited liability company powers and have been duly authorized by all necessary limited liability company action. Upon execution by each of the parties to this Agreement, this Agreement will constitute the valid and binding agreement of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, do not (i) contravene or conflict with, or constitute a violation of the organizational documents of the Company; or (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on the Company.

(d) The LLC Units to be issued to the Contributing Party are (i) validly issued, and (ii) duly authorized, fully paid and nonassessable, free and clear of any and all Liens except for any restrictions set forth in the organizational documents of the Company and transfer restrictions under applicable securities laws.

7. *General Provisions*.

(a) *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this

Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

(b) *Assignment*. Neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

(c) *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of New York, without regard to the conflicts of law rules of such state.

(d) *Consent to Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(e) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the

application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(g) *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

(h) *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof.

(i) *Amendment; Waiver*. No provision of this Agreement may be amended unless such amendment is approved in writing by the parties hereto. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

EVAN AND JAKE, LLC

By: _____
Name:
Title:

GOOSEHEAD FINANCIAL, LLC

By: _____
Name:
Title:

[Signature Page to Second Goosehead Financial, LLC Contribution Agreement]

Exhibit T

Form of Registration Rights Agreement

[Attached]

REGISTRATION RIGHTS AGREEMENT

by and among

the Persons listed on Schedule A hereto

and

GOOSEHEAD INSURANCE, INC.

Dated as of [●], 2018

This REGISTRATION RIGHTS AGREEMENT, dated as of [•], 2018 (as it may be amended from time to time, this "**Agreement**"), is made among Goosehead Insurance, Inc., a Delaware corporation (the "**Company**"); the shareholders listed on Schedule A hereto and any transferee of Registrable Securities to whom any Person who is a party to this Agreement shall Assign any rights hereunder in accordance with Section 4.5 (each such Person, a "**Holder**"). Capitalized terms used in this Agreement without definition have the meaning set forth in Section 1.

1. Certain Definitions. As used herein, the following terms shall have the following meanings:

"**Additional Piggyback Rights**" has the meaning set forth in Section 2.2(c).

"**Affiliate**" means with respect to any Person, any Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person.

"**Agreement**" has the meaning set forth in the preamble.

"**Assign**" means to directly or indirectly sell, transfer, assign, distribute, exchange, pledge, hypothecate, mortgage, grant a security interest in, encumber or otherwise dispose of Registrable Securities, whether voluntarily or by operation of law, including by way of a merger. "**Assignor**," "**Assignee**," "**Assigning**" and "**Assignment**" have meanings corresponding to the foregoing.

"**automatic shelf registration statement**" has the meaning set forth in Section 2.4.

"**Board**" means the Board of Directors of the Company.

"**Business Day**" means any day other than a Saturday, Sunday or day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

"**Carryover Amount**" for any Holder means, with respect to any registered offering in which such Holder elected not to participate after receipt of a notice under Section 2.2(a), a number of Registrable Securities equal to the number of Registrable Securities then held by such Holder, multiplied by a fraction (expressed as a percentage), the numerator of which is equal to the number of Registrable Securities sold by the Holder that sold the most Registrable Securities in such offering and the denominator of which is the number of Registrable Securities held by such Holder immediately prior to such offering.

"**Claims**" has the meaning set forth in Section 2.9(a).

"**Company Shares**" means Class A common stock of the Company, par value $0.01 per share, and any and all securities of any kind whatsoever of the Company that may be issued by the Company after the date hereof in respect of, in exchange for, or in substitution of, Company Shares, pursuant to any stock dividends, splits, reverse splits,

combinations, reclassifications, recapitalizations, reorganizations and the like occurring after the date hereof.

"**Company Shares Equivalents**" means all options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject) Company Shares or other equity securities of the Company (including, without limitation, any note or debt security convertible into or exchangeable for Company Shares or other equity securities of the Company) and any LLC Units.

"**Company**" has the meaning set forth in the preamble.

"**Demand Exercise Notice**" has the meaning set forth in Section 2.1(a).

"**Demand Registration**" has the meaning set forth in Section 2.1(a).

"**Demand Registration Request**" has the meaning set forth in Section 2.1(a).

"**Exchange**" means the exchange of shares of Class B Common Stock, par value $0.01 per share, of the Company (together with LLC Units) for shares of Class A Common Stock, par value $0.01 per share of the Company, pursuant to the LLC Agreement.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Expenses**" means any and all fees and expenses incident to the Company's performance of or compliance with Article 2, including, without limitation: (i) SEC, stock exchange or FINRA registration and filing fees and all listing fees and fees with respect to the inclusion of securities on the Nasdaq Global Market or on any other securities market on which the Company Shares are listed or quoted, (ii) fees and expenses of compliance with state securities or "blue sky" laws and in connection with the preparation of a "blue sky" survey, including, without limitation, reasonable fees and expenses of outside "blue sky" counsel, (iii) printing and copying expenses, (iv) messenger and delivery expenses, (v) expenses incurred in connection with any road show, (vi) fees and disbursements of counsel for the Company, (vii) with respect to each registration, the fees and disbursements of one counsel for the Participating Holder(s) (selected by the Majority Participating Holders), (viii) fees and disbursements of all independent public accountants (including the expenses of any audit and/or comfort letter and updates thereof) and fees and expenses of other Persons, including special experts, retained by the Company, (ix) fees and expenses payable to any Qualified Independent Underwriter, (x) any other fees and disbursements of underwriters, if any, customarily paid by issuers or sellers of securities (excluding, for the avoidance of doubt, any underwriting discount or spread) and (xi) expenses for securities law liability insurance and any rating agency fees.

"**FINRA**" means the Financial Industry Regulatory Authority.

"**Fully-Diluted Basis**" means, with respect to the Company Shares, all issued and outstanding Company Shares and all Company Shares issuable in respect of securities convertible into or exchangeable for such Company Shares, all stock appreciation rights, options, warrants and other rights to purchase or subscribe for such Company Shares or securities convertible into or exchangeable for such Company Shares, including any of the foregoing stock appreciation rights, options, warrants or other rights to purchase or subscribe for such Company Shares that are subject to vesting.

"**Holder**" or "**Holders**" has the meaning set forth in the preamble.

"**Initiating Holder(s)**" has the meaning set forth in Section 2.1(a).

"**IPO**" means the first underwritten public offering of the common stock of the Company to the general public pursuant to a registration statement filed with the SEC completed on or about the date of this Agreement.

"**LLC**" means Goosehead Financial, LLC, a Delaware limited liability company and its successors.

"**LLC Agreement**" means the Limited Liability Agreement of Goosehead Financial, LLC, a Delaware limited liability company.

"**LLC Unit**" means a common limited liability interest in the LLC or any other class of limited liability interests in the LLC.

"**Litigation**" means any action, proceeding or investigation in any court or before any governmental authority.

"**Lock-Up Agreement**" means any agreement entered into by a Holder that provides for restrictions on the transfer of Registrable Securities held by such Holder.

"**Majority Participating Holders**" means the Participating Holders holding more than 50% of the Registrable Securities proposed to be included in such offering.

"**Manager**" has the meaning set forth in Section 2.1(c).

"**Participating Holders**" means all Holders of Registrable Securities which are proposed to be included in any registration or offering of Registrable Securities pursuant to Section 2.1 or Section 2.2.

"**Person**" means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, governmental entity or agency or other entity of any kind or nature.

"**Piggyback Shares**" has the meaning set forth in Section 2.3(a)(iv).

"**Qualified Independent Underwriter**" means a "qualified independent underwriter" within the meaning of FINRA Rule 5121.

"**Registrable Securities**" means any Company Shares held by the Holders at any time (including those held as a result of the conversion or exercise of Company Shares Equivalents) and any Company Shares issuable upon an Exchange; *provided* that, as to any Registrable Securities held by a particular Holder, such securities shall cease to be Registrable Securities when (A) a registration statement with respect to the sale of such securities shall have been declared effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, or (B) such securities are eligible to be sold by such Holder in a single transaction in compliance with the requirements of Rule 144 under the Securities Act, as such Rule 144 may be amended (or any successor provision thereto). For the avoidance of doubt, it being understood that any Company Share issuable upon an Exchange shall be considered a Registrable Security and held by the Holder of the LLC Unit with respect to which it is issuable for all purposes hereunder prior to its issuance.

"**Rule 144**" and "**Rule 144A**" have the meaning set forth in Section 4.2.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Section 2.3(a) Sale Number**" has the meaning set forth in Section 2.3(a).

"**Section 2.3(b) Sale Number**" has the meaning set forth in Section 2.3(b).

"**Section 2.3(c) Sale Number**" has the meaning set forth in Section 2.3(c).

"**Securities Act**" means the United States Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

"**Stockholders Agreement**" means the Stockholders Agreement, dated as of the date hereof, by and among the Company and the other parties thereto.

"**Subsidiary**" means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof.

"**Transfer**" means, with respect to any Company Shares, (i) when used as a verb, to sell, assign, dispose of, exchange, pledge, mortgage, encumber, hypothecate or otherwise transfer, in whole or in part, any of the economic consequences of ownership of such Company Shares, whether directly or indirectly, or agree or commit to do any of the foregoing and (ii) when used as a noun, a direct or indirect sale, assignment, disposition, exchange, pledge, mortgage, encumbrance, hypothecation or other transfer, in whole or in part, of any of the economic consequences of ownership of such Company Shares or any agreement or commitment to do any of the foregoing. For the avoidance of doubt, a transfer, sale, exchange, assignment, pledge, hypothecation or other encumbrance or other disposition of an interest in any Holder, or direct or indirect parent thereof, all or substantially all of whose assets are, directly or indirectly, Company Shares shall constitute a "Transfer" of Company Shares for purposes of this Agreement. For the avoidance of doubt, a transfer, sale, exchange, assignment, pledge, hypothecation or other

encumbrance or other disposition of an interest in any Holder, or direct or indirect parent thereof, which has substantial assets in addition to Company Shares shall not constitute a "Transfer" of Company Shares for purposes of this Agreement.

"**Valid Business Reason**" has the meaning set forth in Section 2.1(a)(iii).

"**WKSI**" has the meaning set forth in Section 2.4.

2. Registration Rights.

2.1. *Demand Registrations*. (a) If the Company shall receive from any Holder or group of Holders holding at least 50% of the Registrable Securities, in either case at any time beginning 180 days after the closing of the IPO, a written request that the Company file a registration statement with respect to Registrable Securities (a "**Demand Registration Request**," and the registration so requested is referred to herein as a "**Demand Registration**," and the sender(s) of such request pursuant to this Agreement shall be known as the "**Initiating Holder(s)**"), then the Company shall, within five Business Days of the receipt thereof, give written notice (the "**Demand Exercise Notice**") of such request to all other Holders, and subject to the limitations of this Section 2.1, use its reasonable best efforts to effect, as soon as practicable, the registration under the Securities Act (including, without limitation, by means of a shelf registration pursuant to Rule 415 thereunder if so requested and if the Company is then eligible to use such a registration) of all Registrable Securities that the Holders request to be registered. There is no limitation on the number of Demand Registrations pursuant to this Section 2.1 which the Company is obligated to effect. However, the Company shall not be obligated to take any action to effect any Demand Registration:

(i) within three months after a Demand Registration pursuant to this Section 2.1 that has been declared or ordered effective;

(ii) during the period starting with the date 15 days prior to its good faith estimate of the date of filing of, and ending on a date 90 days after the effective date of, a Company-initiated registration (other than a registration relating solely to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or to an SEC Rule 145 transaction), *provided* that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective;

(iii) where the anticipated offering price, before any underwriting discounts or commissions and any offering-related expenses, is equal to or less than $25,000,000;

(iv) if the Company shall furnish to such Holders a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of the Board, any registration of Registrable Securities should not be made or continued (or sales under a shelf registration statement should be suspended) because (i) such registration (or continued sales under a shelf registration statement) would materially interfere with a material financing, acquisition, corporate reorganization or merger or

other material transaction or event involving the Company or any of its subsidiaries or (ii) the Company is in possession of material non-public information, the disclosure of which has been determined by the Board to not be in the Company's best interests (in either case, a "**Valid Business Reason**"), then (x) the Company may postpone filing a registration statement relating to a Demand Registration Request or suspend sales under an existing shelf registration statement until five Business Days after such Valid Business Reason no longer exists, but in no event for more than 90 days after the date the Board determines a Valid Business Reason exists and (y) in case a registration statement has been filed relating to a Demand Registration Request, if the Valid Business Reason has not resulted from actions taken by the Company, the Company may cause such registration statement to be withdrawn and its effectiveness terminated or may postpone amending or supplementing such registration statement until five Business Days after such Valid Business Reason no longer exists, but in no event for more than 90 days after the date the Board determines a Valid Business Reason exists; and the Company shall give written notice to the Participating Holders of its determination to postpone or withdraw a registration statement or suspend sales under a shelf registration statement and of the fact that the Valid Business Reason for such postponement, withdrawal or suspension no longer exists, in each case, promptly after the occurrence thereof; *provided, however*, that the Company shall not defer its obligation in this manner for more than 90 days in any 12 month period; or

(v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

If the Company shall give any notice of postponement, withdrawal or suspension of any registration statement pursuant to clause (iv) of this Section 2.1(a), the Company shall not, during the period of postponement, withdrawal or suspension, register any Company Shares, other than pursuant to a registration statement on Form S-4 or S-8 (or an equivalent registration form then in effect). Each Holder of Registrable Securities agrees that, upon receipt of any notice from the Company that the Company has determined to withdraw any registration statement pursuant to clause (iv) of this Section 2.1(a), such Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement and, if so directed by the Company, will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Holder's possession of the prospectus covering such Registrable Securities that was in effect at the time of receipt of such notice. If the Company shall have withdrawn or prematurely terminated a registration statement filed pursuant to a Demand Registration (whether pursuant to clause (iv) of this Section 2.1(a) or as a result of any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court), the Company shall not be considered to have effected an effective registration for the purposes of this Agreement until the Company shall have filed a new registration statement covering the Registrable Securities covered by the withdrawn registration statement and such registration statement shall have been declared effective and shall not have been withdrawn. If the Company shall give any notice of withdrawal or postponement of a registration statement, the Company shall, not later than five Business

Days after the Valid Business Reason that caused such withdrawal or postponement no longer exists (but in no event later than 90 days after the date of the postponement or withdrawal), use its reasonable best efforts to effect the registration under the Securities Act of the Registrable Securities covered by the withdrawn or postponed registration statement in accordance with Section 2.1 (unless the Initiating Holders shall have withdrawn such request, in which case the Company shall not be considered to have effected an effective registration for the purposes of this Agreement), and such registration shall not be withdrawn or postponed pursuant to clause (iv) of this Section 2.1(a).

(b)

(i) The Company, subject to Sections 2.3 and 2.6, shall include in a Demand Registration (x) the Registrable Securities of the Initiating Holders and (y) the Registrable Securities of any other Holder of Registrable Securities, which shall have made a written request to the Company for inclusion in such registration pursuant to Section 2.2 (which request shall specify the maximum number of Registrable Securities intended to be disposed of by such Participating Holder) within ten Business Days after the receipt of the Demand Exercise Notice.

(ii) The Company shall, as expeditiously as possible, but subject to the limitations set forth in this Section 2.1, use its reasonable best efforts to (x) effect such registration under the Securities Act (including, without limitation, by means of a shelf registration pursuant to Rule 415 under the Securities Act if so requested and if the Company is then eligible to use such a registration) of the Registrable Securities which the Company has been so requested to register, for distribution in accordance with such intended method of distribution and (y) if requested by the Majority Participating Holders, obtain acceleration of the effective date of the registration statement relating to such registration.

(c) In connection with any Demand Registration, the Majority Participating Holders shall have the right to designate the lead managing underwriter (any lead managing underwriter for the purposes of this Agreement, the "**Manager**") in connection with such registration and each other managing underwriter for such registration, in each case subject to consent of the Company, not be unreasonably withheld.

(d) If so requested by the Initiating Holder(s), the Company (together with all Holders proposing to distribute their securities through such underwriting) shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company in its sole discretion.

(e) Any Holder that intends to sell Registrable Securities by means of a shelf registration pursuant to Rule 415 thereunder, shall give the Company two days' prior notice of any such sale.

2.2. *Piggyback Registrations*.

(a) If, at any time or from time to time the Company will register or commence an offering of any of its securities for its own account or otherwise (other than pursuant to registrations on Form S-4 or Form S-8 or any similar successor forms thereto) (including but not limited to the registrations or offerings pursuant to Section 2.1), the Company will:

(i) promptly give to each Holder written notice thereof (in any event within five Business Days); and

(ii) include in such registration and in any underwriting involved therein (if any), all the Registrable Securities specified in a written request or requests, made within 10 Business Days after mailing or personal delivery of such written notice from the Company, by any of the Holders, except as set forth in Sections 2.2(b) and 2.2(f), with the securities which the Company at the time proposes to register or sell to permit the sale or other disposition by the Holders (in accordance with the intended method of distribution thereof) of the Registrable Securities to be so registered or sold, including, if necessary, by filing with the SEC a post-effective amendment or a supplement to the registration statement filed by the Company or the prospectus related thereto. There is no limitation on the number of such piggyback registrations pursuant to the preceding sentence which the Company is obligated to effect. No registration of Registrable Securities effected under this Section 2.2(a) shall relieve the Company of its obligations to effect Demand Registrations under Section 2.1 hereof.

(b) If the registration in this Section 2.2 involves an underwritten offering, the right of any Holder to include its Registrable Securities in a registration or offering pursuant to this Section 2.2 shall be conditioned upon such Holder's participation in the underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company.

(c) The Company, subject to 2.3 and 2.6, may elect to include in any registration statement and offering pursuant to demand registration rights by any Person, (i) authorized but unissued shares of Company Shares or Company Shares held by the Company as treasury shares and (ii) any other Company Shares which are requested to be included in such registration pursuant to the exercise of piggyback registration rights granted by the Company after the date hereof and which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement ("**Additional Piggyback Rights**"); *provided*, *however*, that such inclusion shall be permitted only to the extent that it is pursuant to, and subject to, the terms of the underwriting agreement or arrangements, if any, entered into by the Initiating Holders.

(d) If, at any time after giving written notice of its intention to register or sell any equity securities and prior to the effective date of the registration statement filed in connection with such registration or sale of such equity securities, the Company shall

determine for any reason not to register or sell or to delay registration or sale of such equity securities, the Company may, at its election, give written notice of such determination to all Holders of record of Registrable Securities and (i) in the case of a determination not to register or sell, shall be relieved of its obligation to register or sell any Registrable Securities in connection with such abandoned registration or sale, without prejudice, however, to the rights of Holders under Section 2.1, and (ii) in the case of a determination to delay such registration or sale of its equity securities, shall be permitted to delay the registration or sale of such Registrable Securities for the same period as the delay in registering such other equity securities.

(e) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Holder, file any prospectus supplement or post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such Holder if such disclosure or language was not included in the initial registration statement, or revise such disclosure or language if deemed necessary or advisable by such Holder including filing a prospectus supplement naming the Holders, partners, members and shareholders to the extent required by law.

(f) Notwithstanding anything in this Agreement to the contrary, the rights of any Holder set forth in this Agreement shall be subject to any Lock-Up Agreement that such Holder has entered into.

2.3. *Allocation of Securities Included in Registration Statement or Offering*.

(a) Notwithstanding any other provision of this Agreement, in connection with an underwritten offering initiated by a Demand Registration Request, if the Manager advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten (such number, the "**Section 2.3(a) Sale Number**") within a price range acceptable to the Majority Participating Holders, the Initiating Holders shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the Company shall use its reasonable best efforts to include in such registration or offering, as applicable, the number of shares of Registrable Securities in the registration and underwriting as follows:

(i) first, all Registrable Securities requested to be included in such registration or offering by the Holders thereof (including pursuant to the exercise of piggyback rights pursuant to Section 2.2); *provided*, *however*, that if such number of Registrable Securities exceeds the Section 2.3(a) Sale Number, the number of such Registrable Securities (not to exceed the Section 2.3(a) Sale Number) to be included in such registration shall be allocated among all such Holders requesting inclusion thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities held by such Holders at the time of filing of the registration statement or the time of the offering, as applicable, as adjusted to give effect to any Carryover Amount(s) for any such Holder;

(ii) second, if by the withdrawal of Registrable Securities by a Participating Holder, a greater number of Registrable Securities held by other Holders, may be included in such registration or offering (up to the Section 2.3(a) Sale Number), then the Company shall offer to all Holders who have included Registrable Securities in the registration or offering the right to include additional Registrable Securities in the same proportions as set forth in Section 2.3(a)(i).

(iii) third, to the extent that the number of Registrable Securities to be included pursuant to clause (i) and (ii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, and if the underwriter so agrees, any securities that the Company proposes to register or sell, up to the Section 2.3(a) Sale Number; and

(iv) fourth, to the extent that the number of securities to be included pursuant to clauses (i), (ii) and (iii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, the remaining securities to be included in such registration or offering shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration or offering pursuant to the exercise of Additional Piggyback Rights ("**Piggyback Shares**"), based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(a) Sale Number.

(b) Subject to subsection (e) of this Section 2.3, but notwithstanding any other provision of this Agreement, in a registration involving an underwritten offering on behalf of the Company, which was initiated by the Company, if the Manager determines that marketing factors require a limitation of the number of shares to be underwritten (such number, the "**Section 2.3(b) Sale Number**") the Company shall so advise all Holders whose securities would otherwise be registered and underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be allocated as follows:

(i) first, all equity securities that the Company proposes to register for its own account;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested for inclusion in such registration by Holders pursuant to Section 2.2 up to the Section 2.3(b) Sale Number, as adjusted to give effect to any Carryover Amount(s) for any such Holder; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, the remaining securities to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in

relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(b) Sale Number.

(c) Subject to subsection (e) of this Section 2.3, if any registration pursuant to Section 2.2 involves an underwritten offering by any Person(s) other than a Holder to whom the Company has granted registration rights which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement, the Manager (as selected by the Company or such other Person) shall advise the Company that, in its view, the number of securities requested to be included in such registration exceeds the number (the "**Section 2.3(c) Sale Number**") that can be sold in an orderly manner in such registration within a price range acceptable to the Company, the Company shall include shares in such registration as follows:

(i) first, the shares requested to be included in such registration shall be allocated on a pro rata basis among such Person(s) requesting the registration and all Holders requesting that Registrable Securities be included in such registration pursuant to the exercise of piggyback rights pursuant to Section 2.2, based on the aggregate number of securities or Registrable Securities, as applicable, then owned by each of the foregoing requesting inclusion in relation to the aggregate number of securities or Registrable Securities, as applicable, owned by all such Holders and Persons requesting inclusion, up to the Section 2.3(c) Sale Number, as adjusted to give effect to any Carryover Amount(s) for any such Holder;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining shares to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(c) Sale Number; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining shares to be included in such registration shall be allocated to shares the Company proposes to register for its own account, up to the Section 2.3(c) Sale Number.

(d) If any Holder of Registrable Securities disapproves of the terms of the underwriting, or if, as a result of the proration provisions set forth in clauses (a), (b) or (c) of this Section 2.3, any Holder shall not be entitled to include all Registrable Securities in a registration or offering that such Holder has requested be included, such Holder may elect to withdraw such Holder's request to include Registrable Securities in such registration or offering or may reduce the number requested to be included; *provided, however*, that (x) such request must be made in writing, to the Company, Manager and, if applicable, the Initiating Holder(s), prior to the execution of the underwriting agreement with respect to such registration and (y) such withdrawal or reduction shall be irrevocable

and, after making such withdrawal or reduction, such Holder shall no longer have any right to include such withdrawn Registrable Securities in the registration as to which such withdrawal or reduction was made to the extent of the Registrable Securities so withdrawn or reduced.

2.4. *Registration Procedures*. If and whenever the Company is required by the provisions of this Agreement to use its reasonable best efforts to effect or cause the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Company shall, as expeditiously as possible (but, in any event, within 60 days after a Demand Registration Request in the case of Section 2.4(a) below), in connection with the Registration of the Registrable Securities and, where applicable, a takedown off of a shelf registration statement:

(a) prepare and file with the SEC a registration statement on an appropriate registration form of the SEC for the disposition of such Registrable Securities in accordance with the intended method of disposition thereof, which registration form (i) shall be selected by the Company and (ii) shall, in the case of a shelf registration, be available for the sale of the Registrable Securities by the selling Holders thereof and such registration statement shall comply as to form in all material respects with the requirements of the applicable registration form and include all financial statements required by the SEC to be filed therewith, and the Company shall use its reasonable best efforts to cause such registration statement to become effective and remain continuously effective from the date such registration statement is declared effective until the earliest to occur (i) the first date as of which all of the Registrable Securities included in the registration statement have been sold or (ii) a period of 90 days in the case of an underwritten offering effected pursuant to a registration statement other than a shelf registration statement and a period of three years in the case of a shelf registration statement (*provided*, *however*, that before filing a registration statement or prospectus or any amendments or supplements thereto, or comparable statements under securities or state "blue sky" laws of any jurisdiction, or any free writing prospectus related thereto, the Company will furnish to one counsel for the Holders participating in the planned offering (selected by the Majority Participating Holders) and to one counsel for the Manager, if any, copies of all such documents proposed to be filed (including all exhibits thereto), which documents will be subject to the reasonable review and reasonable comment of such counsel (*provided* that the Company shall be under no obligation to make any changes suggested by the Holders), and the Company shall not file any registration statement or amendment thereto, any prospectus or supplement thereto or any free writing prospectus related thereto to which the Majority Participating Holders or the underwriters, if any, shall reasonably object);

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement continuously effective for the period set forth in Section 2.4(a) and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Securities covered by such registration statement in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement (and, in connection with

any shelf registration statement, file one or more prospectus supplements covering Registrable Securities upon the request of one or more Holders wishing to offer or sell Registrable Securities whether in an underwritten offering or otherwise);

(c) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the Manager of such offering;

(d) furnish, without charge, to each Participating Holder and each underwriter, if any, of the securities covered by such registration statement such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and each free writing prospectus utilized in connection therewith, in each case, in conformity with the requirements of the Securities Act, and other documents, as such seller and underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable law of each such registration statement (or amendment or post-effective amendment thereto) and each such prospectus (or preliminary prospectus or supplement thereto) or free writing prospectus by each such Participating Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such registration statement or prospectus);

(e) use its reasonable best efforts to register or qualify the Registrable Securities covered by such registration statement under such other securities or state “blue sky” laws of such jurisdictions as any sellers of Registrable Securities or any managing underwriter, if any, shall reasonably request in writing, and do any and all other acts and things which may be reasonably necessary or advisable to enable such sellers or underwriter, if any, to consummate the disposition of the Registrable Securities in such jurisdictions (including keeping such registration or qualification in effect for so long as such registration statement remains in effect), except that in no event shall the Company be required to qualify to do business as a foreign corporation in any jurisdiction where it would not, but for the requirements of this paragraph (e), be required to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(f) promptly notify each Participating Holder and each managing underwriter, if any: (i) when the registration statement, any pre-effective amendment, the prospectus or any prospectus supplement related thereto, any post-effective amendment to the registration statement or any free writing prospectus has been filed and, with respect to the registration statement or any post-effective amendment, when the same has become effective; (ii) of any request by the SEC or state securities authority for amendments or supplements to the registration statement or the prospectus related thereto or for additional information; (iii) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the

suspension of the qualification of any Registrable Securities for sale under the securities or state "blue sky" laws of any jurisdiction or the initiation of any proceeding for such purpose; (v) of the existence of any fact of which the Company becomes aware which results in the registration statement or any amendment thereto, the prospectus related thereto or any supplement thereto, any document incorporated therein by reference, any free writing prospectus or the information conveyed to any purchaser at the time of sale to such purchaser containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not misleading; and (vi) if at any time the representations and warranties contemplated by any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct in all material respects; and, if the notification relates to an event described in clause (v), the Company shall promptly prepare and furnish to each such seller and each underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made not misleading;

(g) comply (and continue to comply) with all applicable rules and regulations of the SEC (including, without limitation, maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) in accordance with the Exchange Act), and make generally available to its security holders, as soon as reasonably practicable after the effective date of the registration statement (and in any event within 45 days, or 90 days if it is a fiscal year, after the end of such 12 month period described hereafter), an earnings statement (which need not be audited) covering the period of at least 12 consecutive months beginning with the first day of the Company's first fiscal quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(h) (i) (A) cause all such Registrable Securities covered by such registration statement to be listed on the principal securities exchange on which similar securities issued by the Company are then listed (if any), if the listing of such Registrable Securities is then permitted under the rules of such exchange, or (B) if no similar securities are then so listed, to cause all such Registrable Securities to be listed on a national securities exchange and, without limiting the generality of the foregoing, take all actions that may be required by the Company as the issuer of such Registrable Securities in order to facilitate the managing underwriter's arranging for the registration of at least two market makers as such with respect to such shares with FINRA, and (ii) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including without limitation all corporate governance requirements;

(i) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(j) enter into such customary agreements (including, if applicable, an underwriting agreement) and take such other actions as the Majority Participating Holders or the underwriters shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (it being understood that the Holders of the Registrable Securities which are to be distributed by any underwriters shall be parties to any such underwriting agreement and may, at their option, require that the Company make to and for the benefit of such Holders the representations, warranties and covenants of the Company which are being made to and for the benefit of such underwriters);

(k) use its reasonable best efforts (i) to obtain an opinion from the Company's counsel and a comfort letter and updates thereof from the Company's independent public accountants who have certified the Company's financial statements included or incorporated by reference in such registration statement, in each case, in customary form and covering such matters as are customarily covered by such opinions and comfort letters (including, in the case of such comfort letter, events subsequent to the date of such financial statements) delivered to underwriters in underwritten public offerings, which opinion and letter shall be dated the dates such opinions and comfort letters are customarily dated and otherwise reasonably satisfactory to the underwriters, if any, and to the Majority Participating Holders, and (ii) furnish to each Holder participating in the offering and to each underwriter, if any, a copy of such opinion and letter addressed to such underwriter;

(l) deliver promptly to counsel for each Participating Holder and to each managing underwriter, if any, copies of all correspondence between the SEC and the Company, its counsel or auditors and all memoranda relating to discussions with the SEC or its staff with respect to the registration statement, and, upon receipt of such confidentiality agreements as the Company may reasonably request, make reasonably available for inspection by counsel for each Participating Holder, by counsel for any underwriter, participating in any disposition to be effected pursuant to such registration statement and by any accountant or other agent retained by any Participating Holder or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such counsel for a Participating Holder, counsel for an underwriter, accountant or agent in connection with such registration statement;

(m) use its reasonable best efforts to obtain the prompt withdrawal of any order suspending the effectiveness of the registration statement, or the prompt lifting of any suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction;

(n) provide a CUSIP number for all Registrable Securities, not later than the effective date of the registration statement;

(o) use its best efforts to make available its employees and personnel for participation in "road shows" and other marketing efforts and otherwise provide reasonable assistance to the underwriters (taking into account the needs of the Company's

businesses and the requirements of the marketing process) in marketing the Registrable Securities in any underwritten offering;

(p) prior to the filing of any document which is to be incorporated by reference into the registration statement or the prospectus (after the initial filing of such registration statement), and prior to the filing of any free writing prospectus, provide copies of such document to counsel for each Participating Holder and to each managing underwriter, if any, and make the Company's representatives reasonably available for discussion of such document and make such changes in such document concerning the Participating Holders prior to the filing thereof as counsel for the Participating Holders or underwriters may reasonably request;

(q) furnish to counsel for each Participating Holder and to each managing underwriter, without charge, at least one signed copy of the registration statement and any post-effective amendments or supplements thereto, including financial statements and schedules, all documents incorporated therein by reference, the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and all exhibits (including those incorporated by reference) and any free writing prospectus utilized in connection therewith;

(r) cooperate with the Participating Holders and the managing underwriter, if any, to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement at least three Business Days prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Participating Holders at least three Business Days prior to any sale of Registrable Securities and instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(s) cooperate with any due diligence investigation by any Manager, underwriter or Participating Holder and make available such documents and records of the Company and its Subsidiaries that they reasonably request (which, in the case of the Participating Holder, may be subject to the execution by the Participating Holder of a customary confidentiality agreement in a form which is reasonably satisfactory to the Company);

(t) take no direct or indirect action prohibited by Regulation M under the Exchange Act;

(u) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities;

(v) take all reasonable action to ensure that any free writing prospectus utilized in connection with any registration covered by Section 2.1 or 2.2 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to

the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(w) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the SEC such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

To the extent the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (a "**WKSI**") at the time any Demand Registration Request is submitted to the Company, and such Demand Registration Request requests that the Company file an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an "**automatic shelf registration statement**") on Form S-3, the Company shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Company shall use its reasonable best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which the Registrable Securities remain Registrable Securities. If the Company does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Company agrees to pay such fee at such time or times as the Registrable Securities are to be sold. If the automatic shelf registration statement has been outstanding for at least three years, at the end of the third year the Company shall refile a new automatic shelf registration statement covering the Registrable Securities. If at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, the Company shall use its reasonable best efforts to refile the shelf registration statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Company files any shelf registration statement for the benefit of the holders of any of its securities other than the Holders, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 2.1, 2.2, or 2.4 that each Participating Holder shall furnish to the Company such information regarding themselves, the Registrable Securities held by them, and the intended method of disposition of such securities as the Company may

from time to time reasonably request so long as such information is necessary for the Company to consummate such registration and shall be used only in connection with such registration.

If any such registration statement or comparable statement under state "blue sky" laws refers to any Holder by name or otherwise as the Holder of any securities of the Company, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such Holder and the Company, to the effect that the holding by such Holder of such securities is not to be construed as a recommendation by such Holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such Holder by name or otherwise is not in the judgment of the Company, as advised by counsel, required by the Securities Act or any similar federal statute or any state "blue sky" or securities law then in force, the deletion of the reference to such Holder.

2.5. *Registration Expenses*. All Expenses incurred in connection with any registration, filing, qualification or compliance pursuant to Article 2 shall be borne by the Company, whether or not a registration statement becomes effective. All underwriting discounts and all selling commissions relating to securities registered by the Holders shall be borne by the holders of such securities pro rata in accordance with the number of shares sold in the offering by such Participating Holder.

2.6. *Certain Limitations on Registration Rights*. In the case of any registration under Section 2.1 pursuant to an underwritten offering, or, in the case of a registration under Section 2.2, all securities to be included in such registration shall be subject to the underwriting agreement and no Person may participate in such registration or offering unless such Person (i) agrees to sell such Person's securities on the basis provided therein and completes and executes all reasonable questionnaires, and other documents (including custody agreements and powers of attorney) which must be executed in connection therewith; *provided*, *however*, that all such documents shall be consistent with the provisions hereof, and (ii) provides such other information to the Company or the underwriter as may be necessary to register such Person's securities.

2.7. *Limitations on Sale or Distribution of Other Securities*.

(a) Each Holder agrees, (i) to the extent requested in writing by a managing underwriter, if any, of any registration effected pursuant to Section 2.1, not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144 under the Securities Act, any Company Shares, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering) during the time period reasonably requested by the managing underwriter, not to exceed 90 days and (ii) to the extent requested in writing by a managing underwriter of any underwritten public offering effected by the Company for its own account, not to sell any Company Shares (other than as part of such underwritten public offering) during the time period

reasonably requested by the managing underwriter, which period shall not exceed 90 days subject to the same exceptions as provided in the lock-up provisions contained in the underwriting agreement for the IPO; and, if so requested, each Holder agrees to enter into a customary lock-up agreement with such managing underwriter.

(b) The Company hereby agrees that, if it shall previously have received a request for registration pursuant to Section 2.1 or 2.2, and if such previous registration shall not have been withdrawn or abandoned, the Company shall not sell, transfer, or otherwise dispose of, any Company Shares, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering, a registration on Form S-4 or Form S-8 or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Company Shares Equivalent), until a period of 90 days shall have elapsed from the effective date of such previous registration.

2.8. *No Required Sale*. Nothing in this Agreement shall be deemed to create an independent obligation on the part of any Holder to sell any Registrable Securities pursuant to any effective registration statement.

2.9. *Indemnification*.

(a) In the event of any registration and/or offering of any securities of the Company under the Securities Act pursuant to this Article 2, the Company will, and hereby agrees to, and hereby does, indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its directors, officers, fiduciaries, trustees, employees, shareholders, members or general and limited partners (and the directors, officers, fiduciaries, employees, shareholders, members, beneficiaries or general and limited partners thereof), any underwriter (as defined in the Securities Act) for such Holder and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or Exchange Act, from and against any and all losses, claims, damages or liabilities, joint or several, actions or proceedings (whether commenced or threatened) and expenses (including reasonable fees of counsel and any amounts paid in any settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed) to which each such indemnified party may become subject under the Securities Act or otherwise in respect thereof (collectively, "**Claims**"), insofar as such Claims arise out of or are based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such securities were registered under the Securities Act or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary or final prospectus or any amendment or supplement thereto, together with the documents incorporated by reference therein, or any free writing prospectus utilized in connection therewith, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (iii) any untrue statement or alleged untrue statement of a material fact in

the information conveyed by the Company to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein, or (iv) any violation by the Company of any federal, state or common law rule or regulation applicable to the Company and relating to action required of or inaction by the Company in connection with any such registration, and the Company will reimburse any such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred; *provided*, *however*, that the Company shall not be liable to any such indemnified party in any such case to the extent such Claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in such registration statement or amendment thereof or supplement thereto or in any such prospectus or any preliminary or final prospectus or free writing prospectus in reliance upon and in conformity with written information furnished to the Company by or on behalf of such indemnified party specifically for use therein. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such seller.

(b) Each Participating Holder shall, severally and not jointly, indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a) of this Section 2.9) to the extent permitted by law the Company, its officers and directors, each Person controlling the Company within the meaning of the Securities Act, each underwriter (within the meaning of the Securities Act) of the Company's securities covered by such a registration statement, any Person who controls such underwriter, and any other Holder selling securities in such registration statement and each of its directors, officers, partners or agents or any Person who controls such Holder with respect to any untrue statement or alleged untrue statement of any material fact in, or omission or alleged omission of any material fact from, such registration statement, any preliminary or final prospectus contained therein, or any amendment or supplement thereto, or any free writing prospectus utilized in connection therewith, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company or its representatives by or on behalf of such Participating Holder, specifically for use therein and reimburse such indemnified party for any legal or other expenses reasonably incurred in connection with investigating or defending any such Claim as such expenses are incurred; *provided*, *however*, that the aggregate amount which any such Participating Holder shall be required to pay pursuant to this Section 2.9(b) and 2.9(c) and (e) shall in no case be greater than the amount of the net proceeds actually received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim. The Company and each Participating Holder hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such Participating Holders to the contrary, for all purposes of this Agreement, the only information furnished or to be furnished to the Company for use in any such registration statement, preliminary or final prospectus or amendment or supplement thereto or any free writing prospectus are statements specifically relating to (a) the beneficial ownership of Company Shares by such Participating Holder and its Affiliates and (b) the name and address of such Participating Holder. Such indemnity and reimbursement of expenses shall remain in full force and

effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such Holder.

(c) Indemnification similar to that specified in the preceding paragraphs (a) and (b) of this Section 2.9 (with appropriate modifications) shall be given by the Company and each Participating Holder with respect to any required registration or other qualification of securities under any applicable securities and state “blue sky” laws.

(d) Any Person entitled to indemnification under this Agreement shall notify promptly the indemnifying party in writing of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 2.9, but the failure of any indemnified party to provide such notice shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 2.9, except to the extent the indemnifying party is materially and actually prejudiced thereby and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than under this Article 2. In case any action or proceeding is brought against an indemnified party, the indemnifying party shall be entitled to (x) participate in such action or proceeding and (y) unless, in the reasonable opinion of outside counsel to the indemnified party, a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, assume the defense thereof jointly with any other indemnifying party similarly notified, with counsel reasonably satisfactory to such indemnified party. The indemnifying party shall promptly notify the indemnified party of its decision to assume the defense of such action or proceeding. If, and after, the indemnified party has received such notice from the indemnifying party, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense of such action or proceeding other than reasonable costs of investigation; *provided*, *however*, that (i) if the indemnifying party fails to take reasonable steps necessary to defend diligently the action or proceeding within 20 days after receiving notice from such indemnified party that the indemnified party believes it has failed to do so; or (ii) if such indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party reasonably shall have concluded that there may be one or more legal or equitable defenses available to such indemnified party which are not available to the indemnifying party or which may conflict with those available to another indemnified party with respect to such Claim; or (iii) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then, in any such case, the indemnified party shall have the right to assume or continue its own defense as set forth above (but with no more than one firm of counsel for all indemnified parties in each jurisdiction, except to the extent any indemnified party or parties reasonably shall have made a conclusion described in clause (ii) or (iii) above) and the indemnifying party shall be liable for any expenses therefor. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim), unless such settlement or compromise (i) includes an unconditional release of such indemnified party

from all liability on any claims that are the subject matter of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party. The indemnity obligations contained in Sections 2.9(a) and 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the indemnified party which consent shall not be unreasonably withheld.

(e) If for any reason the foregoing indemnity is held by a court of competent jurisdiction to be unavailable to an indemnified party under Section 2.9(a), (b) or (c), then each applicable indemnifying party shall contribute to the amount paid or payable to such indemnified party as a result of any Claim in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and the indemnified party, on the other hand, with respect to such Claim as well as any other relevant equitable considerations. The relative fault shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. If, however, the allocation provided in the second preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative faults but also the relative benefits of the indemnifying party and the indemnified party as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if any contribution pursuant to this Section 2.9(e) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentences of this Section 2.9(e). The amount paid or payable in respect of any Claim shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11 (f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Notwithstanding anything in this Section 2.9(e) to the contrary, no indemnifying party (other than the Company) shall be required pursuant to this Section 2.9(e) to contribute any amount greater than the amount of the net proceeds actually received by such indemnifying party upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim, less the amount of any indemnification payment made by such indemnifying party pursuant to Section 2.9(b) and (c).

(f) The indemnity and contribution agreements contained herein shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract (except as set forth in subsection (h) below) and shall remain operative and in full force and effect regardless of any investigation made or omitted by or on behalf of any indemnified party and shall survive the transfer of the Registrable Securities by any such party and the completion of any offering of Registrable Securities in a registration statement.

(g) The indemnification and contribution required by this Section 2.9 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred; *provided, however*, that the recipient thereof hereby undertakes to repay such payments if and to the extent it shall be determined by a court of competent jurisdiction that such recipient is not entitled to such payment hereunder.

(h) If a customary underwriting agreement shall be entered into in connection with any registration pursuant to Section 2.1 or 2.2, the indemnity, contribution and related provisions set forth therein shall supersede the indemnification and contribution provisions set forth in this Section 2.9.

3. Underwritten Offerings.

3.1. *Requested Underwritten Offerings*. If the Initiating Holders request an underwritten offering pursuant to a registration under Section 2.1 (pursuant to a request for a registration statement to be filed in connection with a specific underwritten offering or a request for a shelf takedown in the form of an underwritten offering), the Company shall enter into a customary underwriting agreement with the underwriters. Such underwriting agreement shall (i) be satisfactory in form and substance to the Majority Participating Holders, (ii) contain terms not inconsistent with the provisions of this Agreement and (iii) contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms as are generally prevailing in agreements of that type, including, without limitation, indemnities and contribution agreements on substantially the same terms as those contained herein (it being understood that an underwriting agreement in substantially the form of the underwriting agreement for the IPO shall be deemed to satisfy the foregoing requirements). Any Participating Holder shall be a party to such underwriting agreement and may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; *provided, however*, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement shall be limited to the amount of the net proceeds received by such Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder.

3.2. *Piggyback Underwritten Offerings*. In the case of a registration pursuant to Section 2.2 which involves an underwritten offering, the Company shall enter into an underwriting agreement in connection therewith and all of the Participating Holders' Registrable Securities to be included in such registration shall be subject to such underwriting agreement. Any Participating Holder may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; *provided*, *however*, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement shall be limited to the amount of the net proceeds received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder.

4. General.

4.1. *Adjustments Affecting Registrable Securities*. The provisions of this Agreement shall apply, to the full extent set forth herein with respect to the Registrable Securities, to any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, share exchange, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for or in substitution of, Registrable Securities and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

4.2. *Rule 144 and Rule 144A*. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act in respect of the Company Shares or Company Shares Equivalents, the Company covenants that (i) so long as it remains subject to the reporting provisions of the Exchange Act, it will timely file the reports required to be filed by it under the Securities Act or the Exchange Act (including, but not limited to, the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 under the Securities Act, as such Rule may be amended ("**Rule 144**")) or, if the Company is not required to file such reports, it will, upon the request of any Holder, make publicly available other information so long as necessary to permit sales by such Holder under Rule 144, Rule 144A under the Securities Act, as such Rule may be amended ("**Rule 144A**"), or any similar rules or regulations hereafter adopted by the SEC, and (ii) it will take such further action as any

Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144, (B) Rule 144A or (C) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Holder of Registrable Securities, the Company will deliver to such Holder a written statement by the Company that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company and such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

4.3. *Amendments and Waivers; Termination*. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Holders of a majority of the Registrable Securities. Any amendment or waiver effected in accordance with this Section 4.3 shall be binding upon each Holder and the Company. Any waiver of any breach or default by any other party of any of the terms of this Agreement effected in accordance with this Section 4.3 shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the parties hereto or from any failure by any party to assert its or his or her rights hereunder on any occasion or series of occasions. This Agreement will terminate as to any Holder when it no longer holds any Registrable Securities.

4.4. *Notices*. Unless otherwise specified herein, all notices, consents, approvals, reports, designations, requests, waivers, elections and other communications authorized or required to be given pursuant to this Agreement shall be in writing and shall be given, made or delivered (and shall be deemed to have been duly given, made or delivered upon receipt) by personal hand-delivery, by facsimile transmission, by electronic mail, by mailing the same in a sealed envelope, registered first-class mail, postage prepaid, return receipt requested, or by air courier guaranteeing overnight delivery, addressed to the Company at the address set forth below or to the applicable Holder at the address indicated on Schedule A hereto (or at such other address for a Holder as shall be specified by like notice):

if to the Company, to it at:

Goosehead Insurance, Inc.
1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Telephone: [****]

Attention: Ryan Langston
E-mail: [****]

with copies (which shall not constitute actual notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Richard D. Truesdell, Jr.
Facsimile: [****]
E-mail: [****]

4.5. *Successors and Assigns*.

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors,legal representatives and permitted assigns.

(b) A Holder may Assign his, her or its rights under this Agreement without the Company's consent to an Assignee of Registrable Securities which (i) is with respect to any Holder, the spouse, parent, sibling, child, step-child or grandchild of such Holder, or the spouse thereof and any trust, limited liability company, limited partnership, private foundation or other estate planning vehicle for such Holder or for the benefit of any of the foregoing or other persons pursuant to the laws of descent and distribution, or (ii) is a legatee, executor or other fiduciary pursuant to a last will and testament of the Holder or pursuant to the terms of any trust which take effect upon the death of the Holder. In addition, any Holder may Assign his, her or its rights under this Agreement without the Company's prior written consent so long as such Assignment (i) occurs in connection with the transfer of all, but not less than all, of such Holder's Registrable Securities in a single transaction in the case of such an Assignment by a Holder and (ii) results in the Assignee holding not less than 5% of the outstanding shares of Company Shares at the time of such transfer. Subject to subsection (c) below, any Assignment shall be conditioned upon prior written notice to the Company identifying the name and address of such Assignee and any other material information as to the identity of such Assignee as may be reasonably requested, and Schedule A hereto shall be updated to reflect such Assignment.

(c) Notwithstanding anything to the contrary contained in this Section 0, any Holder may elect to transfer all or a portion of its Registrable Securities to any third party without Assigning its rights hereunder with respect thereto, *provided* that in any such event all rights under this Agreement with respect to the Registrable Securities so transferred shall cease and terminate.

4.6. *Limitations on Subsequent Registration Rights*. From and after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public, the Company may, without the prior written consent of the Holders, enter into any agreement with any holder or prospective holder of any

securities of the Company which provides such holder or prospective holder of securities of the Company comparable, but not conflicting, registration rights granted to the Holders hereby.

4.7. *Entire Agreement*. This Agreement, the Stockholders Agreement and the other agreements referenced herein and therein constitute the entire agreement among the parties hereto with respect to the subject matter hereof, and supersede any prior agreement or understanding among them with respect to the matters referred to herein.

4.8. *Governing Law; Waiver of Jury Trial; Jurisdiction*.

(a) *Governing Law*. This Agreement is governed by and will be construed in accordance with the laws of the State of New York, excluding any conflict-of-laws rule or principle (whether of New York or any other jurisdiction) that might refer the governance or the construction of this Agreement to the law of another jurisdiction.

(b) *Waiver of Jury Trial*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF THE PARTIES HERETO IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF. The Company or any Holder may file an original counterpart or a copy of this Section 4.8(b) with any court as written evidence of the consent of any of the parties hereto to the waiver of their rights to trial by jury.

(c) *Jurisdiction*. Each of the parties hereto (i) consents to submit itself to the personal jurisdiction of the courts of the State of New York located in the county and city of New York in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the courts of the State of New York located in the county and city of New York and (iv) to the fullest extent permitted by law, consents to service being made through the notice procedures set forth in Section 4.4. Each party hereto hereby agrees that, to the fullest extent permitted by law, service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth in Section 4.4 shall be effective service of process for any suit or proceeding in connection with this Agreement or the transactions contemplated hereby

4.9. *Interpretation; Construction*.

(a) The headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof. Where a reference in this Agreement is made to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever

the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

(b) The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

4.10. *Counterparts*. This Agreement may be executed in any number of separate counterparts each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

4.11. *Severability*. In the event that any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be construed by limiting it so as to be valid, legal and enforceable to the maximum extent provided by law and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

4.12. *Specific Performance*. It is hereby agreed and acknowledged that it will be impossible to measure the money damages that would be suffered if the parties fail to comply with any of the obligations imposed on them by this Agreement and that, in the event of any such failure, an aggrieved party will be irreparably damaged and will not have an adequate remedy at law. Each party hereto shall, therefore, be entitled (in addition to any other remedy to which such party may be entitled at law or in equity) to injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

4.13. *Further Assurances*. Each party hereto shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments, and documents as any other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

COMPANY

GOOSEHEAD INSURANCE, INC.

By: _____

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES
DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY
TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

P. RYAN LANGSTON

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By: _____
Name:
Title:

SCHEDULE A

Party	**Address**
Mark E. Jones	
Robyn Jones	
Michael C. Colby	
Jeffrey Saunders	
The Mark and Robyn Jones Descendants Trust 2014	
Lanni Elaine Romney Family Trust 2014	
Lindy Jean Langston Family Trust 2014	
Camille LaVaun Peterson Family Trust 2014	
Desiree Robyn Coleman Family Trust 2014	
Adrienne Morgan Jones Family Trust 2014	
Mark Evan Jones, Jr. Family Trust 2014	
The Estate of Doug Jones	
Lanni Romney	
Lindy Langston	
Camille Peterson	
Desiree Coleman	
Adrienne Jones	
Mark E. Jones, Jr.	
Colby 2014 Family Trust	
Preston Michael Colby 2014 Trust	
Lyla Kate Colby 2014 Trust	
P. Ryan Langston	
Texas Wasatch Insurance Partners, L.P.	

Exhibit U

Form of Tax Receivable Agreement

[Attached]

TAX RECEIVABLE AGREEMENT

among

GOOSEHEAD INSURANCE, INC.,

GOOSEHEAD FINANCIAL, LLC,

and

THE PERSONS NAMED HEREIN

Dated as of [ ], 2018

TABLE OF CONTENTS

TAX RECEIVABLE AGREEMENT

This TAX RECEIVABLE AGREEMENT (as amended from time to time, this "Agreement"), dated as of [ ], 2018, is hereby entered into by and among Goosehead Insurance, Inc., a Delaware corporation (the "Corporate Taxpayer"), Goosehead Financial, LLC, a Delaware limited liability company ("OpCo"), each of the Members (as defined below) from time to time party thereto, and each of the successors and assigns thereto.

WHEREAS, the OpCo is treated as a partnership for U.S. federal income tax purposes;

WHEREAS, the Corporate Taxpayer is classified as an association taxable as a corporation, and is the common parent of an affiliated group of corporations filing a consolidated return, for U.S. federal income tax purposes;

WHEREAS, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P., Max and Dane, LLC and Evan and Jake, LLC (the "Members") holds common interest units in OpCo (the "Common Units"), and following certain reorganization transactions, the Corporate Taxpayer will be the managing member of OpCo and will hold, directly and/or indirectly, Common Units;

WHEREAS, on and after the date hereof, pursuant to Article [10.01] of the LLC Agreement, each Member has the right, in its sole discretion, from time to time to require OpCo to redeem (a "Redemption") all or a portion of such Member's Common Units for cash or, at the Corporate Taxpayer's option, shares of Class A common stock, $0.01 par value per share, of the Corporate Taxpayer (the "Class A Common Stock"); *provided* that, pursuant to Article [10.03] of the LLC Agreement and at the election of the Corporate Taxpayer, the Corporate Taxpayer may effect a direct exchange (a "Direct Exchange," and together with a Redemption, an "Exchange") of such cash or shares of Class A Common Stock for such Common Units;

WHEREAS, OpCo and each of its direct and indirect subsidiaries, if any, treated as a partnership for U.S. federal income tax purposes will have in effect an election under Section 754 of the Internal Revenue Code of 1986, as amended (the "Code"), for each Taxable Year (as defined below) in which an Exchange occurs, which elections are intended generally to result in an adjustment to the tax basis of the assets owned by OpCo (solely with respect to the Corporate Taxpayer) at the time of an Exchange (such time, the "Exchange Date") by reason of the Exchange and the receipt of payments under this Agreement;

WHEREAS, the income, gain, loss, expense and other Tax (as defined below) items of the Corporate Taxpayer may be affected by (i) the Basis Adjustment (as defined below) and (ii) Imputed Interest (as defined below); and

WHEREAS, the parties to this Agreement desire to make certain arrangements with respect to the effect of the Basis Adjustment and Imputed Interest on the actual liability for Taxes of the Corporate Taxpayer.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions.

(a) The following terms shall have the following meanings for the purposes of this Agreement:

"Actual Tax Liability" means, with respect to any Taxable Year, the actual liability for U.S. federal, state and local income Taxes of (i) the Corporate Taxpayer and (ii) without duplication, OpCo, but only with respect to Taxes imposed on OpCo and allocable to the Corporate Taxpayer (or to the other members of the consolidated group of which the Corporate Taxpayer is the parent) for such Taxable Year.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person.

"Agreed Rate" means a per annum rate of LIBOR plus 100 basis points.

"Applicable Member" means any Member to whom any portion of a Realized Tax Benefit may be Attributable under this Agreement.

"Attributable" means, with respect to any Applicable Member, the portion of any Realized Tax Benefit of the Corporate Taxpayer that is "attributable" to such Applicable Member, which shall be determined by reference to the assets from which arise the depreciation, amortization or other similar deductions for recovery of cost or basis ("Depreciation") and with respect to increased basis upon a disposition of an asset or Imputed Interest that produce the Realized Tax Benefit, under the following principles:

(i) A portion of any Realized Tax Benefit arising from a deduction to the Corporate Taxpayer with respect to a Taxable Year for Depreciation arising in respect of a Basis Adjustment to a Reference Asset resulting from an Exchange is Attributable to the Applicable Member to the extent that the ratio of all Depreciation for the Taxable Year in respect of Basis Adjustments resulting from all Exchanges by the Applicable Member bears to the aggregate of all Depreciation for the Taxable Year in respect of Basis Adjustments resulting from all Exchanges by the Applicable Members (in each case, other than with respect to the portion of the Basis Adjustment described in clause (ii) below).

(ii) A portion of any Realized Tax Benefit arising from a deduction to the Corporate Taxpayer with respect to a Taxable Year for Depreciation arising in respect of a Basis Adjustment to a Reference Asset resulting from a payment hereunder is Attributable to the Applicable Member that receives such payment.

(iii) A portion of any Realized Tax Benefit arising from the disposition of a Reference Asset is Attributable to the Applicable Member to the extent that the ratio of all Basis Adjustments (to the extent not previously taken into account in the calculation of Realized Tax Benefits) resulting from all Exchanges by the Applicable Member with respect to such Reference Asset bears to the aggregate of all Basis Adjustments (to the extent not previously taken into account in the calculation of Realized Tax Benefits) with respect to such Reference Asset.

(iv) A portion of any Realized Tax Benefit arising from a deduction to the Corporate Taxpayer with respect to a Taxable Year in respect of Imputed Interest is Attributable to the Applicable Member to the extent corresponding to amounts that such Member is required to include in income in respect of Imputed Interest (without regard to whether such Member is actually subject to tax thereon).

(v) A portion of any Realized Tax Benefit arising from a carryover or carryback of any Tax item is Attributable to such Member to the extent such carryover or carryback is attributable to or available for use because of the prior use of the Basis Adjustments or Imputed Interest with respect to which a Realized Tax Benefit would be Attributable to such Member pursuant to clauses (i)–(iv) above.

Portions of any Realized Tax Detriment shall be Attributed to Members under principles similar to those described in clauses (i)–(v) above.

"Basis Adjustment" means the adjustment to the tax basis of a Reference Asset under Sections 732, 755 and 1012 of the Code and the Treasury Regulations promulgated thereunder (in situations where, as a result of one or more Exchanges, OpCo becomes an entity that is disregarded as separate from its owner for U.S. federal income tax purposes) or under Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder (in situations where, following an Exchange, OpCo remains in existence as an entity for U.S. federal income tax purposes) and, in each case, comparable sections of state and local tax laws, as a result of (i) an Exchange and (iii) the payments made pursuant to the Tax Receivable Agreements. For the avoidance of doubt, the amount of any Basis Adjustment resulting from an Exchange of one or more Common Units shall be determined without regard to any Pre-Exchange Transfer of such Common Units and as if any such Pre-Exchange Transfer had not occurred.

A "Beneficial Owner" of a security is a Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (i) voting power, which includes the power to vote, or to direct the voting of, such security and/or (ii) investment power, which includes the power to dispose of, or to direct the disposition of, such security.

"Blended Rate" means, with respect to any Taxable Year, the sum of the effective rates of tax imposed on the aggregate net income of the Corporate Taxpayer in each state or local jurisdiction in which the Corporate Taxpayer files Tax Returns for such Taxable Year, with the maximum effective rate in any state or local jurisdiction being equal to the product of: (i) the apportionment factor on the income or franchise Tax Return filed by the Corporate Taxpayer in such jurisdiction for such Taxable Year, and (ii) the maximum applicable corporate tax rate in effect in such jurisdiction in such Taxable Year. As an illustration of the calculation of Blended Rate for a Taxable Year, if the Corporate Taxpayer solely files Tax Returns in State 1 and State 2 in a Taxable Year, the maximum applicable corporate tax rates in effect in such states in such Taxable Year are 6% and 5%, respectively and the apportionment factors for such states in such Taxable Year are 60% and 40%, respectively, then the Blended Rate for such Taxable Year is equal to 5.6% (i.e., 6% times 60% plus 5% times 40%).

"Board" means the board of directors of the Corporate Taxpayer.

"Business Day" shall have the meaning ascribed to such term in the LLC Agreement.

"Change of Control" means the occurrence of any of the following events:

(i) any Person or any group of Persons acting together which would constitute a "group" for purposes of Section 13(d) of the Securities and Exchange Act of 1934, or any successor provisions thereto, excluding (x) a corporation or other entity owned, directly or indirectly, by the stockholders of the Corporate Taxpayer in substantially the same proportions as their ownership of stock in the Corporate Taxpayer and (y) any Member or any of its Affiliates who is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporate Taxpayer representing more than 50% of the combined voting power of the Corporate Taxpayer's then outstanding voting securities; or

(ii) the following individuals cease to constitute a majority of the number of directors of the Corporate Taxpayer then serving: individuals who, on the IPO Date, constitute the Board and any new director whose appointment or election by the Board or nomination for election by the Corporate Taxpayer's shareholders was approved or recommended by a vote of at least a majority of the directors then still in office who either were directors on the IPO Date or whose appointment, election or nomination for election was previously so approved or recommended by the directors referred to in this clause (ii); or

(iii) there is consummated a merger or consolidation of the Corporate Taxpayer with any other corporation or other entity, and, immediately after the consummation of such merger or consolidation, either (x) the Board immediately prior to the merger or consolidation does not constitute at least a majority of the board of directors of the company surviving the merger or, if the surviving company is a Subsidiary, the ultimate parent thereof, or (y) the voting securities of the Corporate Taxpayer immediately prior to such merger or consolidation do not continue to represent or are not converted into more than 50% of the combined voting power of the then outstanding voting securities of the Person resulting from

such merger or consolidation or, if the surviving company is a Subsidiary, the ultimate parent thereof; or

(iv) the shareholders of the Corporate Taxpayer approve a plan of complete liquidation or dissolution of the Corporate Taxpayer or there is consummated an agreement or series of related agreements for the sale or other disposition, directly or indirectly, by the Corporate Taxpayer of all or substantially all of the Corporate Taxpayer's assets, other than such sale or other disposition by the Corporate Taxpayer of all or substantially all of the Corporate Taxpayer's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of the Corporate Taxpayer in substantially the same proportions as their ownership of the Corporate Taxpayer immediately prior to such sale.

Notwithstanding the foregoing, except with respect to clause (ii) and clause (iii)(x) above, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the shares of the Corporate Taxpayer immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in, and own substantially all of the shares of, an entity which owns all or substantially all of the assets of the Corporate Taxpayer immediately following such transaction or series of transactions.

"Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Corporate Taxpayer Return" means the U.S. federal and/or state and/or local Tax Return, as applicable, of the Corporate Taxpayer filed with respect to Taxes of any Taxable Year.

"Cumulative Net Realized Tax Benefit" for a Taxable Year means the cumulative amount of Realized Tax Benefits for all Taxable Years of the Corporate Taxpayer, up to and including such Taxable Year, net of the cumulative amount of Realized Tax Detriments for the same period. The Realized Tax Benefit and Realized Tax Detriment for each Taxable Year shall be determined based on the most recent Tax Benefit Schedule or Amended Schedule, if any, in existence at the time of such determination.

"Default Rate" means a per annum rate of LIBOR plus 500 basis points.

"Determination" shall have the meaning ascribed to such term in Section 1313(a) of the Code or similar provision of state and local tax law, as applicable, or any other event (including the execution of IRS Form 870-AD) that finally and conclusively establishes the amount of any liability for Tax and shall also include the acquiescence of the Corporate Taxpayer to the amount of any assessed liability for Tax.

"Direct Exchange" is defined in the recitals to this Agreement.

"Early Termination Date" means the date of an Early Termination Notice for purposes of determining the Early Termination Payment.

"Early Termination Rate" means a per annum rate of the lesser of (i) 6.5% per annum, compounded annually, and (ii) LIBOR plus 100 basis points.

"Exchange" is defined in the recitals to this Agreement.

"Governmental Authority" has the meaning set forth in the LLC Agreement.

"Hypothetical Federal Tax Liability" means, with respect to any Taxable Year, the liability for U.S. federal income Taxes of (i) the Corporate Taxpayer and (ii) without duplication, OpCo, but only with respect to U.S. federal income Taxes imposed on OpCo and allocable to the Corporate Taxpayer (or to the other members of the consolidated group of which the Corporate Taxpayer is the parent), in each case using the same methods, elections, conventions and similar practices used on the relevant Corporate Taxpayer Return, but (w) using the Non-Stepped Up Tax Basis as reflected on the applicable Exchange Basis Schedule, including amendments thereto for the Taxable Year, (x) excluding any deduction attributable to Imputed Interest for the Taxable Year, (y) deducting the Hypothetical Other Tax Liability (rather than any amount for state, local or foreign tax liabilities) for such Taxable Year and (z) without taking into account the carryover or carryback of any Tax item (or portions thereof) that is attributable to or (without duplication) available for use because of the prior use of any of the Basis Adjustments or Imputed Interest.

"Hypothetical Other Tax Liability" means, with respect to any Taxable Year, U.S. federal taxable income determined in connection with calculating the Hypothetical Federal Tax Liability for such Taxable Year (determined without regard to clause (y) thereof) multiplied by the Blended Rate for such Taxable Year.

"Hypothetical Tax Liability" means, with respect to any Taxable Year, the Hypothetical Federal Tax Liability for such Taxable Year, plus the Hypothetical Other Tax Liability for such Taxable Year.

"Imputed Interest" shall mean any interest imputed under Section 1272, 1274 or 483 or other provision of the Code and any similar provision of state and local tax law with respect to the Corporate Taxpayer's payment obligations under this Agreement.

"IPO" means the initial public offering of Class A Common Stock of the Corporate Taxpayer.

"IPO Date" means the closing date of the IPO.

"IRS" means the U.S. Internal Revenue Service.

"LIBOR" means during any period, the rate which appears on the Bloomberg Page BBAM1 (or on such other substitute Bloomberg page that displays rates at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market), or the rate which is quoted by another source selected by the Corporation as an authorized information vendor for the purpose of displaying rates at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market (a "Alternate Source"), at approximately 11:00

a.m., London time, two (2) Business Days prior to the first day of such period as the London interbank offered rate for U.S. dollars having a borrowing date and a maturity comparable to such period (or if there shall at any time, for any reason, no longer exist a Bloomberg Page BBAM1 (or any substitute page) or any LIBOR Alternate Source, a comparable replacement rate determined by the Corporation at such time, which determination shall be conclusive absent manifest error; provided, that at no time shall LIBOR be less than 0%

"LLC Agreement" means the Amended and Restated Limited Liability Company Agreement of OpCo, dated as of the date hereof.

"Market Value" shall mean the closing price of the Class A Common Stock on the applicable Exchange Date on the national securities exchange or interdealer quotation system on which such Class A Common Stock is then traded or listed, as reported by the *Wall Street Journal*; provided, that if the closing price is not reported by the *Wall Street Journal* for the applicable Exchange Date, then the Market Value shall mean the closing price of the Class A Common Stock on the Business Day immediately preceding such Exchange Date on the national securities exchange or interdealer quotation system on which such Class A Common Stock is then traded or listed, as reported by the *Wall Street Journal*; provided, further, that if the Class A Common Stock is not then listed on a national securities exchange or interdealer quotation system, the Market Value shall mean the cash consideration paid for Class A Common Stock, or the fair market value of the other property delivered for Class A Common Stock, as determined by the Board in good faith.

"Non-Stepped Up Tax Basis" means, with respect to any Reference Asset at any time, the Tax basis that such asset would have had at such time if no Basis Adjustments had been made.

"Payment Date" means any date on which a payment is required to be made pursuant to this Agreement.

"Person" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

"Pre-Exchange Transfer" means any transfer or distribution in respect of one or more Common Units (i) that occurs prior to an Exchange of such Common Units, and (ii) to which Section 743(b) or 734(b) of the Code applies.

"Realized Tax Benefit" means, for a Taxable Year, the excess, if any, of the Hypothetical Tax Liability over the Actual Tax Liability. If all or a portion of the Actual Tax Liability for such Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination with respect to such Actual Tax Liability.

"Realized Tax Detriment" means, for a Taxable Year, the excess, if any, of the Actual Tax Liability over the Hypothetical Tax Liability. If all or a portion of the Actual Tax

Liability for such Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination with respect to such Actual Tax Liability.

"Redemption" has the meaning in the recitals to this Agreement.

"Reference Asset" means an asset that is held by OpCo, or by any of its direct or indirect subsidiaries, if any, treated as a partnership or disregarded entity for purposes of the applicable Tax, at the time of an Exchange. A Reference Asset also includes any asset that is "substituted basis property" under Section 7701(a)(42) of the Code with respect to a Reference Asset.

"Schedule" means any of the following: (i) an Exchange Basis Schedule, (ii) a Tax Benefit Schedule, or (iii) the Early Termination Schedule.

"Subsidiaries" shall have the meaning ascribed to such term in the LLC Agreement.

"Subsidiary Stock" means any stock or other equity interest in any Subsidiary of the Corporate Taxpayer that is (i) treated as a corporation for U.S. federal income tax purposes and (ii) a member of an affiliated or consolidated group of corporations that files a consolidated income tax return pursuant to Sections 1501 et seq. of the Code with respect to which the Corporate Taxpayer is a member.

"Tax Return" means any return, declaration, report or similar statement required to be filed with respect to Taxes (including any attached schedules), including any information return, claim for refund, amended return and declaration of estimated Tax.

"Taxable Year" means a taxable year of the Corporate Taxpayer as defined in Section 441(b) of the Code or comparable section of state or local tax law, as applicable (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is made), ending on or after the IPO Date.

"Taxes" means any and all taxes, assessments or similar charges that are based on or measured with respect to net income or profits, and any interest related to such Tax.

"Taxing Authority" shall mean any domestic, federal, national, state, county or municipal or other local government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body exercising any taxing authority or any other authority exercising Tax regulatory authority.

"Treasury Regulations" means the final, temporary and proposed regulations under the Code promulgated from time to time (including corresponding provisions and succeeding provisions) as in effect for the relevant taxable period.

"Valuation Assumptions" shall mean, as of an Early Termination Date, the assumptions that (1) in each Taxable Year ending on or after such Early Termination Date, the

Corporate Taxpayer will have taxable income sufficient to fully utilize the deductions arising from the Basis Adjustments and Imputed Interest during such Taxable Year or future Taxable Years (including, for the avoidance of doubt, Basis Adjustments and Imputed Interest that would result from future Tax Benefit Payments that would be paid in accordance with the Valuation Assumptions) in which such deductions would become available, (2) the U.S. federal income tax rates and state and local income tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other law as in effect on the Early Termination Date, (3) any loss or credit carryovers generated by deductions arising from Basis Adjustments or Imputed Interest that are available as of such Early Termination Date will be utilized by the Corporate Taxpayer on a pro rata basis from the Early Termination Date through the scheduled expiration date or, if there is no scheduled expiration date, the twentieth anniversary of the generation of such loss or credit carryovers, (4) any non-amortizable assets (other than Subsidiary Stock) will be disposed of on the fifteenth anniversary of the applicable Basis Adjustment; provided, that in the event of a Change of Control, such non-amortizable assets shall be deemed disposed of at the time of sale of the relevant asset (if earlier than such fifteenth anniversary), (5) any Subsidiary Stock will be deemed never to be disposed of and (6) if, at the Early Termination Date, there are Common Units that have not been Exchanged, then each such Common Unit shall be deemed to be Exchanged for the product of (i) the Market Value of the Class A Common Stock on the Early Termination Date and (ii) the number of shares of Class A Common Stock that would be transferred in respect of such Common Unit if the Exchange occurred on the Early Termination Date.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	**Section**
Agreement	Preamble
Amended Schedule	2.03(b)
Class A Common Stock	Recitals
Code	Recitals
Common Units	Recitals
Corporate Taxpayer	Preamble
Dispute	7.03(a)
Early Termination Effective Date	4.02
Early Termination Notice	4.02
Early Termination Payment	4.03(b)
Early Termination Schedule	4.02
e-mail	7.01
Exchange Basis Schedule	2.01
Exchange Date	Recitals
Expert	7.09
Interest Amount	3.01(b)
Material Objection Notice	4.02
Members	Preamble
Net Tax Benefit	3.01(b)
Objection Notice	2.03(a)
OpCo	Recitals

Term	Section
Reconciliation Dispute	7.09
Reconciliation Procedures	2.03(a)
Senior Obligations	5.01
Tax Benefit Payment	3.01(b)
Tax Benefit Schedule	2.02(a)

(c) Other Definitional and Interpretative Provisions. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles and Sections are to Articles and Sections of this Agreement unless otherwise specified. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE II

DETERMINATION OF REALIZED TAX BENEFIT

Section 2.01 Basis Adjustment. Within 120 calendar days after the filing of the U.S. federal income tax return of the Corporate Taxpayer for each Taxable Year in which any Exchange has been effected by any Member, the Corporate Taxpayer shall deliver to each such Member a schedule (the "Exchange Basis Schedule") that shows, in reasonable detail necessary to perform the calculations required by this Agreement, including with respect to each Exchanging party, (i) the Non-Stepped Up Tax Basis of the Reference Assets as of each applicable Exchange Date, (ii) the Basis Adjustments with respect to the Reference Assets as a result of each Exchange effected in such Taxable Year, calculated (x) in the aggregate, and (y) solely with respect to Exchanges by such Member, (iii) the period (or periods) over which the Reference Assets are amortizable and/or depreciable and (iv) the period (or periods) over which each Basis Adjustment is amortizable and/or depreciable. For the avoidance of doubt, payments made under this Agreement shall not be treated as resulting in a Basis Adjustment to the extent such payments are treated as Imputed Interest.

Section 2.02 Realized Tax Benefit and Realized Tax Detriment.

(a) Tax Benefit Schedule. Within 120 calendar days after the filing of the U.S. federal income tax return of the Corporate Taxpayer for any Taxable Year in which any Exchange has been effected by a Member or which is subsequent to any Taxable Year in which any Exchange has been effected by a Member, the Corporate Taxpayer shall provide to such Member a schedule showing, in reasonable detail, the calculation of the Realized Tax Benefit or Realized Tax Detriment and the portion Attributable to such Member for such Taxable Year (a "Tax Benefit Schedule"). The Tax Benefit Schedule will become final as provided in Section 2.03(a) and may be amended as provided in Section 2.03(b) (subject to the procedures set forth in Section 2.03(b)).

(b) Applicable Principles. The Realized Tax Benefit or Realized Tax Detriment for each Taxable Year is intended to measure the decrease or increase in the Actual Tax Liability of the Corporate Taxpayer for such Taxable Year attributable to the Basis Adjustments and Imputed Interest, determined using a "with and without" methodology. For the avoidance of doubt, the Actual Tax Liability will take into account the deduction of the portion of the Tax Benefit Payment that must be accounted for as interest under the Code based upon the characterization of Tax Benefit Payments as additional consideration payable by the Corporate Taxpayer for the Common Units acquired in an Exchange. Carryovers or carrybacks of any Tax item attributable to the Basis Adjustment or Imputed Interest shall be considered to be subject to the rules of the Code and the Treasury Regulations or the appropriate provisions of U.S. state and local income and franchise tax law, as applicable, governing the use, limitation and expiration of carryovers or carrybacks of the relevant type. If a carryover or carryback of any Tax item includes a portion that is attributable to the Basis Adjustment or Imputed Interest and another portion that is not, such portions shall be considered to be used in accordance with the "with and without" methodology. The parties agree that (i) all Tax Benefit Payments attributable to the Basis Adjustments (other than amounts accounted for as interest under the Code) will (A) be treated as subsequent upward purchase price adjustments that give rise to further Basis Adjustments to Reference Assets for the Corporate Taxpayer and (B) have the effect of creating additional Basis Adjustments to Reference Assets for the Corporate Taxpayer in the year of payment, and (ii) as a result, such additional Basis Adjustments will be incorporated into the current year calculation and into future year calculations, as appropriate.

Section 2.03 Procedures, Amendments.

(a) Procedure. Every time the Corporate Taxpayer delivers to a Member an applicable Schedule under this Agreement, including any Amended Schedule delivered pursuant to Section 2.03(b) and any Early Termination Schedule or amended Early Termination Schedule, the Corporate Taxpayer shall also (x) deliver to such Member schedules and work papers, as determined by the Corporate Taxpayer or requested by such Member, providing reasonable detail regarding the preparation of the Schedule and (y) allow such Member reasonable access to the appropriate representatives at the Corporate Taxpayer, as determined by the Corporate Taxpayer, in connection with a review of such Schedule. Without limiting the application of the preceding sentence, each time the Corporate Taxpayer delivers to a Member a Tax Benefit Schedule, in addition to the Tax Benefit Schedule duly completed, the Corporate Taxpayer shall deliver to such Member the Corporate Taxpayer Return, the reasonably detailed calculation by the Corporate Taxpayer of the Hypothetical Tax Liability, the reasonably detailed calculation by the Corporate Taxpayer of the Actual Tax Liability, as well as any other

work papers as determined by the Corporate Taxpayer or requested by such Member, provided that the Corporate Taxpayer shall be entitled to redact any information that it reasonably believes is unnecessary for purposes of determining the items in the applicable Schedule or amendment thereto. An applicable Schedule or amendment thereto shall become final and binding on the applicable Member and the Corporate Taxpayer thirty (30) calendar days from the first date on which the Member has received the applicable Schedule or amendment thereto unless such Member (i) within thirty (30) calendar days after receiving an applicable Schedule or amendment thereto, provides the Corporate Taxpayer with notice of a material objection to such Schedule ("Objection Notice") made in good faith or (ii) provides a written waiver of such right of any Objection Notice within the period described in clause (i) above, in which case such Schedule or amendment thereto becomes binding on the date the waiver is received by the Corporate Taxpayer. If the applicable Member and the Corporate Taxpayer for any reason, are unable to successfully resolve the issues raised in the Objection Notice within thirty (30) calendar days after receipt by the Corporate Taxpayer of an Objection Notice, the Corporate Taxpayer and the applicable Member shall employ the reconciliation procedures as described in Section 7.09 (the "Reconciliation Procedures").

(b) Amended Schedule. The applicable Schedule for any Taxable Year may be amended from time to time by the Corporate Taxpayer (i) in connection with a Determination affecting such Schedule, (ii) to correct inaccuracies in the Schedule identified as a result of the receipt of additional factual information relating to a Taxable Year after the date the Schedule was provided to the applicable Member, (iii) to comply with the Expert's determination under the Reconciliation Procedures, (iv) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryback or carryforward of a loss or other tax item to such Taxable Year, (v) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year, or (vi) to adjust the Exchange Basis Schedule to take into account payments made pursuant to this Agreement (any such Schedule, an "Amended Schedule"). The Corporate Taxpayer shall provide an Amended Schedule to each relevant Member within thirty (30) calendar days of the occurrence of an event referenced in clauses (i) through (vi) of the preceding sentence.

ARTICLE III

TAX BENEFIT PAYMENTS

Section 3.01 Payments.

(a) Within five (5) Business Days after all of the Tax Benefit Schedules (as defined in each of the Tax Receivable Agreements) with respect to a Taxable Year delivered to any Member become final in accordance with Section 2.03(a), the Corporate Taxpayer shall pay to each Member for such Taxable Year the Tax Benefit Payment in the amount determined pursuant to Section 3.01(b). Each such Tax Benefit Payment to a Member shall be made by wire transfer of immediately available funds to the bank account previously designated by such Member to the Corporate Taxpayer or as otherwise agreed by the Corporate Taxpayer and such Member. For the avoidance of doubt, no Tax Benefit Payment shall be made in respect of estimated tax payments, including federal estimated income tax payments.

Notwithstanding any provision of this Agreement to the contrary, any Member may elect with respect to any Exchange to limit the aggregate Tax Benefit Payments made to such Member in respect of any such Exchange to a specified percentage of the amount equal to the sum of (A) the cash, excluding any Tax Benefit Payments, and (B) the Market Value of the Class A Shares received by such Member on such Exchange (or such other limitation selected by the Member and consented to by the Corporate Taxpayer, which consent shall not be unreasonably withheld). The Member shall exercise its rights under the preceding sentence by notifying the Corporate Taxpayer in writing of its desire to impose such a limit and the specified percentage (or such other limitation selected by the Member) and such other details as may be necessary (including whether such limit includes the Imputed Interest in respect of any such Exchange) in such manner and at such time (but in no event later than the date of any such Exchange) as reasonably directed by the Corporate Taxpayer; provided, however, that, in the absence of such direction, the Member shall give such written notice in the same manner as is required by Section 7.01 of this Agreement contemporaneously with Member's notice to the Corporate Taxpayer of the applicable Exchange.

(b) A "Tax Benefit Payment" means, with respect to a Member, an amount, not less than zero, equal to the sum of the amount of the Net Tax Benefit Attributable to such Member and the related Interest Amount. For the avoidance of doubt, for Tax purposes, the Interest Amount shall not be treated as interest but instead shall be treated as additional consideration for the acquisition of Common Units in Exchanges, unless otherwise required by law. Subject to Section 3.03(a), the "Net Tax Benefit" for a Taxable Year shall be an amount equal to the excess, if any, of 85% of the Cumulative Net Realized Tax Benefit as of the end of such Taxable Year over the total amount of Tax Benefit Payments previously made under this Section 3.01 (excluding payments attributable to Interest Amounts); provided, for the avoidance of doubt, that such Member shall not be required to return any portion of any previously made Tax Benefit Payment. The "Interest Amount" shall equal the interest on the amount of the Net Tax Benefit Attributable to such Member calculated at the Agreed Rate from the due date (without extensions) for filing the Corporate Taxpayer Return with respect to Taxes for such Taxable Year until the Payment Date of the applicable Tax Benefit Payment. Notwithstanding the foregoing, for each Taxable Year ending on or after the date of a Change of Control, all Tax Benefit Payments, whether paid with respect to the Common Units that were Exchanged (i) prior to the date of such Change of Control or (ii) on or after the date of such Change of Control, shall be calculated by utilizing Valuation Assumptions (1), (3), (4) and (5), substituting in each case the terms "the closing date of a Change of Control" for an "Early Termination Date." Notwithstanding anything to the contrary in this Agreement, after any lump-sum payment under Article IV of this Agreement in respect of present or future Tax attributes subject to this Agreement, the Tax Benefit Payment, Net Tax Benefit and components thereof shall be calculated without taking into account any such attributes or any such lump-sum payment.

Section 3.02 No Duplicative Payments. It is intended that the provisions of this Agreement will not result in duplicative payment of any amount (including interest) required under this Agreement. The provisions of this Agreement shall be construed in the appropriate manner to ensure such intentions are realized.

Section 3.03 Pro Rata Payments.

(a) Notwithstanding anything in Section 3.01 to the contrary, to the extent that the aggregate tax benefit of the Corporate Taxpayer's reduction in Tax liability as a result of the Basis Adjustments and Imputed Interest under this Agreement is limited in a particular Taxable Year because the Corporate Taxpayer does not have sufficient taxable income to fully utilize available deductions and other attributes, the limitation on the tax benefit for the Corporate Taxpayer shall be allocated among the Members in proportion to the respective amounts of Tax Benefit Payments that would have been determined under this Agreement if the Corporate Taxpayer had sufficient taxable income so that there were no such limitation; provided, that for purposes of allocating among the Members the aggregate Tax Benefit Payments under this Agreement with respect to any Taxable Year, the operation of this Section 3.03(a) with respect to any prior Taxable Year shall be taken into account, it being the intention of the Corporate Taxpayer and the Members for each Member to receive, in the aggregate, Tax Benefit Payments in proportion to the aggregate Net Tax Benefits Attributable to such Member had this Section 3.03(a) never operated.

(b) After taking into account Section 3.03(a), if for any reason the Corporate Taxpayer does not fully satisfy its payment obligations to make all Tax Benefit Payments due under this Agreement in respect of a particular Taxable Year, then the Corporate Taxpayer and the Members agree that (i) the Corporate Taxpayer shall pay the same proportion of each Tax Benefit Payment due under this Agreement in respect of such Taxable Year, without favoring one obligation over the other, and (ii) no Tax Benefit Payment shall be made in respect of any Taxable Year until all Tax Benefit Payments in respect of prior Taxable Years have been made in full.

(c) To the extent the Corporate Taxpayer makes a payment to a Member in respect of a particular Taxable Year under Section 3.01(a) of this Agreement (taking into account Section 3.03(a) and (b), but excluding payments attributable to Interest Amounts) in excess of the amount of such payment that should have been made to such Member in respect of such Taxable Year, then (i) such Member shall not receive further payments under Section 3.01(a) until such Member has foregone an amount of payments equal to such excess and (ii) the Corporate Taxpayer shall pay the amount of such Member's foregone payments to the other Members in a manner such that each of the other Members, to the maximum extent possible, shall have received aggregate payments under Section 3.01(a) of this Agreement (excluding payments attributable to Interest Amounts) in the amount it would have received if there had been no excess payment to such Member.

ARTICLE IV

TERMINATION

Section 4.01 Termination, Early Termination and Breach of Agreement.

(a) Unless terminated earlier pursuant to Section 4.01(b) or Section 4.01(c), this Agreement will terminate when there is no further potential for a Tax Benefit Payment pursuant to this Agreement. Tax Benefit Payments under this Agreement are not conditioned on any Member retaining an interest in the Corporate Taxpayer or OpCo (or any successor thereto).

(b) The Corporate Taxpayer may terminate this Agreement with respect to all amounts payable to the Members and with respect to all of the Common Units held (or previously held and Exchanged) by all Members at any time by paying to each Member the Early Termination Payment in respect of such Member; provided, however, that this Agreement shall only terminate pursuant to this Section 4.01(b) upon the receipt of the Early Termination Payment by all Members; and provided, further, that the Corporate Taxpayer may withdraw any notice to exercise its termination rights under this Section 4.01(b) prior to the time at which any Early Termination Payment has been paid. Upon payment of the Early Termination Payment by the Corporate Taxpayer in accordance with this Section 4.01(b), neither the Members nor the Corporate Taxpayer shall have any further payment obligations under this Agreement, other than for any (1) Tax Benefit Payment agreed to by the Corporate Taxpayer and a Member as due and payable but unpaid as of the Early Termination Notice and (2) Tax Benefit Payment due for the Taxable Year ending with or including the date of the Early Termination Notice (except to the extent that the amount described in clause (2) is included in the Early Termination Payment). If an Exchange occurs after the Corporate Taxpayer makes the Early Termination Payment pursuant to this Section 4.01(b), the Corporate Taxpayer shall have no obligations under this Agreement with respect to such Exchange.

(c) In the event that the Corporate Taxpayer breaches any of its material obligations under this Agreement, whether as a result of failure to make any payment when due, failure to honor any other material obligation required hereunder or by operation of law as a result of the rejection of this Agreement in a case commenced under the Bankruptcy Code or otherwise, then all obligations hereunder shall be accelerated and such obligations shall be calculated as if an Early Termination Notice had been delivered on the date of such breach and shall include, but not be limited to, (1) the Early Termination Payment calculated as if an Early Termination Notice had been delivered on the date of a breach, (2) any Tax Benefit Payment agreed to by the Corporate Taxpayer and any Members as due and payable but unpaid as of the date of a breach, and (3) any Tax Benefit Payment due for the Taxable Year ending with or including the date of a breach; provided that procedures similar to the procedures of Section 4.02 shall apply with respect to the determination of the amount payable by the Corporate Taxpayer pursuant to this sentence. Notwithstanding the foregoing, in the event that the Corporate Taxpayer breaches this Agreement, each Member shall be entitled to elect to receive the amounts set forth in clauses (1), (2) and (3) above or to seek specific performance of the terms hereof. The parties agree that the failure to make any payment due pursuant to this Agreement within three months of the date such payment is due shall be deemed to be a breach of a material obligation under this Agreement for all purposes of this Agreement, and that it will not be considered to be a breach of a material obligation under this Agreement to make a payment due pursuant to this Agreement within three months of the date such payment is due. Notwithstanding anything in this Agreement to the contrary, it shall not be a breach of this Agreement if the Corporate Taxpayer fails to make any payment due pursuant to this Agreement when due to the extent the Corporate Taxpayer has insufficient funds to make such payment despite using reasonable best efforts to obtain funds to make such payment (including by causing OpCo or any other Subsidiaries to distribute or lend funds for such payment); provided that the interest provisions of Section 5.02 shall apply to such late payment (unless the Corporate Taxpayer does not have sufficient cash to make such payment as a result of limitations imposed by debt agreements to which the Corporate Taxpayer or any of its Subsidiaries is a party, in which case Section 5.02 shall apply, but the Default Rate shall be replaced by the Agreed Rate);

provided, further, that the Corporate Taxpayer shall promptly (and in any event, within two (2) Business Days), pay all such unpaid payments, together with accrued and unpaid interest thereon, immediately following such time that the Corporate Taxpayer has, and to the extent the Corporate Taxpayer has, sufficient funds to make such payment, and the failure of the Corporate Taxpayer to do so shall constitute a breach of this Agreement. For the avoidance of doubt, all cash and cash equivalents used or to be used to pay dividends by, or repurchase equity securities of, the Corporate Taxpayer shall be deemed to be funds sufficient and available to pay such unpaid payments, together with any accrued and unpaid interest thereon.

Section 4.02 Early Termination Notice. If the Corporate Taxpayer chooses to exercise its right of early termination under Section 4.01(b) above, the Corporate Taxpayer shall deliver to each Member notice of such intention to exercise such right ("Early Termination Notice") and a schedule (the "Early Termination Schedule") specifying the Corporate Taxpayer's intention to exercise such right and showing in reasonable detail the calculation of the Early Termination Payment for such Member. The Early Termination Schedule shall become final and binding on such Member thirty (30) calendar days from the first date on which such Member has received such Schedule or amendment thereto unless such Member (i) within thirty (30) calendar days after receiving the Early Termination Schedule, provides the Corporate Taxpayer with notice of a material objection to such Schedule made in good faith ("Material Objection Notice") or (ii) provides a written waiver of such right of a Material Objection Notice within the period described in clause (i) above, in which case such Schedule becomes binding on the date the waiver is received by the Corporate Taxpayer (such thirty (30) calendar day date as modified, if at all, by clauses (i) or (ii), the "Early Termination Effective Date"). If the Corporate Taxpayer and such Member, for any reason, are unable to successfully resolve the issues raised in such notice within thirty (30) calendar days after receipt by the Corporate Taxpayer of the Material Objection Notice, the Corporate Taxpayer and such Member shall employ the Reconciliation Procedures.

Section 4.03 Payment upon Early Termination.

(a) Within three (3) Business Days after the Early Termination Effective Date, the Corporate Taxpayer shall pay to each Member an amount equal to the Early Termination Payment in respect of such Member. Such payment shall be made by wire transfer of immediately available funds to a bank account or accounts designated by such Member or as otherwise agreed by the Corporate Taxpayer and such Member.

(b) "Early Termination Payment" in respect of a Member shall equal the present value, discounted at the Early Termination Rate as of the Early Termination Effective Date, of all Tax Benefit Payments in respect of such Member that would be required to be paid by the Corporate Taxpayer beginning from the Early Termination Date and assuming that the Valuation Assumptions are applied.

ARTICLE V
SUBORDINATION AND LATE PAYMENTS

Section 5.01 Subordination. Notwithstanding any other provision of this Agreement to the contrary, any Tax Benefit Payment or Early Termination Payment required to

be made by the Corporate Taxpayer to any Member under this Agreement shall rank subordinate and junior in right of payment to any principal, interest or other amounts due and payable in respect of any obligations in respect of indebtedness for borrowed money of the Corporate Taxpayer and its Subsidiaries ("Senior Obligations") and shall rank pari passu with all current or future unsecured obligations of the Corporate Taxpayer that are not Senior Obligations.

Section 5.02 Late Payments by the Corporate Taxpayer. The amount of all or any portion of any Tax Benefit Payment or Early Termination Payment not made to the applicable Member when due under the terms of this Agreement shall be payable together with any interest thereon, computed at the Default Rate and commencing from the date on which such Tax Benefit Payment or Early Termination Payment was due and payable, subject to Section 4.01(c).

ARTICLE VI
NO DISPUTES; CONSISTENCY; COOPERATION

Section 6.01 Participation in the Corporate Taxpayer's and OpCo's Tax Matters. Except as otherwise provided herein, the Corporate Taxpayer shall have full responsibility for, and sole discretion over, all Tax matters concerning the Corporate Taxpayer and OpCo, including the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to Taxes. Notwithstanding the foregoing, the Corporate Taxpayer shall notify a Member of, and keep such Member reasonably informed with respect to, the portion of any audit of the Corporate Taxpayer and OpCo by a Taxing Authority the outcome of which is reasonably expected to affect the rights and obligations of such Member under this Agreement, and shall provide to such Member reasonable opportunity to provide information and other input (at such Member's own expense) to the Corporate Taxpayer, OpCo and their respective advisors concerning the conduct of (but, for the avoidance of doubt such Member may not control) any such portion of such audit; provided, however, that the Corporate Taxpayer and OpCo shall not be required to take any action that is inconsistent with any provision of the LLC Agreement.

Section 6.02 Consistency. The Corporate Taxpayer and the Members agree to report and cause to be reported for all purposes, including federal, state and local Tax purposes and financial reporting purposes, all Tax-related items (including the Basis Adjustments and each Tax Benefit Payment) in a manner consistent with that specified by the Corporate Taxpayer in any Schedule required to be provided by or on behalf of the Corporate Taxpayer under this Agreement unless otherwise required by law. Any dispute as to required Tax or financial reporting shall be subject to Section 7.09.

Section 6.03 Cooperation. Each of the Corporate Taxpayer and each Member shall (a) furnish to the other party in a timely manner such information, documents and other materials as the other party may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make itself available to the other party and its representatives to provide explanations of documents and materials and such other information as the other party or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c)

reasonably cooperate in connection with any such matter, and the Corporate Taxpayer shall reimburse the applicable Member for any reasonable third-party costs and expenses incurred pursuant to this Section 6.03.

ARTICLE VII
MISCELLANEOUS

Section 7.01 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("e-mail") transmission, so long as a receipt of such e-mail is requested and received) and shall be given to such party as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

If to the Corporate Taxpayer, to:

Goosehead Insurance, Inc.
1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Attention: [ ]
E-mail: [ ]

With copies (which shall not constitute notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attention: Richard D. Truesdell, Jr.
Michael Mollerus
E-mail: [****]
[****]

If to the applicable Member, to the address, facsimile number or e-mail address specified for such party on the Member Schedule to the LLC Agreement.

All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 7.02 Binding Effect; Benefit; Assignment.

(a) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. The Corporate Taxpayer shall require and cause any direct or indirect successor

(whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Corporate Taxpayer, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporate Taxpayer would be required to perform if no such succession had taken place.

(b) A Member may assign any of its rights under this Agreement to any Person as long as such transferee has executed and delivered, or, in connection with such transfer, executes and delivers, a joinder to this Agreement, in form of Exhibit A, agreeing to become a "Member" for all purposes of this Agreement, except as otherwise provided in such joinder; provided, that a Member's rights under this Agreement shall be assignable by such Member under the procedure in this Section 7.02(b) regardless of whether such Member continues to hold any interests in OpCo or the Corporate Taxpayer or has fully transferred any such interests.

Section 7.03 Resolution of Disputes.

(a) Except for Reconciliation Disputes subject to Section 7.09, any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) (each a "Dispute") shall be finally settled by arbitration conducted by a single arbitrator in Delaware in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the Dispute fail to agree on the selection of an arbitrator within ten (10) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer admitted to the practice of law in the State of Delaware and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Corporate Taxpayer may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.03 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Corporate Taxpayer as agent of such Member for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon such Member in any such action or proceeding.

(c) EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE CHANCERY COURT OF THE STATE OF DELAWARE OR, IF SUCH COURT DECLINES JURISDICTION, THE COURTS OF THE STATE OF DELAWARE SITTING IN WILMINGTON, DELAWARE, AND OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE SITTING IN WILMINGTON,

DELAWARE, AND ANY APPELLATE COURT FROM ANY THEREOF, FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 7.03, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(d) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.03 and such parties agree not to plead or claim the same.

Section 7.04 Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 7.05 Entire Agreement. This Agreement and the other Reorganization Documents (as such term is defined in the LLC Agreement) constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement. Nothing in this Agreement shall create any third-party beneficiary rights in favor of any Person or other party hereto.

Section 7.06 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

Section 7.07 Amendment. No provision of this Agreement may be amended unless such amendment is approved in writing by the Corporate Taxpayer and by Persons who would be entitled to receive at least two-thirds of the Early Termination Payments payable to all Persons entitled to Early Termination Payments under this Agreement if the Corporate Taxpayer had exercised its right of early termination on the date of the most recent Exchange prior to such amendment (excluding, for purposes of this sentence, all payments made to any Persons pursuant to this Agreement since the date of such most recent Exchange); provided, that no such amendment shall be effective if such amendment will have a disproportionate effect on the

payments certain Persons will or may receive under the Tax Receivable Agreements unless all such Persons disproportionately affected consent in writing to such amendment. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

Section 7.08 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State that would result in the application of the laws of any other State.

Section 7.09 Reconciliation. In the event that the Corporate Taxpayer and a Member are unable to resolve a disagreement with respect to the matters governed by Sections 2.03, 3.01(b), 4.02 and 6.02 within the relevant period designated in this Agreement ("Reconciliation Dispute"), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert (the "Expert") in the particular area of disagreement mutually acceptable to both parties. The Expert shall be a partner or principal in a nationally recognized accounting or law firm, and unless the Corporate Taxpayer and such Member agree otherwise, the Expert shall not, and the firm that employs the Expert shall not, have any material relationship with the Corporate Taxpayer or such Member or other actual or potential conflict of interest. If the parties are unable to agree on an Expert within fifteen (15) calendar days of receipt by the respondent(s) of written notice of a Reconciliation Dispute, the Expert shall be appointed by the International Chamber of Commerce Centre for Expertise. The Expert shall resolve any matter relating to the Exchange Basis Schedule or an amendment thereto or the Early Termination Schedule or an amendment thereto within thirty (30) calendar days and shall resolve any matter relating to a Tax Benefit Schedule or an amendment thereto within fifteen (15) calendar days or as soon thereafter as is reasonably practicable, in each case after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement would be due (in the absence of such disagreement) or any Tax Return reflecting the subject of a disagreement is due, the undisputed amount shall be paid on the date prescribed by this Agreement and such Tax Return may be filed as prepared by the Corporate Taxpayer, subject to adjustment or amendment upon resolution. The costs and expenses relating to the engagement of such Expert or amending any Tax Return shall be borne by the Corporate Taxpayer, except as provided in the next sentence. The Corporate Taxpayer and such Member shall bear their own costs and expenses of such proceeding, unless (i) the Expert substantially adopts such Member's position, in which case the Corporate Taxpayer shall reimburse such Member for any reasonable out-of-pocket costs and expenses in such proceeding, or (ii) the Expert substantially adopts the Corporate Taxpayer's position, in which case such Member shall reimburse the Corporate Taxpayer for any reasonable out-of-pocket costs and expenses in such proceeding. Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of this Section 7.09 shall be decided by the Expert. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.09 shall be binding on the Corporate Taxpayer and such Member and may be entered and enforced in any court having jurisdiction.

Section 7.10 Withholding. The Corporate Taxpayer shall be entitled to deduct and withhold from any payment payable pursuant to this Agreement such amounts as the Corporate Taxpayer is required to deduct and withhold with respect to the making of such

payment under the Code or any provision of state, local or foreign tax law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by the Corporate Taxpayer, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the applicable Member.

Section 7.11 Admission of the Corporate Taxpayer into a Consolidated Group; Transfers of Corporate Assets.

(a) If the Corporate Taxpayer is or becomes a member of an affiliated or consolidated group of corporations that files a consolidated income tax return pursuant to Sections 1501 et seq. of the Code or any corresponding provisions of state or local law, then: (i) the provisions of this Agreement shall be applied with respect to the group as a whole; and (ii) Tax Benefit Payments, Early Termination Payments and other applicable items hereunder shall be computed with reference to the consolidated taxable income of the group as a whole.

(b) If any entity that is obligated to make a Tax Benefit Payment or Early Termination Payment hereunder transfers one or more assets to a corporation (or a Person classified as a corporation for U.S. federal income tax purposes) with which such entity does not file a consolidated tax return pursuant to Section 1501 of the Code, such entity, for purposes of calculating the amount of any Tax Benefit Payment or Early Termination Payment (e.g., calculating the gross income of the entity and determining the Realized Tax Benefit of such entity) due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such contribution. The consideration deemed to be received by such entity shall be equal to the fair market value of the contributed asset. For purposes of this Section 7.11, a transfer of a partnership interest shall be treated as a transfer of the transferring partner's share of each of the assets and liabilities of that partnership.

Section 7.12 Confidentiality. Section 12.11 (Confidentiality) of the LLC Agreement as of the date of this Agreement shall apply to any information of the Corporate Taxpayer provided to the Members and their assignees pursuant to this Agreement.

Section 7.13 Change in Law. Notwithstanding anything herein to the contrary, if, in connection with an actual or proposed change in law, a Member reasonably believes that the existence of this Agreement could cause income (other than income arising from receipt of a payment under this Agreement) recognized by such Member (or direct or indirect equity holders in such Member) upon an Exchange to be treated as ordinary income rather than capital gain (or otherwise taxed at ordinary income rates) for U.S. federal income tax purposes or would have other material adverse tax consequences to the Corporate Taxpayer or such Member or any direct or indirect owner of a Member, then at the election of such Member and to the extent specified by such Member, this Agreement (i) shall cease to have further effect with respect to such Member, (ii) shall not apply to an Exchange occurring after a date specified by such Member, or (iii) shall otherwise be amended in a manner determined by such Member; provided, that such amendment shall not result in an increase in payments under this Agreement to such Member at any time as compared to the amounts and times of payments that would have been due to such Member in the absence of such amendment.

Section 7.14 Partnership Agreement. This Agreement shall be treated as part of the partnership agreement of OpCo as described in Section 761(c) of the Code, and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Corporate Taxpayer, OpCo, and each Member set forth below have duly executed this Agreement as of the date first written above.

CORPORATE TAXPAYER:

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

OPCO:

GOOSEHEAD FINANCIAL, LLC

By: _____
Name:
Title:

MEMBERS:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES
DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

Exhibit A
Form of Joinder

This JOINDER (this "Joinder") to the Tax Receivable Agreement (as defined below), dated as of _____, by and among Goosehead Insurance, Inc., a Delaware corporation (the "Corporate Taxpayer"), and _____ ("Permitted Transferee").

WHEREAS, on _____, Permitted Transferee acquired (the "Acquisition") the right to receive any and all payments that may become due and payable under the Tax Receivable Agreement with respect to ___ Common Units and the corresponding shares of Class B Common Stock that were previously, or may in the future be, Exchanged and are described in greater detail in Annex A to this Joinder (collectively, "Interests" and, together with all other interests hereinafter acquired by the Permitted Transferee from Transferor, the "Acquired Interests") from _____ ("Transferor"); and

WHEREAS, Transferor, in connection with the Acquisition, has required Permitted Transferee to execute and deliver this Joinder pursuant to Section 7.02(b) of the Tax Receivable Agreement, dated as of [ ], 2018, by and among the Corporate Taxpayer and each Member (as defined therein) (the "Tax Receivable Agreement").

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereto agree as follows:

Section 1.01 Definitions. To the extent capitalized words used in this Joinder are not defined in this Joinder, such words shall have the respective meanings set forth in the Tax Receivable Agreement.

Section 1.02 Joinder. Permitted Transferee hereby acknowledges and agrees to become a "Member" (as defined in the Tax Receivable Agreement) for all purposes of the Tax Receivable Agreement. Permitted Transferee hereby acknowledges the terms of Section 7.02(b) of the Tax Receivable Agreement and agrees to be bound by Section 7.12 of the Tax Receivable Agreement.

Section 1.03 Notice. Any notice, request, consent, claim, demand, approval, waiver or other communication hereunder to Permitted Transferee shall be delivered or sent to Permitted Transferee at the address set forth on the signature page hereto in accordance with Section 7.01 of the Tax Receivable Agreement.

Section 1.04 Governing Law. This Joinder shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State that would result in the application of the laws of any other State.

IN WITNESS WHEREOF, this Joinder has been duly executed and delivered by Permitted Transferee as of the date first above written.

[PERMITTED TRANSFEREE]

By: _____
Name:
Title:

Address for notices:

Exhibit V

Form of Stockholders Agreement

[Attached]

STOCKHOLDERS AGREEMENT

AGREEMENT, dated as of [●], 2018 among Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust and Texas Wasatch Insurance Partners, L.P. (each, together with his, her or its permitted transferees pursuant to Section 8.02(c) of the Amended and Restated Limited Liability Company Agreement of Goosehead Financial, LLC, a "**Holder**," and together, the "**Holders**") and Goosehead Insurance, Inc. ("**Pubco**").

WHEREAS, Pubco intends to consummate an initial public offering (the "**IPO**") of its Class A Common Stock, par value $0.01 per share ("**Class A Common Stock**");

WHEREAS, in connection with the IPO, Pubco will become the managing member of Goosehead Financial, LLC (the "**Company**") and, pursuant to a reorganization agreement, immediately prior to the IPO, the Holders and the other holders of equity in the Company will receive new units (the "**LLC Units**") in the Company, with the exception of Pubco and its wholly-owned subsidiaries, and an equivalent number of shares of Class B Common Stock, par value $0.01 per share, of Pubco (the "**Class B Common Stock**," and together with the Class A Common Stock, the "**Common Stock**"); and

WHEREAS, the Holders desire to effect an agreement that during any period following the completion of the IPO where the Holders meet the Substantial Ownership Requirement (as defined below), approval by the Holders will be required for certain corporate actions and the Holders will have certain designation rights with respect to nominees to the Board of Directors (as defined below).

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1
STOCKHOLDER RIGHTS AND RESTRICTIONS

Section 1.01. *Approval for Certain Corporate Actions.* Until the Substantial Ownership Requirement is no longer met, Pubco shall not permit the occurrence of the following matters relating to Pubco without first receiving the approval of the Holders holding a majority of the shares of Class B Common Stock held by the Holders as evidenced by a written resolution or consent in lieu thereof:

(a) any transaction or series of related transactions resulting in the merger, consolidation or sale of all, or substantially all, of the assets of the Company and its subsidiaries, or any acquisition or disposition of any asset for consideration in excess of 15% of the Total Assets (as defined below) of Pubco and its subsidiaries;

(b) any issuance of equity securities, or any other ownership interests, of Pubco or any of its subsidiaries, other than under any equity incentive plan that has received the prior approval of the Board of Directors, for consideration exceeding $50 million;

(c) any amendments to the certificate of incorporation or bylaws of Pubco;

(d) entering into any material new line of business (other than natural extensions of the business of Pubco and its subsidiaries) or making any material modification to the scope of Pubco's business;

(e) any change in the size of the Board of Directors;

(f) any hiring, termination, replacement, compensation, benefits or other significant decisions relating to the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Controller, including entering into new employment agreements or modifying existing employment agreements, adopting or modifying any plans relating to any incentive securities or employee benefit plans or granting incentive securities or benefits to any such individuals under any existing plans; or

(g) any agreement or commitment with respect to any of the foregoing.

Section 1.02. *Composition of the Board.* Until the Substantial Ownership Requirement is no long met, the Holders holding a majority of the shares of Class B Common Stock held by the Holders may, by means of a written resolution or consent in lieu thereof, designate the nominees for a majority of the members of the Board of Directors, including the Chairman of the Board of Directors.

Section 1.03. *Transfers*. No Holder shall sell, transfer or otherwise dispose of Class B Common Stock, except for transfers (i) pursuant to a Disposition Event (as such term is defined in the certificate of incorporation of Pubco) pursuant to Section 8.02(a) of the Amended and Restated Limited Liability Company Agreement of the Company; (ii) as approved in writing pursuant to Section 8.02(b) of the Amended and Restated Limited Liability Company Agreement of the Company or (iii) to a permitted transferee pursuant to Section 8.02(c) of the Amended and Restated Limited Liability Company Agreement of the Company.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES OF THE HOLDERS

Section 2.01. *Corporation Authorization*. Each Holder that is not a natural person represents and warrants to each of the other Holders and Pubco that such Holder is validly organized and existing under the laws of its state of

organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby, and that this Agreement constitutes the valid and binding agreement of such Holder.

Section 2.02. *Non-Contravention*. Each Holder represents and warrants to each of the other Holders and Pubco that the execution, delivery and performance by such Holder of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) if such Holder is not a natural person, contravene or conflict with, or constitute a violation of, any organizational documents of such Holder; (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on such Holder; or (iii) result in the imposition of any Lien (as defined below) on any asset of such Holder.

Section 2.03. *Ownership of Shares of Common Stock.* Each Holder represents and warrants to each of the other Holders and Pubco that such Holder is the record and beneficial owner of all of the shares of Common Stock owned by them on the date hereof, and that the shares of Common Stock owned by them on the date hereof are owned free of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**") and any other limitation or restriction (including any restriction on the right to vote or otherwise dispose of the shares of Common Stock), other than transfer restrictions under applicable securities laws. None of the shares of Common Stock is subject to any voting trust or other agreement or arrangement with respect to the voting of such shares of Common Stock.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF PUBCO

Pubco represents and warrants to each Holder that:

Section 3.01. *Corporation Authorization*. Pubco has been duly incorporated and is validly existing under the laws of its state of incorporation and has all requisite corporate power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. This Agreement constitutes the valid and binding agreement of Pubco.

Section 3.02. *Non-Contravention*. The execution, delivery and performance by Pubco of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) contravene or conflict with, or constitute a violation of, the organizational documents of Pubco; (ii) contravene or conflict with, or constitute a violation of, any material applicable

law or any material agreement or order binding on Pubco; or (iii) result in the imposition of any Lien on any asset of Pubco.

ARTICLE 4
MISCELLANEOUS

Section 4.01. *Other Definitional and Interpretative Provisions.* Unless specified otherwise, in this Agreement the obligations of any party consisting of more than one person are joint and several. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person (as defined below) include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

Section 4.02. *Additional Definitions.*

(a) “**Board of Directors**” means the Board of Directors of Pubco.

(b) “**Organization**” means any corporation, partnership, joint venture or enterprise, limited liability company, unincorporated association, trust, estate, governmental entity or other entity or organization, and shall include the successor (by merger or otherwise) of any entity or organization.

(c) “**Person**” means any natural person or Organization.

(d) “**Substantial Ownership Requirement**” means the beneficial ownership (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by the Holders collectively, of shares of Common Stock

representing at least ten percent (10%) of the issued and outstanding shares of Common Stock.

(e) "**Total Assets**" of any Person means the consolidated total assets of such Person and its subsidiaries, as determined in accordance with U.S. generally accepted accounting principles, as shown on such Person's most recent balance sheet.

Section 4.03. *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

Section 4.04. *Expenses*. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense.

Section 4.05. *Assignment*. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; *provided* that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other parties hereto, other than a transfer to (i) in the case of any Holder that is not a natural person, any Person that is an affiliate of such Holder, and (ii) in the case of any Holder that is a natural person, (A) any Person to whom Class B Common Stock are Transferred from such Holder (1) by will or the laws of descent and distribution or (2) by gift without consideration of any kind; provided that, in the case of clause (2), such transferee is the spouse, the lineal descendant, sibling, parent, heir, executor, administrator, testamentary trustee, legatee or beneficiary of such Holder, (B) a trust that is for the exclusive benefit of such Holder or its permitted transferees under (A) above or (C) any institution qualified as tax-exempt under Section 501(c)(3) of the Code.

Section 4.06. *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 4.07. *Consent to Jurisdiction.* The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the Delaware Chancery Court, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it

may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 4.08. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 4.09. *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 4.10. *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

Section 4.11. *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof

Section 4.12. *Amendments; Waiver* Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement or in the case of a waiver, by the party against whom the waiver is to be effective.

Section 4.13. *Specific Performance*. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement is not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof in addition to any other remedy to which they are entitled at law or in equity.

Section 4.14. *IPO Closing; Termination*. This Agreement will automatically terminate and be of no force and effect if the closing of the IPO does not occur on or before [●], 2018. This agreement will automatically terminate and be of no force and effect when the Substantial Ownership Requirement is no longer met.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

TAX RECEIVABLE AGREEMENT

among

GOOSEHEAD INSURANCE, INC.,

GOOSEHEAD FINANCIAL, LLC,

and

THE PERSONS NAMED HEREIN

Dated as of [ ], 2018

TABLE OF CONTENTS

TAX RECEIVABLE AGREEMENT

This TAX RECEIVABLE AGREEMENT (as amended from time to time, this "Agreement"), dated as of [ ], 2018, is hereby entered into by and among Goosehead Insurance, Inc., a Delaware corporation (the "Corporate Taxpayer"), Goosehead Financial, LLC, a Delaware limited liability company ("OpCo"), each of the Members (as defined below) from time to time party thereto, and each of the successors and assigns thereto.

WHEREAS, the OpCo is treated as a partnership for U.S. federal income tax purposes;

WHEREAS, the Corporate Taxpayer is classified as an association taxable as a corporation, and is the common parent of an affiliated group of corporations filing a consolidated return, for U.S. federal income tax purposes;

WHEREAS, Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, Lanni Elaine Romney Family Trust 2014, Lindy Jean Langston Family Trust 2014, Camille LaVaun Peterson Family Trust 2014, Desiree Robyn Coleman Family Trust 2014, Adrienne Morgan Jones Family Trust 2014, Mark Evan Jones, Jr. Family Trust 2014, the Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., Colby 2014 Family Trust, Preston Michael Colby 2014 Trust, Lyla Kate Colby 2014 Trust, Texas Wasatch Insurance Partners, L.P., Max and Dane, LLC and Evan and Jake, LLC (the "Members") holds common interest units in OpCo (the "Common Units"), and following certain reorganization transactions, the Corporate Taxpayer will be the managing member of OpCo and will hold, directly and/or indirectly, Common Units;

WHEREAS, on and after the date hereof, pursuant to Article [10.01] of the LLC Agreement, each Member has the right, in its sole discretion, from time to time to require OpCo to redeem (a "Redemption") all or a portion of such Member's Common Units for cash or, at the Corporate Taxpayer's option, shares of Class A common stock, $0.01 par value per share, of the Corporate Taxpayer (the "Class A Common Stock"); *provided* that, pursuant to Article [10.03] of the LLC Agreement and at the election of the Corporate Taxpayer, the Corporate Taxpayer may effect a direct exchange (a "Direct Exchange," and together with a Redemption, an "Exchange") of such cash or shares of Class A Common Stock for such Common Units;

WHEREAS, OpCo and each of its direct and indirect subsidiaries, if any, treated as a partnership for U.S. federal income tax purposes will have in effect an election under Section 754 of the Internal Revenue Code of 1986, as amended (the "Code"), for each Taxable Year (as defined below) in which an Exchange occurs, which elections are intended generally to result in an adjustment to the tax basis of the assets owned by OpCo (solely with respect to the Corporate Taxpayer) at the time of an Exchange (such time, the "Exchange Date") by reason of the Exchange and the receipt of payments under this Agreement;

WHEREAS, the income, gain, loss, expense and other Tax (as defined below) items of the Corporate Taxpayer may be affected by (i) the Basis Adjustment (as defined below) and (ii) Imputed Interest (as defined below); and

WHEREAS, the parties to this Agreement desire to make certain arrangements with respect to the effect of the Basis Adjustment and Imputed Interest on the actual liability for Taxes of the Corporate Taxpayer.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions.

(a) The following terms shall have the following meanings for the purposes of this Agreement:

"Actual Tax Liability" means, with respect to any Taxable Year, the actual liability for U.S. federal, state and local income Taxes of (i) the Corporate Taxpayer and (ii) without duplication, OpCo, but only with respect to Taxes imposed on OpCo and allocable to the Corporate Taxpayer (or to the other members of the consolidated group of which the Corporate Taxpayer is the parent) for such Taxable Year.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person.

"Agreed Rate" means a per annum rate of LIBOR plus 100 basis points.

"Applicable Member" means any Member to whom any portion of a Realized Tax Benefit may be Attributable under this Agreement.

"Attributable" means, with respect to any Applicable Member, the portion of any Realized Tax Benefit of the Corporate Taxpayer that is "attributable" to such Applicable Member, which shall be determined by reference to the assets from which arise the depreciation, amortization or other similar deductions for recovery of cost or basis ("Depreciation") and with respect to increased basis upon a disposition of an asset or Imputed Interest that produce the Realized Tax Benefit, under the following principles:

(i) A portion of any Realized Tax Benefit arising from a deduction to the Corporate Taxpayer with respect to a Taxable Year for Depreciation arising in respect of a Basis Adjustment to a Reference Asset resulting from an Exchange is Attributable to the Applicable Member to the extent that the ratio of all Depreciation for the Taxable Year in respect of Basis Adjustments resulting from all Exchanges by the Applicable Member bears to the aggregate of all Depreciation for the Taxable Year in respect of Basis Adjustments resulting from all Exchanges by the Applicable Members (in each case, other than with respect to the portion of the Basis Adjustment described in clause (ii) below).

(ii) A portion of any Realized Tax Benefit arising from a deduction to the Corporate Taxpayer with respect to a Taxable Year for Depreciation arising in respect of a Basis Adjustment to a Reference Asset resulting from a payment hereunder is Attributable to the Applicable Member that receives such payment.

(iii) A portion of any Realized Tax Benefit arising from the disposition of a Reference Asset is Attributable to the Applicable Member to the extent that the ratio of all Basis Adjustments (to the extent not previously taken into account in the calculation of Realized Tax Benefits) resulting from all Exchanges by the Applicable Member with respect to such Reference Asset bears to the aggregate of all Basis Adjustments (to the extent not previously taken into account in the calculation of Realized Tax Benefits) with respect to such Reference Asset.

(iv) A portion of any Realized Tax Benefit arising from a deduction to the Corporate Taxpayer with respect to a Taxable Year in respect of Imputed Interest is Attributable to the Applicable Member to the extent corresponding to amounts that such Member is required to include in income in respect of Imputed Interest (without regard to whether such Member is actually subject to tax thereon).

(v) A portion of any Realized Tax Benefit arising from a carryover or carryback of any Tax item is Attributable to such Member to the extent such carryover or carryback is attributable to or available for use because of the prior use of the Basis Adjustments or Imputed Interest with respect to which a Realized Tax Benefit would be Attributable to such Member pursuant to clauses (i)–(iv) above.

Portions of any Realized Tax Detriment shall be Attributed to Members under principles similar to those described in clauses (i)–(v) above.

"Basis Adjustment" means the adjustment to the tax basis of a Reference Asset under Sections 732, 755 and 1012 of the Code and the Treasury Regulations promulgated thereunder (in situations where, as a result of one or more Exchanges, OpCo becomes an entity that is disregarded as separate from its owner for U.S. federal income tax purposes) or under Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder (in situations where, following an Exchange, OpCo remains in existence as an entity for U.S. federal income tax purposes) and, in each case, comparable sections of state and local tax laws, as a result of (i) an Exchange and (iii) the payments made pursuant to the Tax Receivable Agreements. For the avoidance of doubt, the amount of any Basis Adjustment resulting from an Exchange of one or more Common Units shall be determined without regard to any Pre-Exchange Transfer of such Common Units and as if any such Pre-Exchange Transfer had not occurred.

A "Beneficial Owner" of a security is a Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (i) voting power, which includes the power to vote, or to direct the voting of, such security and/or (ii) investment power, which includes the power to dispose of, or to direct the disposition of, such security.

"Blended Rate" means, with respect to any Taxable Year, the sum of the effective rates of tax imposed on the aggregate net income of the Corporate Taxpayer in each state or local jurisdiction in which the Corporate Taxpayer files Tax Returns for such Taxable Year, with the maximum effective rate in any state or local jurisdiction being equal to the product of: (i) the apportionment factor on the income or franchise Tax Return filed by the Corporate Taxpayer in such jurisdiction for such Taxable Year, and (ii) the maximum applicable corporate tax rate in effect in such jurisdiction in such Taxable Year. As an illustration of the calculation of Blended Rate for a Taxable Year, if the Corporate Taxpayer solely files Tax Returns in State 1 and State 2 in a Taxable Year, the maximum applicable corporate tax rates in effect in such states in such Taxable Year are 6% and 5%, respectively and the apportionment factors for such states in such Taxable Year are 60% and 40%, respectively, then the Blended Rate for such Taxable Year is equal to 5.6% (i.e., 6% times 60% plus 5% times 40%).

"Board" means the board of directors of the Corporate Taxpayer.

"Business Day" shall have the meaning ascribed to such term in the LLC Agreement.

"Change of Control" means the occurrence of any of the following events:

(i) any Person or any group of Persons acting together which would constitute a "group" for purposes of Section 13(d) of the Securities and Exchange Act of 1934, or any successor provisions thereto, excluding (x) a corporation or other entity owned, directly or indirectly, by the stockholders of the Corporate Taxpayer in substantially the same proportions as their ownership of stock in the Corporate Taxpayer and (y) any Member or any of its Affiliates who is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporate Taxpayer representing more than 50% of the combined voting power of the Corporate Taxpayer's then outstanding voting securities; or

(ii) the following individuals cease to constitute a majority of the number of directors of the Corporate Taxpayer then serving: individuals who, on the IPO Date, constitute the Board and any new director whose appointment or election by the Board or nomination for election by the Corporate Taxpayer's shareholders was approved or recommended by a vote of at least a majority of the directors then still in office who either were directors on the IPO Date or whose appointment, election or nomination for election was previously so approved or recommended by the directors referred to in this clause (ii); or

(iii) there is consummated a merger or consolidation of the Corporate Taxpayer with any other corporation or other entity, and, immediately after the consummation of such merger or consolidation, either (x) the Board immediately prior to the merger or consolidation does not constitute at least a majority of the board of directors of the company surviving the merger or, if the surviving company is a Subsidiary, the ultimate parent thereof, or (y) the voting securities of the Corporate Taxpayer immediately prior to such merger or consolidation do not continue to represent or are not converted into more than 50% of the combined voting power of the then outstanding voting securities of the Person resulting from

such merger or consolidation or, if the surviving company is a Subsidiary, the ultimate parent thereof; or

(iv) the shareholders of the Corporate Taxpayer approve a plan of complete liquidation or dissolution of the Corporate Taxpayer or there is consummated an agreement or series of related agreements for the sale or other disposition, directly or indirectly, by the Corporate Taxpayer of all or substantially all of the Corporate Taxpayer's assets, other than such sale or other disposition by the Corporate Taxpayer of all or substantially all of the Corporate Taxpayer's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of the Corporate Taxpayer in substantially the same proportions as their ownership of the Corporate Taxpayer immediately prior to such sale.

Notwithstanding the foregoing, except with respect to clause (ii) and clause (iii)(x) above, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the shares of the Corporate Taxpayer immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in, and own substantially all of the shares of, an entity which owns all or substantially all of the assets of the Corporate Taxpayer immediately following such transaction or series of transactions.

"Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Corporate Taxpayer Return" means the U.S. federal and/or state and/or local Tax Return, as applicable, of the Corporate Taxpayer filed with respect to Taxes of any Taxable Year.

"Cumulative Net Realized Tax Benefit" for a Taxable Year means the cumulative amount of Realized Tax Benefits for all Taxable Years of the Corporate Taxpayer, up to and including such Taxable Year, net of the cumulative amount of Realized Tax Detriments for the same period. The Realized Tax Benefit and Realized Tax Detriment for each Taxable Year shall be determined based on the most recent Tax Benefit Schedule or Amended Schedule, if any, in existence at the time of such determination.

"Default Rate" means a per annum rate of LIBOR plus 500 basis points.

"Determination" shall have the meaning ascribed to such term in Section 1313(a) of the Code or similar provision of state and local tax law, as applicable, or any other event (including the execution of IRS Form 870-AD) that finally and conclusively establishes the amount of any liability for Tax and shall also include the acquiescence of the Corporate Taxpayer to the amount of any assessed liability for Tax.

"Direct Exchange" is defined in the recitals to this Agreement.

"Early Termination Date" means the date of an Early Termination Notice for purposes of determining the Early Termination Payment.

"Early Termination Rate" means a per annum rate of the lesser of (i) 6.5% per annum, compounded annually, and (ii) LIBOR plus 100 basis points.

"Exchange" is defined in the recitals to this Agreement.

"Governmental Authority" has the meaning set forth in the LLC Agreement.

"Hypothetical Federal Tax Liability" means, with respect to any Taxable Year, the liability for U.S. federal income Taxes of (i) the Corporate Taxpayer and (ii) without duplication, OpCo, but only with respect to U.S. federal income Taxes imposed on OpCo and allocable to the Corporate Taxpayer (or to the other members of the consolidated group of which the Corporate Taxpayer is the parent), in each case using the same methods, elections, conventions and similar practices used on the relevant Corporate Taxpayer Return, but (w) using the Non-Stepped Up Tax Basis as reflected on the applicable Exchange Basis Schedule, including amendments thereto for the Taxable Year, (x) excluding any deduction attributable to Imputed Interest for the Taxable Year, (y) deducting the Hypothetical Other Tax Liability (rather than any amount for state, local or foreign tax liabilities) for such Taxable Year and (z) without taking into account the carryover or carryback of any Tax item (or portions thereof) that is attributable to or (without duplication) available for use because of the prior use of any of the Basis Adjustments or Imputed Interest.

"Hypothetical Other Tax Liability" means, with respect to any Taxable Year, U.S. federal taxable income determined in connection with calculating the Hypothetical Federal Tax Liability for such Taxable Year (determined without regard to clause (y) thereof) multiplied by the Blended Rate for such Taxable Year.

"Hypothetical Tax Liability" means, with respect to any Taxable Year, the Hypothetical Federal Tax Liability for such Taxable Year, plus the Hypothetical Other Tax Liability for such Taxable Year.

"Imputed Interest" shall mean any interest imputed under Section 1272, 1274 or 483 or other provision of the Code and any similar provision of state and local tax law with respect to the Corporate Taxpayer's payment obligations under this Agreement.

"IPO" means the initial public offering of Class A Common Stock of the Corporate Taxpayer.

"IPO Date" means the closing date of the IPO.

"IRS" means the U.S. Internal Revenue Service.

"LIBOR" means during any period, the rate which appears on the Bloomberg Page BBAM1 (or on such other substitute Bloomberg page that displays rates at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market), or the rate which is quoted by another source selected by the Corporation as an authorized information vendor for the purpose of displaying rates at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market (a "Alternate Source"), at approximately 11:00

a.m., London time, two (2) Business Days prior to the first day of such period as the London interbank offered rate for U.S. dollars having a borrowing date and a maturity comparable to such period (or if there shall at any time, for any reason, no longer exist a Bloomberg Page BBAM1 (or any substitute page) or any LIBOR Alternate Source, a comparable replacement rate determined by the Corporation at such time, which determination shall be conclusive absent manifest error; provided, that at no time shall LIBOR be less than 0%

"LLC Agreement" means the Amended and Restated Limited Liability Company Agreement of OpCo, dated as of the date hereof.

"Market Value" shall mean the closing price of the Class A Common Stock on the applicable Exchange Date on the national securities exchange or interdealer quotation system on which such Class A Common Stock is then traded or listed, as reported by the *Wall Street Journal*; provided, that if the closing price is not reported by the *Wall Street Journal* for the applicable Exchange Date, then the Market Value shall mean the closing price of the Class A Common Stock on the Business Day immediately preceding such Exchange Date on the national securities exchange or interdealer quotation system on which such Class A Common Stock is then traded or listed, as reported by the *Wall Street Journal*; provided, further, that if the Class A Common Stock is not then listed on a national securities exchange or interdealer quotation system, the Market Value shall mean the cash consideration paid for Class A Common Stock, or the fair market value of the other property delivered for Class A Common Stock, as determined by the Board in good faith.

"Non-Stepped Up Tax Basis" means, with respect to any Reference Asset at any time, the Tax basis that such asset would have had at such time if no Basis Adjustments had been made.

"Payment Date" means any date on which a payment is required to be made pursuant to this Agreement.

"Person" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

"Pre-Exchange Transfer" means any transfer or distribution in respect of one or more Common Units (i) that occurs prior to an Exchange of such Common Units, and (ii) to which Section 743(b) or 734(b) of the Code applies.

"Realized Tax Benefit" means, for a Taxable Year, the excess, if any, of the Hypothetical Tax Liability over the Actual Tax Liability. If all or a portion of the Actual Tax Liability for such Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination with respect to such Actual Tax Liability.

"Realized Tax Detriment" means, for a Taxable Year, the excess, if any, of the Actual Tax Liability over the Hypothetical Tax Liability. If all or a portion of the Actual Tax

Liability for such Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination with respect to such Actual Tax Liability.

"Redemption" has the meaning in the recitals to this Agreement.

"Reference Asset" means an asset that is held by OpCo, or by any of its direct or indirect subsidiaries, if any, treated as a partnership or disregarded entity for purposes of the applicable Tax, at the time of an Exchange. A Reference Asset also includes any asset that is "substituted basis property" under Section 7701(a)(42) of the Code with respect to a Reference Asset.

"Schedule" means any of the following: (i) an Exchange Basis Schedule, (ii) a Tax Benefit Schedule, or (iii) the Early Termination Schedule.

"Subsidiaries" shall have the meaning ascribed to such term in the LLC Agreement.

"Subsidiary Stock" means any stock or other equity interest in any Subsidiary of the Corporate Taxpayer that is (i) treated as a corporation for U.S. federal income tax purposes and (ii) a member of an affiliated or consolidated group of corporations that files a consolidated income tax return pursuant to Sections 1501 et seq. of the Code with respect to which the Corporate Taxpayer is a member.

"Tax Return" means any return, declaration, report or similar statement required to be filed with respect to Taxes (including any attached schedules), including any information return, claim for refund, amended return and declaration of estimated Tax.

"Taxable Year" means a taxable year of the Corporate Taxpayer as defined in Section 441(b) of the Code or comparable section of state or local tax law, as applicable (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is made), ending on or after the IPO Date.

"Taxes" means any and all taxes, assessments or similar charges that are based on or measured with respect to net income or profits, and any interest related to such Tax.

"Taxing Authority" shall mean any domestic, federal, national, state, county or municipal or other local government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body exercising any taxing authority or any other authority exercising Tax regulatory authority.

"Treasury Regulations" means the final, temporary and proposed regulations under the Code promulgated from time to time (including corresponding provisions and succeeding provisions) as in effect for the relevant taxable period.

"Valuation Assumptions" shall mean, as of an Early Termination Date, the assumptions that (1) in each Taxable Year ending on or after such Early Termination Date, the

Corporate Taxpayer will have taxable income sufficient to fully utilize the deductions arising from the Basis Adjustments and Imputed Interest during such Taxable Year or future Taxable Years (including, for the avoidance of doubt, Basis Adjustments and Imputed Interest that would result from future Tax Benefit Payments that would be paid in accordance with the Valuation Assumptions) in which such deductions would become available, (2) the U.S. federal income tax rates and state and local income tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other law as in effect on the Early Termination Date, (3) any loss or credit carryovers generated by deductions arising from Basis Adjustments or Imputed Interest that are available as of such Early Termination Date will be utilized by the Corporate Taxpayer on a pro rata basis from the Early Termination Date through the scheduled expiration date or, if there is no scheduled expiration date, the twentieth anniversary of the generation of such loss or credit carryovers, (4) any non-amortizable assets (other than Subsidiary Stock) will be disposed of on the fifteenth anniversary of the applicable Basis Adjustment; provided, that in the event of a Change of Control, such non-amortizable assets shall be deemed disposed of at the time of sale of the relevant asset (if earlier than such fifteenth anniversary), (5) any Subsidiary Stock will be deemed never to be disposed of and (6) if, at the Early Termination Date, there are Common Units that have not been Exchanged, then each such Common Unit shall be deemed to be Exchanged for the product of (i) the Market Value of the Class A Common Stock on the Early Termination Date and (ii) the number of shares of Class A Common Stock that would be transferred in respect of such Common Unit if the Exchange occurred on the Early Termination Date.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	**Section**
Agreement	Preamble
Amended Schedule	2.03(b)
Class A Common Stock	Recitals
Code	Recitals
Common Units	Recitals
Corporate Taxpayer	Preamble
Dispute	7.03(a)
Early Termination Effective Date	4.02
Early Termination Notice	4.02
Early Termination Payment	4.03(b)
Early Termination Schedule	4.02
e-mail	7.01
Exchange Basis Schedule	2.01
Exchange Date	Recitals
Expert	7.09
Interest Amount	3.01(b)
Material Objection Notice	4.02
Members	Preamble
Net Tax Benefit	3.01(b)
Objection Notice	2.03(a)
OpCo	Recitals

Term	Section
Reconciliation Dispute	7.09
Reconciliation Procedures	2.03(a)
Senior Obligations	5.01
Tax Benefit Payment	3.01(b)
Tax Benefit Schedule	2.02(a)

(c) Other Definitional and Interpretative Provisions. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles and Sections are to Articles and Sections of this Agreement unless otherwise specified. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE II

DETERMINATION OF REALIZED TAX BENEFIT

Section 2.01 Basis Adjustment. Within 120 calendar days after the filing of the U.S. federal income tax return of the Corporate Taxpayer for each Taxable Year in which any Exchange has been effected by any Member, the Corporate Taxpayer shall deliver to each such Member a schedule (the “Exchange Basis Schedule”) that shows, in reasonable detail necessary to perform the calculations required by this Agreement, including with respect to each Exchanging party, (i) the Non-Stepped Up Tax Basis of the Reference Assets as of each applicable Exchange Date, (ii) the Basis Adjustments with respect to the Reference Assets as a result of each Exchange effected in such Taxable Year, calculated (x) in the aggregate, and (y) solely with respect to Exchanges by such Member, (iii) the period (or periods) over which the Reference Assets are amortizable and/or depreciable and (iv) the period (or periods) over which each Basis Adjustment is amortizable and/or depreciable. For the avoidance of doubt, payments made under this Agreement shall not be treated as resulting in a Basis Adjustment to the extent such payments are treated as Imputed Interest.

Section 2.02 Realized Tax Benefit and Realized Tax Detriment.

(a) Tax Benefit Schedule. Within 120 calendar days after the filing of the U.S. federal income tax return of the Corporate Taxpayer for any Taxable Year in which any Exchange has been effected by a Member or which is subsequent to any Taxable Year in which any Exchange has been effected by a Member, the Corporate Taxpayer shall provide to such Member a schedule showing, in reasonable detail, the calculation of the Realized Tax Benefit or Realized Tax Detriment and the portion Attributable to such Member for such Taxable Year (a "Tax Benefit Schedule"). The Tax Benefit Schedule will become final as provided in Section 2.03(a) and may be amended as provided in Section 2.03(b) (subject to the procedures set forth in Section 2.03(b)).

(b) Applicable Principles. The Realized Tax Benefit or Realized Tax Detriment for each Taxable Year is intended to measure the decrease or increase in the Actual Tax Liability of the Corporate Taxpayer for such Taxable Year attributable to the Basis Adjustments and Imputed Interest, determined using a "with and without" methodology. For the avoidance of doubt, the Actual Tax Liability will take into account the deduction of the portion of the Tax Benefit Payment that must be accounted for as interest under the Code based upon the characterization of Tax Benefit Payments as additional consideration payable by the Corporate Taxpayer for the Common Units acquired in an Exchange. Carryovers or carrybacks of any Tax item attributable to the Basis Adjustment or Imputed Interest shall be considered to be subject to the rules of the Code and the Treasury Regulations or the appropriate provisions of U.S. state and local income and franchise tax law, as applicable, governing the use, limitation and expiration of carryovers or carrybacks of the relevant type. If a carryover or carryback of any Tax item includes a portion that is attributable to the Basis Adjustment or Imputed Interest and another portion that is not, such portions shall be considered to be used in accordance with the "with and without" methodology. The parties agree that (i) all Tax Benefit Payments attributable to the Basis Adjustments (other than amounts accounted for as interest under the Code) will (A) be treated as subsequent upward purchase price adjustments that give rise to further Basis Adjustments to Reference Assets for the Corporate Taxpayer and (B) have the effect of creating additional Basis Adjustments to Reference Assets for the Corporate Taxpayer in the year of payment, and (ii) as a result, such additional Basis Adjustments will be incorporated into the current year calculation and into future year calculations, as appropriate.

Section 2.03 Procedures, Amendments.

(a) Procedure. Every time the Corporate Taxpayer delivers to a Member an applicable Schedule under this Agreement, including any Amended Schedule delivered pursuant to Section 2.03(b) and any Early Termination Schedule or amended Early Termination Schedule, the Corporate Taxpayer shall also (x) deliver to such Member schedules and work papers, as determined by the Corporate Taxpayer or requested by such Member, providing reasonable detail regarding the preparation of the Schedule and (y) allow such Member reasonable access to the appropriate representatives at the Corporate Taxpayer, as determined by the Corporate Taxpayer, in connection with a review of such Schedule. Without limiting the application of the preceding sentence, each time the Corporate Taxpayer delivers to a Member a Tax Benefit Schedule, in addition to the Tax Benefit Schedule duly completed, the Corporate Taxpayer shall deliver to such Member the Corporate Taxpayer Return, the reasonably detailed calculation by the Corporate Taxpayer of the Hypothetical Tax Liability, the reasonably detailed calculation by the Corporate Taxpayer of the Actual Tax Liability, as well as any other

work papers as determined by the Corporate Taxpayer or requested by such Member, provided that the Corporate Taxpayer shall be entitled to redact any information that it reasonably believes is unnecessary for purposes of determining the items in the applicable Schedule or amendment thereto. An applicable Schedule or amendment thereto shall become final and binding on the applicable Member and the Corporate Taxpayer thirty (30) calendar days from the first date on which the Member has received the applicable Schedule or amendment thereto unless such Member (i) within thirty (30) calendar days after receiving an applicable Schedule or amendment thereto, provides the Corporate Taxpayer with notice of a material objection to such Schedule ("Objection Notice") made in good faith or (ii) provides a written waiver of such right of any Objection Notice within the period described in clause (i) above, in which case such Schedule or amendment thereto becomes binding on the date the waiver is received by the Corporate Taxpayer. If the applicable Member and the Corporate Taxpayer for any reason, are unable to successfully resolve the issues raised in the Objection Notice within thirty (30) calendar days after receipt by the Corporate Taxpayer of an Objection Notice, the Corporate Taxpayer and the applicable Member shall employ the reconciliation procedures as described in Section 7.09 (the "Reconciliation Procedures").

(b) Amended Schedule. The applicable Schedule for any Taxable Year may be amended from time to time by the Corporate Taxpayer (i) in connection with a Determination affecting such Schedule, (ii) to correct inaccuracies in the Schedule identified as a result of the receipt of additional factual information relating to a Taxable Year after the date the Schedule was provided to the applicable Member, (iii) to comply with the Expert's determination under the Reconciliation Procedures, (iv) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryback or carryforward of a loss or other tax item to such Taxable Year, (v) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year, or (vi) to adjust the Exchange Basis Schedule to take into account payments made pursuant to this Agreement (any such Schedule, an "Amended Schedule"). The Corporate Taxpayer shall provide an Amended Schedule to each relevant Member within thirty (30) calendar days of the occurrence of an event referenced in clauses (i) through (vi) of the preceding sentence.

ARTICLE III

TAX BENEFIT PAYMENTS

Section 3.01 Payments.

(a) Within five (5) Business Days after all of the Tax Benefit Schedules (as defined in each of the Tax Receivable Agreements) with respect to a Taxable Year delivered to any Member become final in accordance with Section 2.03(a), the Corporate Taxpayer shall pay to each Member for such Taxable Year the Tax Benefit Payment in the amount determined pursuant to Section 3.01(b). Each such Tax Benefit Payment to a Member shall be made by wire transfer of immediately available funds to the bank account previously designated by such Member to the Corporate Taxpayer or as otherwise agreed by the Corporate Taxpayer and such Member. For the avoidance of doubt, no Tax Benefit Payment shall be made in respect of estimated tax payments, including federal estimated income tax payments.

Notwithstanding any provision of this Agreement to the contrary, any Member may elect with respect to any Exchange to limit the aggregate Tax Benefit Payments made to such Member in respect of any such Exchange to a specified percentage of the amount equal to the sum of (A) the cash, excluding any Tax Benefit Payments, and (B) the Market Value of the Class A Shares received by such Member on such Exchange (or such other limitation selected by the Member and consented to by the Corporate Taxpayer, which consent shall not be unreasonably withheld). The Member shall exercise its rights under the preceding sentence by notifying the Corporate Taxpayer in writing of its desire to impose such a limit and the specified percentage (or such other limitation selected by the Member) and such other details as may be necessary (including whether such limit includes the Imputed Interest in respect of any such Exchange) in such manner and at such time (but in no event later than the date of any such Exchange) as reasonably directed by the Corporate Taxpayer; provided, however, that, in the absence of such direction, the Member shall give such written notice in the same manner as is required by Section 7.01 of this Agreement contemporaneously with Member's notice to the Corporate Taxpayer of the applicable Exchange.

(b) A "Tax Benefit Payment" means, with respect to a Member, an amount, not less than zero, equal to the sum of the amount of the Net Tax Benefit Attributable to such Member and the related Interest Amount. For the avoidance of doubt, for Tax purposes, the Interest Amount shall not be treated as interest but instead shall be treated as additional consideration for the acquisition of Common Units in Exchanges, unless otherwise required by law. Subject to Section 3.03(a), the "Net Tax Benefit" for a Taxable Year shall be an amount equal to the excess, if any, of 85% of the Cumulative Net Realized Tax Benefit as of the end of such Taxable Year over the total amount of Tax Benefit Payments previously made under this Section 3.01 (excluding payments attributable to Interest Amounts); provided, for the avoidance of doubt, that such Member shall not be required to return any portion of any previously made Tax Benefit Payment. The "Interest Amount" shall equal the interest on the amount of the Net Tax Benefit Attributable to such Member calculated at the Agreed Rate from the due date (without extensions) for filing the Corporate Taxpayer Return with respect to Taxes for such Taxable Year until the Payment Date of the applicable Tax Benefit Payment. Notwithstanding the foregoing, for each Taxable Year ending on or after the date of a Change of Control, all Tax Benefit Payments, whether paid with respect to the Common Units that were Exchanged (i) prior to the date of such Change of Control or (ii) on or after the date of such Change of Control, shall be calculated by utilizing Valuation Assumptions (1), (3), (4) and (5), substituting in each case the terms "the closing date of a Change of Control" for an "Early Termination Date." Notwithstanding anything to the contrary in this Agreement, after any lump-sum payment under Article IV of this Agreement in respect of present or future Tax attributes subject to this Agreement, the Tax Benefit Payment, Net Tax Benefit and components thereof shall be calculated without taking into account any such attributes or any such lump-sum payment.

Section 3.02 No Duplicative Payments. It is intended that the provisions of this Agreement will not result in duplicative payment of any amount (including interest) required under this Agreement. The provisions of this Agreement shall be construed in the appropriate manner to ensure such intentions are realized.

Section 3.03 Pro Rata Payments.

(a) Notwithstanding anything in Section 3.01 to the contrary, to the extent that the aggregate tax benefit of the Corporate Taxpayer's reduction in Tax liability as a result of the Basis Adjustments and Imputed Interest under this Agreement is limited in a particular Taxable Year because the Corporate Taxpayer does not have sufficient taxable income to fully utilize available deductions and other attributes, the limitation on the tax benefit for the Corporate Taxpayer shall be allocated among the Members in proportion to the respective amounts of Tax Benefit Payments that would have been determined under this Agreement if the Corporate Taxpayer had sufficient taxable income so that there were no such limitation; provided, that for purposes of allocating among the Members the aggregate Tax Benefit Payments under this Agreement with respect to any Taxable Year, the operation of this Section 3.03(a) with respect to any prior Taxable Year shall be taken into account, it being the intention of the Corporate Taxpayer and the Members for each Member to receive, in the aggregate, Tax Benefit Payments in proportion to the aggregate Net Tax Benefits Attributable to such Member had this Section 3.03(a) never operated.

(b) After taking into account Section 3.03(a), if for any reason the Corporate Taxpayer does not fully satisfy its payment obligations to make all Tax Benefit Payments due under this Agreement in respect of a particular Taxable Year, then the Corporate Taxpayer and the Members agree that (i) the Corporate Taxpayer shall pay the same proportion of each Tax Benefit Payment due under this Agreement in respect of such Taxable Year, without favoring one obligation over the other, and (ii) no Tax Benefit Payment shall be made in respect of any Taxable Year until all Tax Benefit Payments in respect of prior Taxable Years have been made in full.

(c) To the extent the Corporate Taxpayer makes a payment to a Member in respect of a particular Taxable Year under Section 3.01(a) of this Agreement (taking into account Section 3.03(a) and (b), but excluding payments attributable to Interest Amounts) in excess of the amount of such payment that should have been made to such Member in respect of such Taxable Year, then (i) such Member shall not receive further payments under Section 3.01(a) until such Member has foregone an amount of payments equal to such excess and (ii) the Corporate Taxpayer shall pay the amount of such Member's foregone payments to the other Members in a manner such that each of the other Members, to the maximum extent possible, shall have received aggregate payments under Section 3.01(a) of this Agreement (excluding payments attributable to Interest Amounts) in the amount it would have received if there had been no excess payment to such Member.

ARTICLE IV

TERMINATION

Section 4.01 Termination, Early Termination and Breach of Agreement.

(a) Unless terminated earlier pursuant to Section 4.01(b) or Section 4.01(c), this Agreement will terminate when there is no further potential for a Tax Benefit Payment pursuant to this Agreement. Tax Benefit Payments under this Agreement are not conditioned on any Member retaining an interest in the Corporate Taxpayer or OpCo (or any successor thereto).

(b) The Corporate Taxpayer may terminate this Agreement with respect to all amounts payable to the Members and with respect to all of the Common Units held (or previously held and Exchanged) by all Members at any time by paying to each Member the Early Termination Payment in respect of such Member; provided, however, that this Agreement shall only terminate pursuant to this Section 4.01(b) upon the receipt of the Early Termination Payment by all Members; and provided, further, that the Corporate Taxpayer may withdraw any notice to exercise its termination rights under this Section 4.01(b) prior to the time at which any Early Termination Payment has been paid. Upon payment of the Early Termination Payment by the Corporate Taxpayer in accordance with this Section 4.01(b), neither the Members nor the Corporate Taxpayer shall have any further payment obligations under this Agreement, other than for any (1) Tax Benefit Payment agreed to by the Corporate Taxpayer and a Member as due and payable but unpaid as of the Early Termination Notice and (2) Tax Benefit Payment due for the Taxable Year ending with or including the date of the Early Termination Notice (except to the extent that the amount described in clause (2) is included in the Early Termination Payment). If an Exchange occurs after the Corporate Taxpayer makes the Early Termination Payment pursuant to this Section 4.01(b), the Corporate Taxpayer shall have no obligations under this Agreement with respect to such Exchange.

(c) In the event that the Corporate Taxpayer breaches any of its material obligations under this Agreement, whether as a result of failure to make any payment when due, failure to honor any other material obligation required hereunder or by operation of law as a result of the rejection of this Agreement in a case commenced under the Bankruptcy Code or otherwise, then all obligations hereunder shall be accelerated and such obligations shall be calculated as if an Early Termination Notice had been delivered on the date of such breach and shall include, but not be limited to, (1) the Early Termination Payment calculated as if an Early Termination Notice had been delivered on the date of a breach, (2) any Tax Benefit Payment agreed to by the Corporate Taxpayer and any Members as due and payable but unpaid as of the date of a breach, and (3) any Tax Benefit Payment due for the Taxable Year ending with or including the date of a breach; provided that procedures similar to the procedures of Section 4.02 shall apply with respect to the determination of the amount payable by the Corporate Taxpayer pursuant to this sentence. Notwithstanding the foregoing, in the event that the Corporate Taxpayer breaches this Agreement, each Member shall be entitled to elect to receive the amounts set forth in clauses (1), (2) and (3) above or to seek specific performance of the terms hereof. The parties agree that the failure to make any payment due pursuant to this Agreement within three months of the date such payment is due shall be deemed to be a breach of a material obligation under this Agreement for all purposes of this Agreement, and that it will not be considered to be a breach of a material obligation under this Agreement to make a payment due pursuant to this Agreement within three months of the date such payment is due. Notwithstanding anything in this Agreement to the contrary, it shall not be a breach of this Agreement if the Corporate Taxpayer fails to make any payment due pursuant to this Agreement when due to the extent the Corporate Taxpayer has insufficient funds to make such payment despite using reasonable best efforts to obtain funds to make such payment (including by causing OpCo or any other Subsidiaries to distribute or lend funds for such payment); provided that the interest provisions of Section 5.02 shall apply to such late payment (unless the Corporate Taxpayer does not have sufficient cash to make such payment as a result of limitations imposed by debt agreements to which the Corporate Taxpayer or any of its Subsidiaries is a party, in which case Section 5.02 shall apply, but the Default Rate shall be replaced by the Agreed Rate);

provided, further, that the Corporate Taxpayer shall promptly (and in any event, within two (2) Business Days), pay all such unpaid payments, together with accrued and unpaid interest thereon, immediately following such time that the Corporate Taxpayer has, and to the extent the Corporate Taxpayer has, sufficient funds to make such payment, and the failure of the Corporate Taxpayer to do so shall constitute a breach of this Agreement. For the avoidance of doubt, all cash and cash equivalents used or to be used to pay dividends by, or repurchase equity securities of, the Corporate Taxpayer shall be deemed to be funds sufficient and available to pay such unpaid payments, together with any accrued and unpaid interest thereon.

Section 4.02 Early Termination Notice. If the Corporate Taxpayer chooses to exercise its right of early termination under Section 4.01(b) above, the Corporate Taxpayer shall deliver to each Member notice of such intention to exercise such right ("Early Termination Notice") and a schedule (the "Early Termination Schedule") specifying the Corporate Taxpayer's intention to exercise such right and showing in reasonable detail the calculation of the Early Termination Payment for such Member. The Early Termination Schedule shall become final and binding on such Member thirty (30) calendar days from the first date on which such Member has received such Schedule or amendment thereto unless such Member (i) within thirty (30) calendar days after receiving the Early Termination Schedule, provides the Corporate Taxpayer with notice of a material objection to such Schedule made in good faith ("Material Objection Notice") or (ii) provides a written waiver of such right of a Material Objection Notice within the period described in clause (i) above, in which case such Schedule becomes binding on the date the waiver is received by the Corporate Taxpayer (such thirty (30) calendar day date as modified, if at all, by clauses (i) or (ii), the "Early Termination Effective Date"). If the Corporate Taxpayer and such Member, for any reason, are unable to successfully resolve the issues raised in such notice within thirty (30) calendar days after receipt by the Corporate Taxpayer of the Material Objection Notice, the Corporate Taxpayer and such Member shall employ the Reconciliation Procedures.

Section 4.03 Payment upon Early Termination.

(a) Within three (3) Business Days after the Early Termination Effective Date, the Corporate Taxpayer shall pay to each Member an amount equal to the Early Termination Payment in respect of such Member. Such payment shall be made by wire transfer of immediately available funds to a bank account or accounts designated by such Member or as otherwise agreed by the Corporate Taxpayer and such Member.

(b) "Early Termination Payment" in respect of a Member shall equal the present value, discounted at the Early Termination Rate as of the Early Termination Effective Date, of all Tax Benefit Payments in respect of such Member that would be required to be paid by the Corporate Taxpayer beginning from the Early Termination Date and assuming that the Valuation Assumptions are applied.

ARTICLE V
SUBORDINATION AND LATE PAYMENTS

Section 5.01 Subordination. Notwithstanding any other provision of this Agreement to the contrary, any Tax Benefit Payment or Early Termination Payment required to

be made by the Corporate Taxpayer to any Member under this Agreement shall rank subordinate and junior in right of payment to any principal, interest or other amounts due and payable in respect of any obligations in respect of indebtedness for borrowed money of the Corporate Taxpayer and its Subsidiaries ("Senior Obligations") and shall rank pari passu with all current or future unsecured obligations of the Corporate Taxpayer that are not Senior Obligations.

Section 5.02 Late Payments by the Corporate Taxpayer. The amount of all or any portion of any Tax Benefit Payment or Early Termination Payment not made to the applicable Member when due under the terms of this Agreement shall be payable together with any interest thereon, computed at the Default Rate and commencing from the date on which such Tax Benefit Payment or Early Termination Payment was due and payable, subject to Section 4.01(c).

ARTICLE VI
NO DISPUTES; CONSISTENCY; COOPERATION

Section 6.01 Participation in the Corporate Taxpayer's and OpCo's Tax Matters. Except as otherwise provided herein, the Corporate Taxpayer shall have full responsibility for, and sole discretion over, all Tax matters concerning the Corporate Taxpayer and OpCo, including the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to Taxes. Notwithstanding the foregoing, the Corporate Taxpayer shall notify a Member of, and keep such Member reasonably informed with respect to, the portion of any audit of the Corporate Taxpayer and OpCo by a Taxing Authority the outcome of which is reasonably expected to affect the rights and obligations of such Member under this Agreement, and shall provide to such Member reasonable opportunity to provide information and other input (at such Member's own expense) to the Corporate Taxpayer, OpCo and their respective advisors concerning the conduct of (but, for the avoidance of doubt such Member may not control) any such portion of such audit; provided, however, that the Corporate Taxpayer and OpCo shall not be required to take any action that is inconsistent with any provision of the LLC Agreement.

Section 6.02 Consistency. The Corporate Taxpayer and the Members agree to report and cause to be reported for all purposes, including federal, state and local Tax purposes and financial reporting purposes, all Tax-related items (including the Basis Adjustments and each Tax Benefit Payment) in a manner consistent with that specified by the Corporate Taxpayer in any Schedule required to be provided by or on behalf of the Corporate Taxpayer under this Agreement unless otherwise required by law. Any dispute as to required Tax or financial reporting shall be subject to Section 7.09.

Section 6.03 Cooperation. Each of the Corporate Taxpayer and each Member shall (a) furnish to the other party in a timely manner such information, documents and other materials as the other party may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make itself available to the other party and its representatives to provide explanations of documents and materials and such other information as the other party or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c)

reasonably cooperate in connection with any such matter, and the Corporate Taxpayer shall reimburse the applicable Member for any reasonable third-party costs and expenses incurred pursuant to this Section 6.03.

ARTICLE VII
MISCELLANEOUS

Section 7.01 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("e-mail") transmission, so long as a receipt of such e-mail is requested and received) and shall be given to such party as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

If to the Corporate Taxpayer, to:

Goosehead Insurance, Inc.
1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Attention: [ ]
E-mail: [ ]

With copies (which shall not constitute notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attention: Richard D. Truesdell, Jr.
Michael Mollerus
E-mail: [****]
[****]

If to the applicable Member, to the address, facsimile number or e-mail address specified for such party on the Member Schedule to the LLC Agreement.

All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 7.02 Binding Effect; Benefit; Assignment.

(a) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. The Corporate Taxpayer shall require and cause any direct or indirect successor

(whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Corporate Taxpayer, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporate Taxpayer would be required to perform if no such succession had taken place.

(b) A Member may assign any of its rights under this Agreement to any Person as long as such transferee has executed and delivered, or, in connection with such transfer, executes and delivers, a joinder to this Agreement, in form of Exhibit A, agreeing to become a "Member" for all purposes of this Agreement, except as otherwise provided in such joinder; provided, that a Member's rights under this Agreement shall be assignable by such Member under the procedure in this Section 7.02(b) regardless of whether such Member continues to hold any interests in OpCo or the Corporate Taxpayer or has fully transferred any such interests.

Section 7.03 Resolution of Disputes.

(a) Except for Reconciliation Disputes subject to Section 7.09, any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) (each a "Dispute") shall be finally settled by arbitration conducted by a single arbitrator in Delaware in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the Dispute fail to agree on the selection of an arbitrator within ten (10) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer admitted to the practice of law in the State of Delaware and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Corporate Taxpayer may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.03 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Corporate Taxpayer as agent of such Member for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon such Member in any such action or proceeding.

(c) EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE CHANCERY COURT OF THE STATE OF DELAWARE OR, IF SUCH COURT DECLINES JURISDICTION, THE COURTS OF THE STATE OF DELAWARE SITTING IN WILMINGTON, DELAWARE, AND OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE SITTING IN WILMINGTON,

DELAWARE, AND ANY APPELLATE COURT FROM ANY THEREOF, FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 7.03, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(d) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.03 and such parties agree not to plead or claim the same.

Section 7.04 Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 7.05 Entire Agreement. This Agreement and the other Reorganization Documents (as such term is defined in the LLC Agreement) constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement. Nothing in this Agreement shall create any third-party beneficiary rights in favor of any Person or other party hereto.

Section 7.06 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

Section 7.07 Amendment. No provision of this Agreement may be amended unless such amendment is approved in writing by the Corporate Taxpayer and by Persons who would be entitled to receive at least two-thirds of the Early Termination Payments payable to all Persons entitled to Early Termination Payments under this Agreement if the Corporate Taxpayer had exercised its right of early termination on the date of the most recent Exchange prior to such amendment (excluding, for purposes of this sentence, all payments made to any Persons pursuant to this Agreement since the date of such most recent Exchange); provided, that no such amendment shall be effective if such amendment will have a disproportionate effect on the

payments certain Persons will or may receive under the Tax Receivable Agreements unless all such Persons disproportionately affected consent in writing to such amendment. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

Section 7.08 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State that would result in the application of the laws of any other State.

Section 7.09 Reconciliation. In the event that the Corporate Taxpayer and a Member are unable to resolve a disagreement with respect to the matters governed by Sections 2.03, 3.01(b), 4.02 and 6.02 within the relevant period designated in this Agreement ("Reconciliation Dispute"), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert (the "Expert") in the particular area of disagreement mutually acceptable to both parties. The Expert shall be a partner or principal in a nationally recognized accounting or law firm, and unless the Corporate Taxpayer and such Member agree otherwise, the Expert shall not, and the firm that employs the Expert shall not, have any material relationship with the Corporate Taxpayer or such Member or other actual or potential conflict of interest. If the parties are unable to agree on an Expert within fifteen (15) calendar days of receipt by the respondent(s) of written notice of a Reconciliation Dispute, the Expert shall be appointed by the International Chamber of Commerce Centre for Expertise. The Expert shall resolve any matter relating to the Exchange Basis Schedule or an amendment thereto or the Early Termination Schedule or an amendment thereto within thirty (30) calendar days and shall resolve any matter relating to a Tax Benefit Schedule or an amendment thereto within fifteen (15) calendar days or as soon thereafter as is reasonably practicable, in each case after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement would be due (in the absence of such disagreement) or any Tax Return reflecting the subject of a disagreement is due, the undisputed amount shall be paid on the date prescribed by this Agreement and such Tax Return may be filed as prepared by the Corporate Taxpayer, subject to adjustment or amendment upon resolution. The costs and expenses relating to the engagement of such Expert or amending any Tax Return shall be borne by the Corporate Taxpayer, except as provided in the next sentence. The Corporate Taxpayer and such Member shall bear their own costs and expenses of such proceeding, unless (i) the Expert substantially adopts such Member's position, in which case the Corporate Taxpayer shall reimburse such Member for any reasonable out-of-pocket costs and expenses in such proceeding, or (ii) the Expert substantially adopts the Corporate Taxpayer's position, in which case such Member shall reimburse the Corporate Taxpayer for any reasonable out-of-pocket costs and expenses in such proceeding. Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of this Section 7.09 shall be decided by the Expert. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.09 shall be binding on the Corporate Taxpayer and such Member and may be entered and enforced in any court having jurisdiction.

Section 7.10 Withholding. The Corporate Taxpayer shall be entitled to deduct and withhold from any payment payable pursuant to this Agreement such amounts as the Corporate Taxpayer is required to deduct and withhold with respect to the making of such

payment under the Code or any provision of state, local or foreign tax law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by the Corporate Taxpayer, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the applicable Member.

Section 7.11 Admission of the Corporate Taxpayer into a Consolidated Group; Transfers of Corporate Assets.

(a) If the Corporate Taxpayer is or becomes a member of an affiliated or consolidated group of corporations that files a consolidated income tax return pursuant to Sections 1501 et seq. of the Code or any corresponding provisions of state or local law, then: (i) the provisions of this Agreement shall be applied with respect to the group as a whole; and (ii) Tax Benefit Payments, Early Termination Payments and other applicable items hereunder shall be computed with reference to the consolidated taxable income of the group as a whole.

(b) If any entity that is obligated to make a Tax Benefit Payment or Early Termination Payment hereunder transfers one or more assets to a corporation (or a Person classified as a corporation for U.S. federal income tax purposes) with which such entity does not file a consolidated tax return pursuant to Section 1501 of the Code, such entity, for purposes of calculating the amount of any Tax Benefit Payment or Early Termination Payment (e.g., calculating the gross income of the entity and determining the Realized Tax Benefit of such entity) due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such contribution. The consideration deemed to be received by such entity shall be equal to the fair market value of the contributed asset. For purposes of this Section 7.11, a transfer of a partnership interest shall be treated as a transfer of the transferring partner's share of each of the assets and liabilities of that partnership.

Section 7.12 Confidentiality. Section 12.11 (Confidentiality) of the LLC Agreement as of the date of this Agreement shall apply to any information of the Corporate Taxpayer provided to the Members and their assignees pursuant to this Agreement.

Section 7.13 Change in Law. Notwithstanding anything herein to the contrary, if, in connection with an actual or proposed change in law, a Member reasonably believes that the existence of this Agreement could cause income (other than income arising from receipt of a payment under this Agreement) recognized by such Member (or direct or indirect equity holders in such Member) upon an Exchange to be treated as ordinary income rather than capital gain (or otherwise taxed at ordinary income rates) for U.S. federal income tax purposes or would have other material adverse tax consequences to the Corporate Taxpayer or such Member or any direct or indirect owner of a Member, then at the election of such Member and to the extent specified by such Member, this Agreement (i) shall cease to have further effect with respect to such Member, (ii) shall not apply to an Exchange occurring after a date specified by such Member, or (iii) shall otherwise be amended in a manner determined by such Member; provided, that such amendment shall not result in an increase in payments under this Agreement to such Member at any time as compared to the amounts and times of payments that would have been due to such Member in the absence of such amendment.

Section 7.14 Partnership Agreement. This Agreement shall be treated as part of the partnership agreement of OpCo as described in Section 761(c) of the Code, and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Corporate Taxpayer, OpCo, and each Member set forth below have duly executed this Agreement as of the date first written above.

CORPORATE TAXPAYER:

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

OPCO:

GOOSEHEAD FINANCIAL, LLC

By: _____
Name:
Title:

MEMBERS:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES
DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

MAX AND DANE, LLC

By: _____
Name:
Title:

EVAN AND JAKE, LLC

By: _____
Name:
Title:

Exhibit A
Form of Joinder

This JOINDER (this "Joinder") to the Tax Receivable Agreement (as defined below), dated as of _____, by and among Goosehead Insurance, Inc., a Delaware corporation (the "Corporate Taxpayer"), and _____ ("Permitted Transferee").

WHEREAS, on _____, Permitted Transferee acquired (the "Acquisition") the right to receive any and all payments that may become due and payable under the Tax Receivable Agreement with respect to ___ Common Units and the corresponding shares of Class B Common Stock that were previously, or may in the future be, Exchanged and are described in greater detail in Annex A to this Joinder (collectively, "Interests" and, together with all other interests hereinafter acquired by the Permitted Transferee from Transferor, the "Acquired Interests") from _____ ("Transferor"); and

WHEREAS, Transferor, in connection with the Acquisition, has required Permitted Transferee to execute and deliver this Joinder pursuant to Section 7.02(b) of the Tax Receivable Agreement, dated as of [ ], 2018, by and among the Corporate Taxpayer and each Member (as defined therein) (the "Tax Receivable Agreement").

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereto agree as follows:

Section 1.01 Definitions. To the extent capitalized words used in this Joinder are not defined in this Joinder, such words shall have the respective meanings set forth in the Tax Receivable Agreement.

Section 1.02 Joinder. Permitted Transferee hereby acknowledges and agrees to become a "Member" (as defined in the Tax Receivable Agreement) for all purposes of the Tax Receivable Agreement. Permitted Transferee hereby acknowledges the terms of Section 7.02(b) of the Tax Receivable Agreement and agrees to be bound by Section 7.12 of the Tax Receivable Agreement.

Section 1.03 Notice. Any notice, request, consent, claim, demand, approval, waiver or other communication hereunder to Permitted Transferee shall be delivered or sent to Permitted Transferee at the address set forth on the signature page hereto in accordance with Section 7.01 of the Tax Receivable Agreement.

Section 1.04 Governing Law. This Joinder shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State that would result in the application of the laws of any other State.

IN WITNESS WHEREOF, this Joinder has been duly executed and delivered by Permitted Transferee as of the date first above written.

[PERMITTED TRANSFEREE]

By: _____
Name:
Title:

Address for notices:

STOCKHOLDERS AGREEMENT

AGREEMENT, dated as of [●], 2018 among Mark E. Jones, Robyn Jones, Michael C. Colby, Jeffrey Saunders, The Mark and Robyn Jones Descendants Trust 2014, The Lanni Elaine Romney Family Trust 2014, The Lindy Jean Langston Family Trust 2014, The Camille LaVaun Peterson Family Trust 2014, The Desiree Robyn Coleman Family Trust 2014, The Adrienne Morgan Jones Family Trust 2014, The Mark Evan Jones, Jr. Family Trust 2014, The Estate of Doug Jones, Lanni Romney, Lindy Langston, Camille Peterson, Desiree Coleman, Adrienne Jones, Mark E. Jones, Jr., The Colby 2014 Family Trust, The Preston Michael Colby 2014 Trust, The Lyla Kate Colby 2014 Trust and Texas Wasatch Insurance Partners, L.P. (each, together with his, her or its permitted transferees pursuant to Section 8.02(c) of the Amended and Restated Limited Liability Company Agreement of Goosehead Financial, LLC, a "**Holder**," and together, the "**Holders**") and Goosehead Insurance, Inc. ("**Pubco**").

WHEREAS, Pubco intends to consummate an initial public offering (the "**IPO**") of its Class A Common Stock, par value $0.01 per share ("**Class A Common Stock**");

WHEREAS, in connection with the IPO, Pubco will become the managing member of Goosehead Financial, LLC (the "**Company**") and, pursuant to a reorganization agreement, immediately prior to the IPO, the Holders and the other holders of equity in the Company will receive new units (the "**LLC Units**") in the Company, with the exception of Pubco and its wholly-owned subsidiaries, and an equivalent number of shares of Class B Common Stock, par value $0.01 per share, of Pubco (the "**Class B Common Stock**," and together with the Class A Common Stock, the "**Common Stock**"); and

WHEREAS, the Holders desire to effect an agreement that during any period following the completion of the IPO where the Holders meet the Substantial Ownership Requirement (as defined below), approval by the Holders will be required for certain corporate actions and the Holders will have certain designation rights with respect to nominees to the Board of Directors (as defined below).

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1
STOCKHOLDER RIGHTS AND RESTRICTIONS

Section 1.01. *Approval for Certain Corporate Actions.* Until the Substantial Ownership Requirement is no longer met, Pubco shall not permit the occurrence of the following matters relating to Pubco without first receiving the approval of the Holders holding a majority of the shares of Class B Common Stock held by the Holders as evidenced by a written resolution or consent in lieu thereof:

(a) any transaction or series of related transactions resulting in the merger, consolidation or sale of all, or substantially all, of the assets of the Company and its subsidiaries, or any acquisition or disposition of any asset for consideration in excess of 15% of the Total Assets (as defined below) of Pubco and its subsidiaries;

(b) any issuance of equity securities, or any other ownership interests, of Pubco or any of its subsidiaries, other than under any equity incentive plan that has received the prior approval of the Board of Directors, for consideration exceeding $50 million;

(c) any amendments to the certificate of incorporation or bylaws of Pubco;

(d) entering into any material new line of business (other than natural extensions of the business of Pubco and its subsidiaries) or making any material modification to the scope of Pubco's business;

(e) any change in the size of the Board of Directors;

(f) any hiring, termination, replacement, compensation, benefits or other significant decisions relating to the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Controller, including entering into new employment agreements or modifying existing employment agreements, adopting or modifying any plans relating to any incentive securities or employee benefit plans or granting incentive securities or benefits to any such individuals under any existing plans; or

(g) any agreement or commitment with respect to any of the foregoing.

Section 1.02. *Composition of the Board.* Until the Substantial Ownership Requirement is no longer met, the Holders holding a majority of the shares of Class B Common Stock held by the Holders may, by means of a written resolution or consent in lieu thereof, designate the nominees for a majority of the members of the Board of Directors, including the Chairman of the Board of Directors.

Section 1.03. *Transfers*. No Holder shall sell, transfer or otherwise dispose of Class B Common Stock, except for transfers (i) pursuant to a Disposition Event (as such term is defined in the certificate of incorporation of Pubco) pursuant to Section 8.02(a) of the Amended and Restated Limited Liability Company Agreement of the Company; (ii) as approved in writing pursuant to Section 8.02(b) of the Amended and Restated Limited Liability Company Agreement of the Company or (iii) to a permitted transferee pursuant to Section 8.02(c) of the Amended and Restated Limited Liability Company Agreement of the Company.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES OF THE HOLDERS

Section 2.01. *Corporation Authorization*. Each Holder that is not a natural person represents and warrants to each of the other Holders and Pubco that such Holder is validly organized and existing under the laws of its state of

organization and has all requisite power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby, and that this Agreement constitutes the valid and binding agreement of such Holder.

Section 2.02. *Non-Contravention*. Each Holder represents and warrants to each of the other Holders and Pubco that the execution, delivery and performance by such Holder of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) if such Holder is not a natural person, contravene or conflict with, or constitute a violation of, any organizational documents of such Holder; (ii) contravene or conflict with, or constitute a violation of, any material applicable law or any material agreement or order binding on such Holder; or (iii) result in the imposition of any Lien (as defined below) on any asset of such Holder.

Section 2.03. *Ownership of Shares of Common Stock.* Each Holder represents and warrants to each of the other Holders and Pubco that such Holder is the record and beneficial owner of all of the shares of Common Stock owned by them on the date hereof, and that the shares of Common Stock owned by them on the date hereof are owned free of any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever (collectively, "**Liens**") and any other limitation or restriction (including any restriction on the right to vote or otherwise dispose of the shares of Common Stock), other than transfer restrictions under applicable securities laws. None of the shares of Common Stock is subject to any voting trust or other agreement or arrangement with respect to the voting of such shares of Common Stock.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF PUBCO

Pubco represents and warrants to each Holder that:

Section 3.01. *Corporation Authorization*. Pubco has been duly incorporated and is validly existing under the laws of its state of incorporation and has all requisite corporate power and authority to execute and deliver this Agreement, to perform fully its obligations hereunder and to consummate the transactions contemplated hereby. This Agreement constitutes the valid and binding agreement of Pubco.

Section 3.02. *Non-Contravention*. The execution, delivery and performance by Pubco of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) contravene or conflict with, or constitute a violation of, the organizational documents of Pubco; (ii) contravene or conflict with, or constitute a violation of, any material applicable

law or any material agreement or order binding on Pubco; or (iii) result in the imposition of any Lien on any asset of Pubco.

ARTICLE 4
MISCELLANEOUS

Section 4.01. *Other Definitional and Interpretative Provisions.* Unless specified otherwise, in this Agreement the obligations of any party consisting of more than one person are joint and several. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person (as defined below) include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

Section 4.02. *Additional Definitions.*

(a) "**Board of Directors**" means the Board of Directors of Pubco.

(b) "**Organization**" means any corporation, partnership, joint venture or enterprise, limited liability company, unincorporated association, trust, estate, governmental entity or other entity or organization, and shall include the successor (by merger or otherwise) of any entity or organization.

(c) "**Person**" means any natural person or Organization.

(d) "**Substantial Ownership Requirement**" means the beneficial ownership (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by the Holders collectively, of shares of Common Stock

representing at least ten percent (10%) of the issued and outstanding shares of Common Stock.

(e) "**Total Assets**" of any Person means the consolidated total assets of such Person and its subsidiaries, as determined in accordance with U.S. generally accepted accounting principles, as shown on such Person's most recent balance sheet.

Section 4.03. *Further Assurances*. Each party to this Agreement, at any time and from time to time upon the reasonable request of another party to this Agreement, shall promptly execute and deliver, or cause to be executed and delivered, all such further instruments and take all such further actions as may be reasonably necessary or appropriate to confirm or carry out the purposes and intent of this Agreement.

Section 4.04. *Expenses*. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense.

Section 4.05. *Assignment*. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; *provided* that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other parties hereto, other than a transfer to (i) in the case of any Holder that is not a natural person, any Person that is an affiliate of such Holder, and (ii) in the case of any Holder that is a natural person, (A) any Person to whom Class B Common Stock are Transferred from such Holder (1) by will or the laws of descent and distribution or (2) by gift without consideration of any kind; provided that, in the case of clause (2), such transferee is the spouse, the lineal descendant, sibling, parent, heir, executor, administrator, testamentary trustee, legatee or beneficiary of such Holder, (B) a trust that is for the exclusive benefit of such Holder or its permitted transferees under (A) above or (C) any institution qualified as tax-exempt under Section 501(c)(3) of the Code.

Section 4.06. *Governing Law*. This Agreement shall be governed by, construed and enforced in accordance with the law of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 4.07. *Consent to Jurisdiction.* The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the Delaware Chancery Court, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it

may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 4.08. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 4.09. *Severability*. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 4.10. *Counterparts*. This Agreement may be executed (including by facsimile transmission) with counterpart pages or in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

Section 4.11. *Entire Agreement*. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understanding, both oral and written, among the parties hereto with respect to the subject matter hereof

Section 4.12. *Amendments; Waiver* Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement or in the case of a waiver, by the party against whom the waiver is to be effective.

Section 4.13. *Specific Performance*. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement is not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof in addition to any other remedy to which they are entitled at law or in equity.

Section 4.14. *IPO Closing; Termination*. This Agreement will automatically terminate and be of no force and effect if the closing of the IPO does not occur on or before [●], 2018. This agreement will automatically terminate and be of no force and effect when the Substantial Ownership Requirement is no longer met.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

GOOSEHEAD INSURANCE, INC.

By: _____
Name:
Title:

MARK E. JONES

By: _____
Name:
Title:

ROBYN JONES

By: _____
Name:
Title:

MICHAEL C. COLBY

By: _____
Name:
Title:

JEFFREY SAUNDERS

By: _____
Name:
Title:

THE MARK AND ROBYN JONES DESCENDANTS TRUST 2014

By: _____
Name:
Title:

LANNI ELAINE ROMNEY FAMILY TRUST 2014

By: _____
Name:
Title:

LINDY JEAN LANGSTON FAMILY TRUST 2014

By: _____
Name:
Title:

CAMILLE LAVAUN PETERSON FAMILY TRUST 2014

By: _____
Name:
Title:

DESIREE ROBYN COLEMAN FAMILY TRUST 2014

By: _____
Name:
Title:

ADRIENNE MORGAN JONES FAMILY TRUST 2014

By: _____
Name:
Title:

MARK EVAN JONES, JR. FAMILY TRUST 2014

By: _____
Name:
Title:

THE ESTATE OF DOUG JONES

By: _____
Name:
Title:

LANNI ROMNEY

By: _____
Name:
Title:

LINDY LANGSTON

By: _____
Name:
Title:

CAMILLE PETERSON

By: _____
Name:
Title:

DESIREE COLEMAN

By: _____
Name:
Title:

ADRIENNE JONES

By: _____
Name:
Title:

MARK E. JONES, JR.

By: _____
Name:
Title:

COLBY 2014 FAMILY TRUST

By: _____
Name:
Title:

PRESTON MICHAEL COLBY 2014 TRUST

By: _____
Name:
Title:

LYLA KATE COLBY 2014 TRUST

By: _____
Name:
Title:

TEXAS WASATCH INSURANCE PARTNERS, L.P.

By its General Partner

By: _____
Name:
Title:

Goosehead Insurance Agency, LLC
Franchise Agreement

Exhibit A
Declarations Page

1	1.2	The "Approved Location" under this Agreement will be: _____ _____ _____ _____.
2	4.1	You elect to pay the Initial Franchise Fee in one of the following ways: (check only one): ☐ In its entirety at the time you enter into this Agreement, in which case the amount of the Initial Franchise Fee shall be: _____ ($_____). ☐ You shall pay a portion of the Initial Franchise Fee at the time you enter into this Agreement in the amount of _____ ($_____), and shall pay the remaining portion of _____ ($_____), plus interest, according to the terms of the 60-month Promissory Note attached to this Agreement as Exhibit I.
3	4.2	The "Commencement Date" will be: _____.

Initials

_____ Franchisee

_____ Franchisor

Goosehead Insurance Agency, LLC
Franchise Agreement

TABLE OF CONTENTS

Exhibits

Goosehead Insurance Agency, LLC
Franchise Agreement

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of the "**Effective Date**" that we have indicated on the signature page of this Agreement by and between:

- Goosehead Insurance Agency, LLC, a Delaware limited liability company, with its principal place of business at 1500 Solana Blvd., Suite 450, Westlake, Texas 76262 ("**we**," "**us**," or "**our**"); and

- _____ a [resident of] [corporation organized in] [limited liability company organized in] the state of _____ and having offices at _____ ("**you**" or the "**Franchisee**").

Introduction

*We have developed our own distinctive and proprietary systems for insurance services, including home insurance, automobile insurance, life insurance, specialty lines, and business insurance (the "**System**"). Our System includes (among other things): business processes, technologies, trade secrets, customer lists, knowledge, know-how, trade names, service marks, trademarks, logos, emblems, trade dress and other intellectual property; distinctive signage; standards, specifications and sources for services, products, supplies, appearance, operations and management control; safety standards; training and assistance; purchasing programs; and advertising, marketing, promotional and sales programs; all of which we may periodically change, discontinue, improve, modify and further develop.*

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

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

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

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

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

1 GRANT

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

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

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

1.1.3 To do all of those things only at the Approved Location (as defined in Section 1.2 below).

1.2 *Approved Location*. The street address of the location for the Franchised Business approved under this Agreement is specified in Exhibit A to this Agreement, and is referred to as the "**Approved Location**."

1.2.1 When this Agreement is signed, if you have not yet obtained (and we have not yet approved in writing) a location for the Franchised Business, then you agree to enter into the site selection addendum (the "**Site Selection Addendum**," attached as Exhibit G to this Agreement) at the same time as you sign this Agreement. You will then find a site which will become the Approved Location after we have given you our written approval for that site and you have obtained the right to occupy the premises, by lease, sublease, or acquisition of the property, all subject to our prior written approval and in accordance with the Site Selection Addendum.

1.2.2 We have the right to grant or withhold approval of the Approved Location under this Section 1.2. You understand, acknowledge, and agree that our review and approval of your proposed location, under this Section 1.2 or pursuant to the Site Selection Addendum, does not constitute our assurance, representation, or warranty of any kind that your Franchised Business at the Approved Location will be profitable or successful (as further described in Section 5 of the Site Selection Addendum).

1.2.3 You agree not to relocate the Franchised Business without our prior written consent. Any proposed relocation will be subject to our review of the proposed new site under our then-current standards for site selection, and we will also have the right to take into consideration any commitments we have given to other franchisees, licensees, landlords, and other parties relating to the proximity of a new Goosehead Business to their establishment. You must pay us a fee in the amount of Five Hundred Dollars ($500) at the time you request the relocation of the Franchised Business.

1.3 *No Protected Territory*. You expressly acknowledge and agree that this franchise is non-exclusive, and that this Agreement does not grant or imply any protected area or territory for the Franchised Business. Accordingly, we retain the right to conduct any business and sell

services and products at any location, notwithstanding the proximity of that business activity to the Approved Location. We retain all rights, including but not limited to: (a) the right to use, and to license others to use, the System and the Proprietary Marks for the operation of Goosehead Businesses at any location; (b) the right to sell, and to license others to sell, products and services (including Services) that are also authorized for sale at Goosehead Businesses through other channels of distribution (including, but not limited to, through catalogs, mail order, toll free numbers, sales via Internet websites, and other forms of electronic commerce); (c) the right to acquire and operate businesses of any kind and to grant or franchise the right to others to operate other businesses of any kind, no matter where located; and (d) the right to use and license the use of the Proprietary Marks and other marks in connection with the operation of businesses at any location, which businesses and marks may be the same as, similar to, or different from the Franchised Business and the Proprietary Marks, on such terms and conditions as we deem advisable, and without granting you any rights therein.

1.4 *Limits on Where You May Operate*.

1.4.1 You may offer and sell Services only: **(a)** in accordance with the requirements of this Agreement and the procedures set out in the Manual (defined below); and **(b)** to customers of the Franchised Business.

1.4.2 You agree not to offer or sell any services or products (including the Services and Products) through any means other than through the Franchised Business as provided in this Section 1.4; and therefore, for example, you agree not to offer or sell services or products from satellite locations, temporary locations, mobile vehicles or formats, carts or kiosks. Unless you become licensed in another state and receive prior written approval from us to offer insurance policies in that state, you may only provide and deliver Services to customers located within the State in which the Approved Location is situated.

2 TERM AND RENEWAL

2.1 *Term*. The term of this Agreement starts on the Effective Date and, unless this Agreement is earlier terminated in accordance with its provisions, will expire ten (10) years from the Effective Date.

2.2 *Renewal*. You will have the right to renew your rights to operate the Franchise Business for two (2) additional successor terms of five (5) years, so long as you have satisfied all of the conditions specified in Sections 2.2.1 through 2.2.10 before each such renewal:

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

2.2.2 You agree to remodel and refurbish the Franchised Business to comply with our then-current standards in effect for new Goosehead Businesses (as well as the provisions of Sections 8.9 and 8.10 below).

2.2.3 At the time of renewal, you must be in material compliance with the provisions of this Agreement (including any amendment to this Agreement), any successor to this Agreement, and/or any other contract between you (and your affiliates) and us (and our affiliates), and in our reasonable judgment, you must have been in material compliance during the term of this Agreement, even if we did not issue a notice of

default or exercise our right to terminate this Agreement if you did not meet your obligations.

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

2.2.5 You must sign our then-current form of franchise agreement, which will supersede this Agreement in all respects (except with respect to the renewal provisions of the new franchise agreement, which will not supersede this Section 2), and which you acknowledge and agree may contain terms, conditions, obligations, rights, and other provisions that are substantially and materially different from those spelled out in this Agreement (including, for example, a higher percentage royalty fee and marketing contribution). If you are an entity, then your direct and indirect owners must also sign and deliver to us a personal guarantee of your obligations under the renewal form of franchise agreement. (In this Agreement, the term "**entity**" includes a corporation, limited liability company, partnership, and a limited liability partnership.)

2.2.6 You agree to sign and deliver to us a release, in a form that we will provide (which will be a mutual release with limited exclusions), which will release all claims against us and our affiliates, and our respective officers, directors, members, managers, agents, and employees. If you are an entity, then your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us.

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

2.2.8 You agree to present to us satisfactory evidence that you have the right to remain in possession of the Approved Location for the duration of the renewal term of this Agreement.

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

3 OUR DUTIES

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

3.2 *Layout and Equipping of a Goosehead Business*. We have the right to provide our standards and specifications for the layout and design of a Goosehead Business, including specifications for the exterior and interior design and layout, fixtures, furnishings, equipment, and signs. We have the right to periodically modify the layout and specifications as we deem appropriate. We will also provide the site selection and lease review assistance called for under Section 5.3 below.

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

3.4 *Manual*. We will lend to you one (1) copy of (or provide you with access to), during the term of this Agreement, our confidential operations manuals and other written instructions relating

to the operation of a Goosehead Business (the "**Manual**"), in the manner and as described in Section 10 below.

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

3.6 *Brand Fund*. We will administer the Brand Fund (as defined in Section 13 below) in the manner set forth in Section 13 below.

3.7 *Inspection Before Opening*. We may evaluate the Franchised Business before it first opens for business. You agree to not open the Franchised Business or otherwise start operations until you or your Manager (defined below) have successfully completed training and you have received our prior written approval.

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

3.9 *Revenue Report*. On the 25th day of each month, we will provide you with a detailed report of Commissions (as defined below) and Agency Fees (as defined below) received on your behalf for insurance policies written in the preceding calendar months. In order to provide you with this report, we must receive a commission detail report from the carrier by the 20th day of the month, for policies you wrote during the preceding month. The report will only include Commissions and Agency Fees related to policies properly recorded in our agency management system as prescribed in the Manual.

3.10 *Call Center*. We will maintain a call center, staffed by licensed insurance agents, for the purpose of providing centralized customer service for all businesses operating under the System and the Proprietary Marks. The call center's hours will be at least between 8 a.m. and 5 p.m. Central Time, Monday through Friday (excluding holidays). You must comply with any rules and regulations adopted by us (in the Manual or otherwise) regarding the call center.

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

3.12 *Our Decision-Making*. In fulfilling our obligations under this Agreement, and in conducting any activities or exercising our rights pursuant to this Agreement, we (and our affiliates) will always have the right: **(a)** to take into account, as we see fit, the effect on, and the interests of, other franchised and company-owned or affiliated businesses and systems; **(b)** to share market and product research, and other proprietary and non-proprietary business information, with other franchised businesses and systems in which we (or our affiliates) have an interest, and/or with our affiliates; **(c)** to test market various items in some or all parts of the System; **(d)** to introduce new proprietary items and non-proprietary items; and/or **(e)** to allocate resources and new developments between and among systems, and/or our affiliates, as we see fit. You understand and agree that all of our obligations under this Agreement are subject to this Section, and that nothing in this Section will in any way affect your obligations under this Agreement.

3.13 *Confirmation of Performance*. After we have performed our pre-opening obligations to you under this Agreement, we may ask that you execute and deliver to us a confirmation (the "**Confirmation of Performance**"), in a form we reasonably request, confirming that we have performed those obligations. If we ask you to provide us with such a certificate, you agree to execute and deliver the Confirmation of Performance to us within three (3) business days after our request. However, if you do not reasonably believe that we have performed all of our pre-opening obligations, you must, within that same three (3) day period, provide us with written notice specifically describing the obligations that we have not performed. Not later than three (3) business days after we complete all the obligations that you specified in that notice, you agree to execute and deliver the Confirmation of Performance to us. You agree to do so even if we performed such obligations after the time performance was due under this Agreement. The term "pre-opening obligations" means the obligations we have to you under this Agreement that must be performed before the date when your Franchised Business starts its operations.

4 FEES; SALES REPORTING

4.1 *Initial Franchise Fee*. You agree to pay us an initial franchise fee in the amount set out in the Declarations Page attached as Exhibit A (the "**Initial Franchise Fee**"). The Initial Franchise Fee is not refundable in consideration of administrative and other expenses that we incur in providing you with training, carrier appointments, and pre-opening assistance as part of the initial launch of the Franchised Business. At your election, the Initial Franchise Fee is due and payable to us in one of the following ways:

4.1.1 You may pay to us the Initial Franchise Fee, in full, on the day that you sign this Agreement; or

4.1.2 You may elect to pay to us a portion of the Initial Franchise Fee on the day that you sign this Agreement in the amount set out in the Declarations Page attached as Exhibit A, and to pay to us the remaining portion of the Initial Franchise Fee, with interest, pursuant to the terms and conditions of the promissory note attached to this Agreement as Exhibit I (the "**Promissory Note**"). You acknowledge and agree that any default under the terms of the Promissory Note, including a failure to make any payments to us under the Promissory Note, shall be a default under this Agreement.

4.2 *Royalty Fee*. We will receive all Commissions (defined below) from insurance carriers. We will receive all Premiums (defined below), Policy Fees (defined below) and Agency Fees on your behalf. If the event that any Premiums, Policy Fees, or Agency Fees are received directly by you, these funds must be forwarded to us within twenty four (24) hours of receipt. We will retain Agency Fees and will forward Premiums and Policy Fees to the insurance carriers. Beginning on the date you begin operations under this Agreement, which is agreed to be the date set out in the Declarations Page (the "**Commencement Date**"), we will remit to you Net Revenues on a monthly basis. As used in this Agreement:

4.2.1 the term "**Agency Fees**" will mean fees that are charged by you for issuing a new policy pursuant to the Manual.

4.2.2 the term "**Commission**" will mean the total fees paid in cash to us, by insurance carriers as a percentage of the Premiums generated by insurance policies sold by the Franchised Business, on all new and renewal policies.

4.2.3 the term "**Gross Revenues**" means the amount of Commissions and Agency Fees received in cash, net of reversals of Commissions for policy cancellations or policy

changes and net of Agency Fee refunds, for insurance services provided by the Franchised Business; Gross Revenues will not include any Premiums or Policy Fees collected by the Franchised Business on behalf of any insurance carrier.

4.2.4 The term "**Minimum Royalty**" means a minimum monthly Royalty Fee payment, beginning six (6) months after the Commencement Date, in the following amounts:

Number of Months following the Commencement Date	**Amount of Monthly Minimum Royalty**
Six (6) to Eighteen (18)	Six Hundred Dollars ($600)
Nineteen (19) and for the remainder of the term of this Agreement	One Thousand Dollars ($1,000)

4.2.5 the term "**Month**" means a calendar month or such other four (4) to five (5) week period that we may designate (provided that there will not be more than 13 "Months" during any year); and

4.2.6 the term "**Net Revenues**" means Gross Revenues net of all amounts due to us under this Agreement, including, without limitation, Royalty Fees, Marketing Contributions (if applicable), Technology Fees, and payments due to us under the Promissory Note (if applicable).

4.2.7 the term "**Premiums**" will mean fees that are paid to the insurance carrier for insurance coverage.

4.2.8 the term "**Policy Fees**" will mean fees to be paid to the insurance carrier for the issuance of a policy.

4.2.9 the term "**Royalty Fee**" is charged in consideration of you and your Managers' and Producers' use of our business processes, ongoing carrier relationships, trade secrets, know-how, trade names, trademarks, service marks, logos, emblems, trade dress, intellectual property, and back office support functions. The Royalty Fee will be the following amounts: ***(a)*** the greater of (i) twenty percent (20%) of Gross Revenues on insurance policies in their initial term, or (ii) the Minimum Royalty (defined below); and ***(b)*** fifty percent (50%) of Gross Revenues on policies in their renewal terms and policies written for existing customers on the same risk profile within a one-year period of the cancellation of their existing policy (also known as "**re-writes**").

4.2.10 The "**Technology Fee**" will be an amount necessary to reimburse us for our costs of providing Required Software (defined in Section 14 below) to you. The Technology Fee may vary during the term of this Agreement, and we have the right to adjust the amount of the Technology Fee to account for our increased or decreased costs, separate from the Index.

4.3 *Monthly Accounting*. Once a Month, the insurance carriers will send a commission report and Commissions earned by you, to us. On the 25th day of each Month, unless this Agreement has been terminated for any reason, we will pay to you the Net Revenues for all policies identified in a commission detail report that we receive from the insurance carrier. Please

note that we expect each insurance carrier to submit commission detail reports on a Monthly basis for all policies written during the preceding Month by no later than the 20th day of the subsequent Month. But, if a carrier does not provide us with a commission detail report (and the applicable Commission) by the 20th day of the Month, or if a policy is not identified in the commission detail report we receive, you will not receive the Gross Revenues for those policies until the insurance carrier provides us with the appropriate report and/or Commissions. We may delay or withhold payment of Net Revenues — on a policy by policy basis — for any policy for which you fail to observe the risk management procedures we prescribe in the Manual, including that you obtain a signed application from the customer and provide all required documentation. If we review your accounting and client records (as described in Section 12 below) and find that you have not forwarded to us any Premiums, Policy Fees and/or Agency Fees that you collect, we may pay the appropriate Premiums and Policy Fees to the insurance carrier. You will be responsible for reimbursing us for those amounts and the applicable Agency Fees, in addition to paying a fee to us to cover our reasonable expenses in processing those payments and interest on those amounts, at the rate of two percent (2%) per Month, or if less, the maximum rate permitted by law. Entitlement to such interest will be in addition to any other remedies we may have.

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

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

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

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

4.3.5 You agree that if you do not provide us, as requested, with access to your computer system to obtain sales information or, if we require pursuant to Section 12.1.4 below or otherwise, printed and signed sales reports, then we will have the right to impute your sales for any period using (among other things) your sales figures from any

Month(s) that we choose (which may be those with your highest grossing sales), and that you agree to pay the royalties on that amount (whether by check or by our deduction of that amount from your direct debit account).

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

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

4.5 *Late Payment*. If we do not (or an applicable marketing fund does not) receive any payment due under this Agreement on or before the due date, then that amount will be deemed overdue. If any payment is overdue, then you agree to pay us, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of eighteen percent (18%) per annum (but not more than the maximum rate permitted by law, if any such maximum rate applies). Our entitlement to such interest will be in addition to any other remedies we may have. Any report that we do not receive on or before the due date will also be deemed overdue.

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

4.7 *Index*. We have the right to adjust, for inflation, all fixed-dollar amounts under this Agreement (except for the Initial Franchise Fee) once a year to reflect changes in the Index from the year in which you signed this Agreement. For the purpose of this Section 4.8, the term "**Index**" means the Consumer Price Index (1982-84=100; all items; CPI-U; all urban consumers) as published by the U.S. Bureau of Labor Statistics ("**BLS**"). If the BLS no longer publishes the Index, then we will have the right to designate a reasonable alternative measure of inflation.

5 FRANCHISED BUSINESS LOCATION, CONSTRUCTION AND RENOVATION

5.1 *Opening Deadline.* You are responsible for purchasing, leasing, or subleasing a suitable site for the Franchised Business. You agree to establish the Franchised Business and have it open and in operation within six (6) months after the Effective Date of this Agreement. **Time is of the essence.**

5.2 *Site for the Franchised Business*. As provided in Section 1.2 above, if you do not have (and we have not approved in writing) a location for the Franchised Business as of the Effective Date, then you must find and obtain the right to occupy (by lease, sublease, or acquisition of the property) premises that we find acceptable to serve as your Franchised Business, all in accordance with the Site Selection Addendum.

5.3 *Our Review and Your Responsibilities*. Any reviews that we conduct under this Section 5 and the Site Selection Addendum (if applicable) are for our benefit only. In addition:

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

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

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

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

5.4 *Lease Review.* You agree to provide us with a copy of the proposed lease, sublease, or purchase agreement for the Approved Location, and you agree not to enter into that lease, sublease, or purchase agreement until you have received our written approval. We have the right to condition our approval of the lease, sublease, or purchase agreement upon the inclusion of terms that we find acceptable and that are consistent with our rights and your responsibilities under this Agreement, including without limitation, that you and the landlord execute a Lease Rider in the form attached to this Agreement as Exhibit H. You also agree to provide us with a copy of the fully signed lease, and lease rider before you begin construction or renovations as the Approved Location.

5.5 *Preparing the Site.* You agree that promptly after obtaining possession of the Approved Location, you will do all of the following things:

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

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

5.5.3 complete the construction and/or remodeling as described in Section 5.6 below; and

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

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

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

5.6.2 You agree to comply with all Operating Codes, including, without limitation, the applicable provisions of the ADA regarding the construction and design of the Franchised Business. Additionally, before opening the Franchised Business, and after any renovation, you agree to execute and deliver to us an ADA Certification in the form attached to this Agreement as Exhibit E, to certify that the Franchised Business and any proposed renovations comply with the ADA.

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

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

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

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

6 OPERATING PRINCIPAL, PERSONNEL, AND TRAINING

6.1 *Operating Principal and Management*.

6.1.1 If you are a corporation, partnership or LLC, you must have an individual owner serve as your "**Operating Principal**." The Operating Principal must supervise the operation of the Franchised Business and must own at least five percent (5%) of the voting and ownership interests in the franchisee entity, unless you obtain our prior

written approval for the Operating Principal to hold a smaller interest. The Operating Principal must have qualifications reasonably acceptable to us to serve in this capacity, must have authority over all business decisions related to the Franchised Business, must have the power to bind you in all dealings with us, and must have signed and delivered to us the Guarantee, Indemnification, and Acknowledgement attached to this Agreement as Exhibit B. You may not change the Operating Principal without our prior written approval.

6.1.2 You must inform us in writing whether the Operating Principal will assume full-time responsibility for the daily supervision and operation of the Franchised Business. If the Operating Principal will not supervise the Franchised Business on a full-time and daily basis, you must employ a full-time Franchised Business manager (a "**Manager**") with qualifications reasonably acceptable to us, who will assume responsibility for the daily operation of the Franchised Business.

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

6.2 *Initial Management and Employee Training*.

6.2.1 Before opening your Franchised Business, you (or if you are an entity, your Operating Principal) and your Manager (if you will employ a Manager) must attend and successfully complete, to our satisfaction, the initial training program we offer for Goosehead Business franchisees at our headquarters or another location that we specify.

6.2.2 All of your employees who are licensed to sell insurance ("**Producers**") must also attend and complete to our satisfaction, our Producer training program before any Producer is permitted to sell insurance for the Franchised Business or access our database or systems.

6.3 *Additional Obligations and Terms Regarding Training*.

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

6.3.2 We may require that your Operating Principal, Managers, Producers and employees attend such additional courses, seminars, and other training programs as we may reasonably periodically require.

6.3.3 Your Operating Principal, and all of your trainees, Managers, and Producers must sign and deliver to us a personal covenant of confidentiality, an in-term non-competition agreement, and a post-term non-competition agreement in substantially the form of Exhibit F to this Agreement.

6.3.4 Training Costs and Expenses.

6.3.4.1 The Initial Franchise Fee will cover the cost of providing the instruction and required materials, except as otherwise provided in Sections 6.3.1 and 6.5 of this Agreement.

6.3.4.2 You will be responsible for all travel, fees, lodging and living expenses, including meals, for you, your Manager(s) or employees, which are incurred in connection with initial and additional training. In addition, except for the initial management training for you and your Manager and any Producer you wish to have trained prior to commencing business under this Agreement, we may charge you our then-current per diem training charges, and/or require a deposit, for any other training that we provide.

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

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

6.4 *Conventions and Meetings*. You agree to attend the conventions and meetings that we may periodically require and to pay a reasonable fee (if we charge a fee) for each person who is required to attend (and, if applicable, additional attendees that you choose to send as well). You will also be responsible for all of the other costs of attendance, including travel, room and board, and your employees' wages, benefits and other expenses.

7 PURCHASE OF PRODUCTS AND SERVICES

While your Franchised Business will focus principally on the provision of Services, you may also offer certain products at your Franchised Business. This Section 7 addresses those items.

7.1 *Products*. You agree to buy all products, equipment, furniture, supplies, materials and other products used or offered for sale at the Franchised Business only from suppliers as to whom we have given you our prior written approval (and whom we have not subsequently disapproved). In this regard, the parties further agree:

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

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

7.1.3 Your Franchised Business will offer for sale only such insurance products and Services that conform to our specifications and quality standards and only through insurance carriers that we make available to you through our appointment process ("**Approved Products and Services**").

7.1.4 You acknowledge and agree that we have the right to appoint only one supplier for Approved Products and Services (which may be us or one of our affiliates).

7.1.5 You may be required to use and/or offer for sale any of the Approved Products and Services that we designate.

7.1.6 You must maintain at all times an inventory of Approved Products and Services related to the Franchised Business's concept sufficient in quantity, quality and variety to realize your Franchised Business's full potential.

7.1.7 With regard to insurance products offered by you, the insurance carriers will set the policy prices, and we will set the Agency Fees.

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

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

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

7.2 *Prohibited Products.* You acknowledge and agree that your Franchised Business will not use and/or offer for sale such products or services which we have prohibited you from using and/or selling ("**Prohibited Products and Services**"). Prohibited Products and Services will include selling any services or products other than personal lines property and casualty, small commercial property and casualty, and life insurance with insurance carriers that we have made available to you through our appointment process. We may periodically update the list of Prohibited Products and Services. You also acknowledge and agree that if your Franchised Business uses or sells any Prohibited Products or Services, we will have the right to immediately terminate this Agreement upon notice pursuant to Section 17.2.15 below.

7.3 *Use of the Marks*. You must require all marketing materials, signs, decorations, paper goods (including, without limitation, and all forms and stationery used in the Franchised Business), and other items which we may designate to bear the Proprietary Marks in the form, color, location, and manner we prescribe (and subject to our prior written approval, for example as provided in Section 13.9 below).

8 YOUR DUTIES

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

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

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

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

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

8.2.3 You will not open the Franchised Business until we have determined that all construction has been substantially completed, and that such construction conforms to our standards including to materials, quality of work, signage, decor, paint, and equipment, and we have given you our prior written approval to open, which we will not unreasonably withhold.

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

8.3 *Staffing*.

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

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

8.3.3 Your employees must comply with such professional attire standards as we may periodically require. We may also require that you and your employees comply with personal appearance standards (including dress code, shoes, hair color, body art, piercing, sanitation and personal hygiene, foundation garments, personal displays at work stations, etc.).

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

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

8.4.2 You agree: **(a)** to sell or offer for sale only those Approved Products and Services and items using the standards and techniques that we have approved in writing for you to offer and use at your Franchised Business; **(b)** to sell or offer for sale all Approved Products and Services and items using the standards and techniques that we specify in writing; **(c)** not to deviate from our standards and specifications; **(d)** to stop using and offering for use any Services or products that we at any time disapprove in writing (recognizing that we have the right to do so at any time); and **(e)** that if you propose to deviate (or if you do deviate) from our standards and specifications, whether or not we have approved the deviation, that deviation will become our property.

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

8.4.4 You agree not to install or permit to be installed on or about the premises of the Franchised Business, without our prior written consent, any fixtures, furnishings,

equipment, machines, décor, signs, or other items that we have not previously in writing approved as meeting our standards and specifications.

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

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

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

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

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

8.8 *Your Franchised Business:*

8.8.1 *Franchised Business Condition, Maintenance.* You agree that at all times, you will maintain the Franchised Business in a high degree of repair and condition. In addition, you agree to make such repairs and replacements to the Franchised Business as may be required for that purpose (but no others without our prior

written consent), including the periodic repainting or replacement of obsolete signs, furnishings, equipment, and decor that we may reasonably require. Your maintenance and upkeep obligations under this Section 8.8.1 are separate from those with respect to periodic upgrades that we may require regarding fixtures, furnishings, equipment, decor, and signs, and Section 8.8.2 below with respect to Remodeling.

8.8.2 *Remodeling*. In addition to the maintenance and upkeep obligations requirements under Section 8.8.1 above, you agree to refurbish the Franchised Business at your expense to conform to our then-current building design, exterior facade, trade dress, signage, furnishings, decor, color schemes, and presentation of the Proprietary Marks in a manner consistent with the then-current image for new Goosehead Businesses, including remodeling, redecoration, and modifications to existing improvements, all of which we may require in writing (collectively, "**Remodeling**"). In this regard, the parties agree that:

8.8.2.1 You will not have to conduct a Remodeling more than once every five (5) years during the term of this Agreement (and not in an economically unreasonable amount); provided, however, that we may require Remodeling more often if Remodeling is required as a pre-condition to renewal (as described in Section 2.2.2 above); and

8.8.2.2 You will have six (6) months after you receive our written notice within which to complete Remodeling.

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

8.10 *If You Are an Entity:*

8.10.1 *Corporate Franchisee*. If you are a corporation, then you agree to: **(a)** confine your activities, and your governing documents will at all times provide that your activities are confined, exclusively to operating the Franchised Business; **(b)** maintain stop transfer instructions on your records against the transfer of any equity securities and will only issue securities upon the face of which a legend, in a form satisfactory to us, appears which references the transfer restrictions imposed by this Agreement; **(c)** not issue any voting securities or securities convertible into voting securities; and **(d)** maintain a current list of all owners of record and all beneficial owners of any class of voting stock of your company and furnish the list to us upon request.

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

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

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

8.11 *Quality-Control and Customer Survey Programs.* We may periodically designate an independent evaluation service to conduct a “mystery shopper,” “customer survey,” and/or similar quality-control and evaluation programs with respect to Goosehead Businesses. You agree to participate in such programs as we require, and promptly pay the then-current charges of the evaluation service. If you receive an unsatisfactory or failing report in connection with any such program, then you agree to: **(a)** immediately implement any remedial actions we require; and **(b)** reimburse us for the expenses we incur as a result thereof (including the cost of having the evaluation service re-evaluate the Franchised Business, our inspections of the Franchised Business, and other costs or incidental expenses).

8.12 *Prices*. You agree that we may set reasonable restrictions on the maximum and minimum prices you may charge for the Approved Products and Services offered and sold at the Franchised Business under this Agreement. Subject to the terms of Section 7.1.7 above, you will have the right to set the prices that you will charge to your customers; provided, however, that (subject to applicable law): **(a)** if we have set a maximum price for a particular item, then you may charge any price for that item up to and including the maximum price we have set; and **(b)** if we have set a minimum price for a particular item, then you may charge any price for that item that is equal to or above the minimum price we have set.

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

8.14 *Innovations.* You agree to disclose to us all ideas, concepts, methods, techniques and products conceived or developed by you, your affiliates, owners and/or employees during the term of this Agreement relating to the development and/or operation of the Goosehead Businesses. All such products, services, concepts, methods, techniques, and new information will be deemed to be our sole and exclusive property and works made-for-hire for

us. You hereby grant to us (and agree to obtain from your affiliates, owners, employees, and/or contractors), a perpetual, non-exclusive, and worldwide right to use any such ideas, concepts, methods, techniques and products in any businesses that we and/or our affiliates, franchisees and designees operate. We will have the right to use those ideas, concepts, methods, techniques, and/or products without making payment to you. You agree not to use or allow any other person or entity to use any such concept, method, technique or product without obtaining our prior written approval.

8.15 *Performance Standards.* You recognize that your active development of the Franchised Business is important to the effective development of the System and that we have entered into this Agreement in reliance upon your express obligation to actively implement the System. Therefore, you acknowledge and agree that, beginning six (6) months after the Commencement Date, and after notice to you, we will have the right to identify and implement quantitative operational performance standards (for example, the number of insurance policies written in a specific line of business or in the aggregate) upon which your development and active implementation of the System will be evaluated. If your performance under such standards fails to meet or exceed the performance of the lowest twenty-five percent (25%) of all franchised Goosehead Businesses operating under the System, as we determine, in any one (1) fiscal quarter of any fiscal year, we may elect to: ***(a)*** require you and such other of your employees, as we determine, to attend and complete to our satisfaction such additional training programs that we deem necessary; or ***(b)*** provide such on-site assistance and consultation as we deem necessary. In the event we provide any such additional training, assistance or consultation, you will be responsible for all costs and expenses for that training assistance or consultation, which may include a fee payable to us. If you fail to improve your performance under such standards by at least ten percent (10%), and fail to meet or exceed the performance of the lowest twenty-five percent (25%) of all franchised Goosehead Businesses operating under the System in each subsequent fiscal quarter we may, in our discretion, place your agency in default status, which may result in termination pursuant to Section 17.3 below.

8.16 *Franchisee Advisory Council.* We may establish an organization to facilitate communication between us and franchisees operating under the Proprietary Marks and the System (the "**Franchisee Advisory Council**"). In the event that we form the Franchisee Advisory Council, you agree to fully participate in the Franchisee Advisory Council if requested by us. The Franchisee Advisory Council may be terminated or dissolved by us at any time.

9 PROPRIETARY MARKS

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

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

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

9.2.2 You will use the Proprietary Marks only for the operation of the business franchised under this Agreement and only at the location authorized under this Agreement, or in franchisor-approved marketing for the business conducted at or from that location (subject to the other provisions of this Agreement).

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

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

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

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

9.2.7 You agree not to use the Proprietary Marks:

9.2.7.1 as part of your corporate or other legal name;

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

9.2.7.3 in connection with any employment or H.R. documents (including employment applications, paychecks, pay stubs, and employment agreements.

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

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

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

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

9.2.9.3 We agree to reimburse you for your out-of-pocket travel costs in doing such acts and things, and you will bear the salary costs of your employees, and we will bear the costs of any judgment or settlement, unless such litigation is the result of your use of the Proprietary Marks in a manner that does not comply with this Agreement.

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

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

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

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

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

9.3.3 Neither you nor any of your owners, principals, or other persons acting on your behalf will directly or indirectly contest the validity or our ownership of the Proprietary Marks, nor will you, directly or indirectly, seek to register the Proprietary Marks with any government agency (unless we have given you our express prior written consent to do so).

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

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

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

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

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

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

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

10 CONFIDENTIAL BRAND MANUALS

10.1 *You Agree to Abide by the Manual*. In order to protect our reputation and goodwill and to maintain high standards of operation under our Proprietary Marks, you agree to conduct your business in accordance with the written instructions that we provide, including the Manual. We will lend to you (or permit you to have access to) one (1) copy of our Manual, only for the term of this Agreement, and only for your use in connection with operating the Franchised Business during the term of this Agreement.

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

10.3 *We Own the Manual*. The Manual will at all times remain our sole property and you agree to promptly return the Manual when this Agreement expires or if it is terminated.

10.4 *Confidentiality and Use of the Manual*.

10.4.1 The Manual contains our proprietary information and you agree to keep the Manual confidential both during the term of this Agreement and after this Agreement expires and/or is terminated. You agree that, at all times, you will insure that your copy of the Manual will be available at the Franchised Business premises in a current and up-to-date manner. Whenever the Manual is not in use by authorized personnel, you agree to maintain secure access to the Manual at the premises of the Franchised Business, and you agree to grant only authorized personnel (as defined in the Manual) with access to the security protocols for the Manual.

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

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

10.6 *Which Copy of the Manual Controls*. You agree to keep your copy of the Manual only at the Franchised Business (and as provided in Section 10.4 above) and also to insure that the Manual are kept current and up to date. You also agree that if there is any dispute as to the contents of the Manual, the terms of the master copy of the Manual that we maintain in our home office will be controlling. Access to any electronic version of the Manual will also be subject to our reasonable requirements with respect to security and other matters, as described in Section 14 below.

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

10.8 *Modifications to the System*. You recognize and agree that we may periodically change or modify the System and you agree to accept and use for the purpose of this Agreement any such change in the System (which may include, among other things, new or modified trade names, service marks, trademarks or copyrighted materials, new products, new techniques, as if they were part of this Agreement at the time when you and we signed this Agreement; provided the financial burden placed upon you is not substantial). You agree to make such expenditures and such changes or modifications as we may reasonably require pursuant to this Section and otherwise in this Agreement.

11 CONFIDENTIAL INFORMATION

11.1 *Confidentiality*.

11.1.1 You agree that you will not, during the term of this Agreement or at any time thereafter, communicate, divulge, or use (for yourself and/or for the benefit of any other person, persons, partnership, entity, association, or corporation) any Confidential Information that may be communicated to you or of which you may be apprised by virtue of your operation under the terms of this Agreement. You agree that you will divulge our Confidential Information only to those of your employees as must have access to it in order to operate the Franchised Business.

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

11.1.3 Any employee who may have access to any Confidential Information regarding the Franchised Business must execute a covenant that the employee will maintain the confidentiality of information they receive in connection with their association with you. Such covenants must be on a form that we provide, which form will, among other things, designate us as a third party beneficiary of such covenants with the independent right to enforce them.

11.1.4 As used in this Agreement, the term "**Confidential Information**" includes, without limitation, our business concepts and plans, operating techniques, marketing methods, processes, vendor information, results of operations and quality control information, financial information, demographic and trade area information, market penetration techniques, plans, or schedules, the Manuals, customer lists, profiles,

preferences, or statistics, itemized costs, franchisee composition, territories, and development plans, and all related trade secrets or other confidential or proprietary information treated as such by us, whether by course of conduct, by letter or report, or by the use of any appropriate proprietary stamp or legend designating such information or item to be confidential or proprietary, by any communication to such effect made prior to or at the time any Confidential Information is disclosed to you.

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

12 ACCOUNTING, FINANCIAL AND OTHER RECORDS, AND INSPECTIONS

12.1 *Accounting Records and Sales Reports*.

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

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

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

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

12.2 *Financial Statements*.

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

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

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

12.2.4 You agree that upon our request, and for a limited period of time, you will provide us (and/or our agents, such as our auditors) with passwords and pass codes necessary for the limited purpose of accessing your computer system in order to conduct the inspections specified in this Section 12. You also agree that you will change all passwords and pass codes after the inspection is completed.

12.3 *Additional Information*. You also agree to submit to us (in addition to the reports required pursuant to Section 12.1.4 above), for review or auditing, such other forms, reports, records, information, and data as and when we may reasonably designate, in the form and format, and at the times and places as we may reasonably require, upon request and as specified periodically in the Manual or otherwise in writing, including: **(a)** information in electronic format; **(b)** restated in accordance with our financial reporting periods; **(c)** consistent with our then-current financial reporting periods and accounting practices and standards; and/or **(d)** as necessary so that we can comply with reporting obligations imposed upon us by tax authorities with jurisdiction over the Franchised Business and/or our company. The reporting requirements of this Section 12.3 will be in addition to, and not in lieu of, the electronic reporting required under Section 14 below.

12.4 *Our Right to Inspect Your Books and Records*. We have the right at all reasonable times to examine, copy, and/or personally review or audit (at our expense) all of your sales receipts, books, records, and sales and income tax returns in person or through electronic access (at our option). We will also have the right, at any time, to have an independent audit made of your books and records. If an inspection should reveal that you have understated any payments in any report to us, then this will constitute a default under this Agreement, and you agree to immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of one and one-half

percent (1.5%) per month (but not more than the maximum rate permitted by law, if any such maximum rate applies). If we conduct an inspection because you did not timely provide sales reports to us, or if an inspection discloses that you understated your sales, in any report to us (and/or underpaid your royalties), by three percent (3%) or more, or if you did not maintain and/or provide us with access to your records, then you agree (in addition to paying us the overdue amount and interest) to reimburse us for any and all costs and expenses we incur in connection with the inspection (including travel, lodging and wages expenses, and reasonable accounting and legal costs). These remedies will be in addition to any other remedies we may have. We may exercise our rights under this Section 12 directly or by engaging outside professional advisors (for example, a CPA) to represent us.

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

13 MARKETING

13.1 *Marketing Activities and Funds*. For each Month during the term of this Agreement, you agree to contribute an amount up to two percent (2%) of Gross Revenues to be allocated in the manner described in Section 13.2 below (the "**Marketing Contribution**"). The Marketing Contribution is payable and/or allocated in the manner and at the times required under Section 4.3 above (and as otherwise provided in this Section 13).

13.2 *Allocation and Collection*.

13.2.1 We have the right to allocate your Marketing Contribution in the proportion that we designate among the following:

13.2.1.1 the Brand Fund;

13.2.1.2 local marketing, which we may allocate between: **(a)** any regional marketing fund established for your area (a "**Regional Fund**"), as provided in Section 13.4 below (but we are not required to establish a Regional Fund for your area); and **(b)** funds that you will spend on local marketing and promotion.

13.2.2 We have the right to periodically make changes to the allocation of the Marketing Contribution as specified in Section 13.2.1 among those funds and/or local marketing and promotion, by giving you written notice of the change, and those changes will take effect at the end of that month.

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

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

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

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

13.3.3 You agree to make your Marketing Contribution to the Brand Fund in the manner specified in Section 4.3 above. The Brand Fund may also be used to make loans (at reasonable interest rates); and to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved in advance by us, which products, services, or improvements we deem, in our sole discretion, will promote general public awareness and favorable support for the System. All sums you pay to the Brand Fund will be maintained in an account separate from our other monies and will not be used to defray any of our expenses, except for such reasonable costs and overhead, if any, as we may incur in activities reasonably related to the direction and implementation of the Brand Fund and marketing programs for franchisees and the System. The Brand Fund and its earnings will not

otherwise inure to our benefit. We or our designee will maintain separate bookkeeping accounts for the Brand Fund.

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

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

13.4 *Regional Fund*. We have the right to designate any geographical area for purposes of establishing a Regional Fund. If a Regional Fund for the geographic area in which the Franchised Business is located has been established at the time you commence operations under this Agreement, you must immediately become a member of such Regional Fund. If a Regional Fund for the geographic area in which the Franchised Business is located is established during the term of this Agreement, you must become a member of such Regional Fund within thirty (30) days after the date on which the Regional Fund commences operation. In no event will you be required to join more than one Regional Fund. The following provisions will apply to each such Regional Fund:

13.4.1 Each Regional Fund will be organized and governed in a form and manner, and will commence operations on a date, all of which we must have approved in advance, in writing.

13.4.2 Each Regional Fund will be organized for the exclusive purpose of administering regional marketing programs and developing, subject to our approval, standardized promotional materials for use by the members in regional marketing.

13.4.3 No marketing, advertising or promotional plans or materials may be used by a Regional Fund or furnished to its members without our prior approval, pursuant to the procedures and terms as set forth in Section 13.9 below.

13.4.4 Once you become a member of a Regional Fund, you must contribute to a Regional Fund pursuant to the allocation that we specify, as described in Section 13.2 above, at the time required under Section 4.3 above, together with such statements or reports that we, or the Regional Fund (with our prior written approval) may require. We also have the right to require that you submit your Regional marketing contributions and reports directly to us for distribution to the Regional Brand Fund.

13.4.5 A majority of the Goosehead Business owners in the Regional Fund may vote to increase the amount of each Goosehead Business owner’s contribution to the Regional Fund by up to an additional two percent (2%) of each Goosehead Business’s Gross Revenues. Voting will be on the basis of one vote per Goosehead Business, and each Goosehead Business that we operate in the region, if any, will have the same voting rights as those owned by our franchisees. You must contribute to the Regional Fund in accordance with any such vote by the Regional Fund to increase each Goosehead Business’s contribution as provided in this Section 13.4.5.

13.4.6 Although once established, each Regional Fund is intended to be of perpetual duration, we maintain the right to terminate any Regional Fund. A Regional Fund will

not be terminated, however, until all monies in that Regional Fund have been expended for marketing purposes.

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

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

13.5.2 Charitable or other contributions or donations.

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

13.7 *Standards*. All of your local marketing and promotion must: **(a)** be in the media, and of the type and format, that we may approve; **(b)** be conducted in a dignified manner; and **(c)** conform to the standards and requirements that we may specify. You agree not to use any advertising, marketing materials, and/or promotional plans unless and until you have received our prior written approval, as specified in Section 13.9 below.

13.8 *Our Review and Right to Approve All Proposed Marketing*. For all proposed advertising, marketing, and promotional plans, you (or the Regional Fund, where applicable) must submit to us samples of such plans and materials (by means described in Section 24 below), for our review and prior written approval. If you (or the Regional Fund) have not received our written approval within fourteen (14) days after we have received those proposed samples or materials, then we will be deemed to have disapproved them. You acknowledge and agree that any and all copyright in and to advertising, marketing materials, and promotional plans developed by or on behalf of you will be our sole property, and you agree to sign such documents (and, if necessary, require your employees and independent contractors to sign such documents) that we deem reasonably necessary to give effect to this provision.

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

13.10 *Considerations as to Charitable Efforts*. You acknowledge and agree that certain associations between you and/or the Franchised Business and/or the Proprietary Marks

and/or the System, on the one hand, and certain political, religious, cultural or other types of groups, organizations, causes, or activities, on the other, however well-intentioned and/or legal, may create an unwelcome, unfair, or unpopular association with, and/or an adverse effect on, our reputation and/or the good will associated with the Proprietary Marks. Accordingly, you agree that you will not, without our prior written consent, take any actions that are, or which may be perceived by the public to be, taken in the name of, in connection or association with you, the Proprietary Marks, the Franchised Business, us, and/or the System involving the donation of any money, products, services, goods, or other items to, any charitable, political or religious organization, group, or activity.

13.11 *Additional Marketing Expenditure Encouraged*. You understand and acknowledge that the required contributions and expenditures are minimum requirements only, and that you may (and we encourage you to) spend additional funds for local marketing and promotion, which will focus on disseminating marketing directly related to your Franchised Business.

14 TECHNOLOGY

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

14.1.1 We have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware to be used by, between, or among Goosehead Businesses, and in accordance with our standards, including without limitation: **(a)** back office systems, data, audio, video (including managed video security surveillance), telephone, voice messaging, retrieval, and transmission systems for use at Goosehead Businesses, between or among Goosehead Businesses, and between and among the Franchised Business, and you, and us; **(b)** physical, electronic, and other security systems and measures; **(c)** printers and other peripheral devices; **(d)** archival back-up systems; **(e)** internet access mode (e.g., form of telecommunications connection) and speed; and **(f)** technology used to enhance and evaluate the customer experience (collectively, all of the above are referred to as the "**Computer System**").

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

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

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

14.1.5 You agree to comply with all specifications that we issue with respect to the Computer System and the Required Software, and with respect to Computer

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

14.1.6 You also agree that we will have the right to approve or disapprove your use of any other technology solutions (including beacons and other tracking methodologies).

14.2 *Data*.

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

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

14.2.3 In order to operate your Franchised Business under this Agreement, we hereby license use of such data back to you, at no additional cost, solely for the term of this Agreement and for your use in connection with operating the Franchised Business. You acknowledge and agree that except for the right to use the data under this clause, you will not develop or have any ownership rights in or to the data.

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

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

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

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

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

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

14.4 *Extranet*. You agree to comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Extranet and/or such other computer systems as we may reasonably require. The term "**Extranet**" means a private network based upon Internet protocols that will allow users inside and outside of our headquarters to access certain parts of our computer network via the Internet. We may establish an Extranet (but are not required to do so or to maintain an Extranet). If we establish an Extranet, then you agree to comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Extranet, and utilizing the Extranet in connection with the operation of your Franchised Business. The Extranet may include, without limitation, the Manual, training and other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct). You agree to purchase and maintain such computer software and hardware (including telecommunications capacity) as may be required to connect to and utilize the Extranet. You agree to execute and deliver to us such documents as we may deem reasonably necessary to permit you to access the Extranet.

14.5 *No Separate Online Sites*. Unless we have otherwise approved in writing, you agree to neither establish nor permit any other party to establish an Online Site relating in any manner whatsoever to the Franchised Business or referring to the Proprietary Marks. We will have the right, but not the obligation, to provide one or more references or webpage(s), as we may periodically designate, within our Online Site. The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, World Wide Web, webpages, microsites, social media and networking sites (e.g., Facebook, Twitter, LinkedIn, You Tube, Google Plus, Snapchat, Pinterest, Instagram, etc.), blogs, vlogs, applications to be used on mobile devices (e.g., iOS or Android apps), and other applications, etc. (whether they are now in existence or developed at some point in the future). However, if we give you our prior written consent to have some form of separate Online Site (which we are not obligated to approve), then each of the following provisions will apply:

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

14.5.2 Any Online site owned or maintained by or for your benefit will be deemed "marketing" under this Agreement, and will be subject to (among other things) our approval under Section 13.9 above.

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

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

14.5.5 In addition to any other applicable requirements, you agree to comply with the standards and specifications for Online Sites that we may periodically prescribe in

the Manual or otherwise in writing (including requirements pertaining to designating us as the sole administrator or co-administrator of the Online Site).

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

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

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

14.6 *Electronic Identifiers; E-Mail*.

14.6.1 You agree not to use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, social network or social media name or address, and/or any other identification of you and/or your business in any electronic medium.

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

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

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

14.9 *Changes*. You acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but

unpredictable changes to technological needs and opportunities, you agree that we will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and you agree to abide by those reasonable new standards we establish as this Section 14 were periodically revised by us for that purpose.

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

14.10.1 In order to implement the terms of this Section 14.10, you agree that: **(a)** Official Senders are authorized to send electronic communications to those of your employees as you may occasionally designate for the purpose of communicating with us and others; **(b)** you will cause your officers, directors, members, principals, managers, and employees (as a condition of their employment or position with you) to give their consent (in an electronic communication or in a pen-and-paper writing, as we may reasonably require) to Official Senders' transmission of electronic communication to those persons, and that such persons may not opt-out, or otherwise ask to no longer receive electronic communication, from Official Senders during the time that such person works for or is affiliated with you; and **(c)** you will not opt-out, or otherwise ask to no longer receive electronic communications, from Official Senders during the term of this Agreement.

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

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

15 INSURANCE

15.1 *Required Insurance Coverage*. Before starting any activities or operations under this Agreement, you agree to procure and maintain in full force and effect during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required under this Agreement for events having occurred during the Term of this Agreement), at your expense, at least the following insurance policy or policies in connection with the Franchised Business or other facilities on premises, or by reason of the construction, operation, or occupancy of the Franchised Business or other facilities on premises. Such policy or policies must be written by an insurance company or companies we have approved, having at all times a rating of at least "A-" in the most recent Key Rating Guide published by the A.M. Best Company (or another rating that we reasonably designate if A.M. Best Company no longer

publishes the Key Rating Guide) and licensed and admitted to do business in the state in which the Franchised Business is located, and must include, at a minimum (except that we may reasonably specify additional coverages and higher policy limits for all franchisees periodically in the Manual or otherwise in writing to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances), the following:

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

15.1.2 Professional indemnity insurance providing coverage for loss or damage arising out of an act or omission of the franchisee or its employees, minimum of $1,000,000 of coverage for every $5,000,000 of annual written premium by you with a floor of $1,000,000 of coverage and a maximum deductible of $25,000 allowed.

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

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

15.1.5 Data theft and cybersecurity coverage.

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

15.1.7 Property insurance providing coverage for direct physical loss or damage to real and personal property for all risk perils, including the perils of flood and earthquake. Appropriate coverage must also be provided for business interruption/extra expense exposures, written on an actual loss sustained basis. The policy or policies must value property (real and personal) on a new replacement cost basis without deduction for depreciation and the amount of insurance must not be less than 90% of the full replacement value of the Franchised Business, its furniture, fixtures, equipment, and stock (real and personal property). Any deductibles contained in such policy will be subject to our review and approval.

15.1.8 If your Approved Location is located in a flood zone other than B, C or X, as determined by the Federal Emergency Management Agency, you must also obtain flood insurance coverage in the amount of the lesser of 90% of the replacement cost or the maximum coverage available from the National Flood Insurance Program.

15.1.9 Any other insurance coverage that is required by federal, state, or municipal law.

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

15.3 *Notices to us*. In the event of cancellation, material change, or non-renewal of any policy, sixty (60) days' advance written notice must be provided to us in the manner provided in Section 24 below.

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

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

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

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

15.8 *Proof of Coverage*. In addition to your obligations under Section 15.7 above, on the first anniversary of the Effective Date, and on each subsequent anniversary of the Effective Date,

you agree to provide us with proof of insurance evidencing the proper coverage with limits not less than those required under this Agreement, in such form as we may reasonably require.

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

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

16 TRANSFER OF INTEREST

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

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

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

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

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

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

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

16.4.2 If you are an entity (other than a partnership or a limited liability partnership), then you agree that: **(a)** without our prior written approval, you will not issue any voting

securities or interests, or securities or interests convertible into voting securities; and **(b)** the recipient of any such security or other interest will become a Principal under this Agreement, if we designate them as such.

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

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

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

16.5.1 The transferor must have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, successors, and assigns, and their respective officers, directors, members, managers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any other agreement between you and us, and/or our respective affiliates, and federal, state, and local laws and rules.

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

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

16.5.4 We will have the right to require that the transferee execute, for a term ending on the expiration date of this Agreement, the form of franchise agreement that we are then offering to new System franchisees, and such other ancillary agreements that we may require for the business franchised under this Agreement, and those agreements will supersede this Agreement and its ancillary documents in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, a higher royalty and marketing fee.

16.5.5 If we request, then you must conduct Remodeling to conform to the then-current standards and specifications of new Goosehead Businesses then-being established in the System, and you agree to complete the upgrading and other requirements specified above in Section 8.8.2 within the time period that we specify.

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

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

16.5.8 A Principal of the transferee whom we designate to be a new Operating Principal, and those of the transferee's Managers and Producers as we may require, must successfully complete (to our satisfaction) all training programs that we require upon such terms and conditions as we may reasonably require (and while we will not charge a fee for attendance at such training programs, the transferee will be responsible for the salary and all expenses of the person(s) that attend training).

16.5.9 You agree to pay us a transfer fee to compensate us for our legal, accounting, training, and other expenses incurred in connection with the transfer. The transfer fee will be in an amount equal to fifteen percent (15%) of your Initial Franchise Fee if you complete a transfer (as defined in this Section) to another franchisee currently operating within the System with a manager that has successfully completed all of our training programs then in effect. If you complete a transfer (as defined in this Section) to an individual or entity not currently operating within the System, then the transfer fee shall be one hundred percent (100%) of your Initial Franchise Fee. If any party has engaged a broker with respect to the transfer, you must also pay (or ensure the buyer's payment of) any applicable commission to the broker in connection with the transfer. You are not required to pay to us a transfer fee (although you must reimburse us for the legal and accounting costs and expenses we incur) for the following transfers: (a) for the convenience of ownership, (b) to members of transferor's immediate family, or (c) to an individual employed by you in connection with the Franchised Business for at least twenty four (24) consecutive months before the transfer. The waiver of a transfer fee for certain transfers does not waive any other requirements of this Section 16, including, without limitation, the requirement that all transferees obtain our approval and meet our standards as described in Section 16.5.3 above.

16.5.10 The transferor must acknowledge and agree that the transferor will remain bound by the covenants contained in Sections 19.3 – 19.5 below.

16.5.11 If the transfer involves the sale of all or any part of your book of insurance business (including Commissions payable in connection with that business), then upon completion of the transfer this Agreement shall terminate and the transferee must enter into a new form of franchise agreement that we are then offering to new System franchisees, for a term ending on the expiration date of this Agreement, and such other ancillary agreements that we may require for the business franchised under this Agreement.

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

16.6.1 The executor, administrator, or personal representative of such person will transfer such interest to a third party approved by us within six (6) months after such death or mental incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, will be subject to the same conditions as any *inter vivos* transfer. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 16, the executor, administrator, or personal representative of the decedent will transfer the decedent's interest to another party approved by us within a reasonable time, which disposition will be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within a reasonable time, we may terminate this Agreement, pursuant to Section 17.2 below. Any transfer subject to this section which is made in accordance with a succession plan approved in advance by us will be deemed approved for the purposes of this Section 16.6.1. We will not unreasonably withhold any approvals required by this Section 16.6;

16.6.2 We will have the right to take such steps as are necessary to manage the Franchised Business for your account until such time as a transfer can be completed pursuant to Section 16.6.1. You further grant to us the right to receive a reasonable fee for such services and reimbursement for our expenses in connection with such services.

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

16.6.3.1 After your death or mental incapacity (or your principal's death or mental incapacity if franchisee is an entity), if the transfer of interest described in Section 16.6.1 has not occurred within six (6) months after such death or mental incapacity, we will have the option, but not the obligation, to purchase your interest in the Franchised Business. Such interest may include all rights of yours under this Agreement and all rights of yours in the lists of customers, prospects and policyholders and all business records and information regarding those customers, prospects and policyholders, including the name and address of the applicant or policyholder and the date of expiration and policy limits of any insurance policy or renewal, rights to solicit the customers, prospects and policyholders for the sale of insurance products and renewal of policyholders' current policies, rights to new, renewal or other commissions and compensation from the insurance carriers or their agents, book of business, furniture, fixtures, equipment and the rights under the lease for the Approved Location. We may elect not to include the furniture, fixtures, equipment and the rights under the lease for the Approved Location in that purchase. If we intend to exercise this option, we will notify you (or your appropriate legal representative) within thirty (30) days of the date we learn of such death or mental incapacity.

16.6.3.2 For assets other than furniture, fixtures or equipment and the rights under the lease for the Approved Location, the purchase price will be an amount equal to one and one-half times the Commissions, net of Royalty Fees, received by the Franchised Business during the twelve (12) month period immediately preceding the closing of the purchase of the assets by us, but if we re-sell the assets purchased under this Section within six (6) months of our purchase, the purchase price will be calculated to be ninety percent (90%) of the price for which we re-sell the business (if more than the original purchase price). The purchase price will be reduced by any current and long-term liabilities of the Franchised Business assumed by us and any amounts due to us from you at the time of sale. The purchase price for

furniture, fixtures, equipment and the rights under the lease for the Approved Location (if we elect to purchase these assets) will be the fair market value as you and we agree. If we and you (or your appropriate legal representative) cannot agree on the fair market value of such furniture, fixtures, equipment or the rights under the lease for the Approved Location, each party will select an independent appraiser who will each provide a written appraisal of such furniture, fixtures, equipment or rights under the lease for the Approved Location and we may elect to exercise the option granted hereunder by paying to you the average of the two appraisals. We will pay the purchase price to you in twelve (12) equal, monthly installments following the purchase, provided that you are in full compliance with the covenants contained in this Agreement. If, at any time during the twelve (12) months following our purchase of your assets, as described above, you breach any covenant contained in this Agreement (or any other agreement between you and us), our obligation to pay the monthly installments will immediately cease.

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

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

16.8 *No Transfers to a Non-Franchisee Party to Operate a Similar Business*. You agree that neither you nor any Principal of yours will transfer or attempt to transfer any or all of your Franchised Business to a third party who will operate a similar business at the Approved Location but not under the System and the Proprietary Marks, and not under a franchise agreement with us.

16.9 *Bankruptcy Issues*. If you or any person holding any interest (direct or indirect) in you become a debtor in a proceeding under the U.S. Bankruptcy Code or any similar law in the U.S. or elsewhere, it is the parties' understanding and agreement that any transfer of you, your obligations, and/or rights under this Agreement, any material assets of yours, and/or

any indirect or direct interest in you will be subject to all of the terms of this Section 16, including without limitation the terms of Sections 16.4, 16.5, and 16.6 above.

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

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

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

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

16.10.4 You agree to give us written notice at least thirty (30) days before the date that any offering or other transaction described in this Section 16.11 commences. Any such offering will be subject to all of the other provisions of this Section 16, including without limitation the terms set forth in Sections 16.4, 16.5, 16.6; and further, without limiting the foregoing, it is agreed that any such offering will be subject to our approval as to the structure and voting control of the offeror (and you, if you are not the offeror) after the financing is completed.

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

17 DEFAULT AND TERMINATION

17.1 *Automatic*. If any one or more of the following events take place, then you will be deemed to be in default under this Agreement, and all rights granted in this Agreement will automatically terminate without notice to you: **(a)** if you become insolvent (meaning, you are unable to pay your debts as they fall due in the usual course of business) or make a general assignment for the benefit of creditors; **(b)** if a bill in equity or other proceeding for the appointment of a receiver for you or another custodian for your business or assets is filed and consented to by you; **(c)** if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; **(d)** if proceedings for a composition with creditors under any state or federal law is instituted by or against you;

(e) if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless unappealed or a supersedeas bond is filed); **(f)** if you are dissolved; or if execution is levied against your business or property; **(g)** if suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against you and not dismissed within thirty (30) days; and/or **(h)** if the real or personal property of your Franchised Business will be sold after levy thereupon by any sheriff, marshal, or constable.

17.2 *With Notice.* If any one or more of the following events occur, then you will be in default under this Agreement, and we will have the right to terminate this Agreement and all rights granted under this Agreement, without affording you any opportunity to cure the default, effective immediately upon the delivery of our written notice to you (in the manner provided in Section 24 below):

17.2.1 If you do not obtain an Approved Location for the Franchised Business within the time limits specified under the Site Selection Addendum, or if you do not construct and open the Franchised Business within the time limits specified in Sections 5.1 and 8.2 above, and within the requirements specified in Sections 5 and 8.2 above;

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

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

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

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

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

17.2.7 If, contrary to the terms of Sections 10 or 11 above, you disclose or divulge the contents of the Manual or other confidential information that we provide to you;

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

17.2.9 If you knowingly maintain false books or records, or submit any false reports (including information provided as part of your application for this franchise) to us;

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

17.2.11 If, after receipt of notice from us, you continue to sell any products or services from the Franchised Business that are not Approved Products or Services;

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

17.2.13 If you misuse or misappropriate login information for access to insurance carrier websites or databases

17.2.14 If an insurance carrier terminates your ongoing business relationship, for cause;

17.2.15 If you or your Manager fails to successfully complete any required training programs to our reasonable satisfaction;

17.2.16 If your Franchised Business uses or sells any Prohibited Products or Services; and/or

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

17.3 *With Notice and Opportunity to Cure*.

17.3.1 Except as otherwise provided above in Sections 17.1 and 17.2 above, if you are in default of your obligations under this Agreement or the Manual, then we may terminate this Agreement by giving you written notice of termination (in the manner provided under Section 24 below) stating the nature of the default at least thirty (30) days before the effective date of termination (or ten (10) days before the effective date of termination for ***(i)*** any failure to pay the Initial Franchise Fee or an installment thereof, or ***(ii)*** any failure to timely enter information into the agency management system as required by the Manual). You may, however, avoid termination by: ***(a)*** immediately initiating a remedy to cure such default; ***(b)*** curing the default to our satisfaction; and ***(c)*** promptly providing proof of the cure to us, all within the thirty (30) day period (or ten (10) day period, as applicable). If you do not cure any such default within the specified time (or such longer period as applicable law may require), then this Agreement will terminate without further notice to you effective immediately upon the expiration of the thirty (30) day period (or ten (10) day period, or such longer period as applicable law may require).

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

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

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

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

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

18 OBLIGATIONS UPON TERMINATION OR EXPIRATION

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

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

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

18.3 *Cancel Assumed Names*. You agree to take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Goosehead Insurance"

and any and all other Proprietary Marks, and/or any other service mark or trademark of ours, and you will give us evidence that we deem satisfactory to provide that you have complied with this obligation within five (5) days after termination or expiration of this Agreement.

18.4 *Premises*. We will have the right (but not the obligation) to require you to assign to us any interest that you (and/or your affiliates) may have in the lease or sublease for the ground upon which the Franchised Business is operated and/or for the building in which the Franchised Business is operated.

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

18.4.2 If you fail or refuse to comply with all of the requirements of this Section 18.4, then we (or our designee) will have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your cost, which expense you agree to pay upon demand.

18.5 *Our Option to Buy Your Assets*. Within thirty (30) days after expiration or non-renewal under this Agreement and/or default under your lease/sublease for the premises, we shall buy from you (and/or your affiliates) all assets of the Franchised Business. This includes all rights of yours in prospects and policyholders and all business records and information regarding those customers, prospects and policyholders, including the name and address of the applicant or policyholder and the date of expiration and policy limits of any insurance policy or renewal, rights to solicit the customers, prospects and policyholders for the sale of insurance products and renewal of policyholders' current policies, rights to new, renewal or other commissions and compensation from the insurance carriers or their agents, book of business, furniture, fixtures, and equipment. We may elect not to include the furniture, fixtures, equipment and the rights under the lease for the Approved Location in that purchase. We are not obligated to purchase the assets of the Franchised Business under any other circumstances, but we may offer to do so in our sole discretion.

18.5.1 For assets other than furniture, fixtures or equipment and the rights under the lease for the Approved Location, the purchase price will be an amount equal to one and one-half (1 ½) times the Commissions, net of Royalty Fees, received by the Franchised Business during the twelve-month period immediately preceding the closing of the purchase of the assets by us. The purchase price will be reduced by any current and long-term liabilities of the Franchised Business assumed by us and any amounts due to us from you at the time of sale. The purchase price for furniture, fixtures, equipment and the rights under the lease for the Approved Location (if we elect to purchase these assets) will be the fair market value as you and we agree. If

we and you cannot agree on the fair market value of such furniture, fixtures, equipment or the rights under the lease for the Approved Location, each party will select an independent appraiser who will each provide a written appraisal of such furniture, fixtures, equipment or rights under the lease for the Approved Location and we may elect to exercise the option granted hereunder by paying to you the average of the two appraisals. The total purchase price will be for the assets of the Franchised Business that we elect to purchase, which may not include the furniture, fixtures, equipment and rights under the lease for the Approved Location. We will pay the purchase price to you in twenty four (24) equal, monthly installments following the purchase, provided that you are in full compliance with the covenants contained in this Agreement. If, at any time during the twenty four (24) months following our purchase of your assets, as described above, you breach any covenant contained in this Agreement (or any other agreement between you and us), our obligation to pay the monthly installments will immediately cease. We have the right to offset amounts that you owe to us against any payment that we may be required to make pursuant to this Section 18.5.

18.5.2 The closing of the sale will occur within thirty (30) days after we exercise our option to purchase the Franchised Business or such later date as may be necessary to comply with applicable bulk sales or similar laws. At closing, we and you agree to sign and deliver all documents necessary to vest title in the assets purchased by us free and clear of all liens and encumbrances, except any assumed by us. We reserve the right to assign our repurchase rights described above or designate a substitute purchaser of the Franchised Business.

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

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

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

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

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

18.11 *Lost Future Royalties*. If we terminate this Agreement based on your default, or if you abandon or otherwise cease to operate the Franchised Business, in addition to all other amounts due to us under this Agreement, you agree to pay to us, as liquidated damages, an amount calculated as follows: **(a)** the average of your monthly Royalty Fees that are due under this Agreement for the twelve (12) months immediately before your abandonment or our delivery of the notice of default (or, if you have been operating for less than 12 months, the average of your monthly Royalty Fees for the number of months you have operated the Franchised Business); **(b)** multiplied by the lesser of 36 or the number of months remaining in the then-current term of this Agreement under Section 2.

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

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

19 COVENANTS

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

19.2 *Understandings*.

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

19.2.2 As used in this Section 19, the term "**Competitive Business**" is agreed to mean any property and/or casualty insurance distribution business.

19.3 *Covenant Not to Compete or Engage in Injurious Conduct.* Accordingly, you covenant and agree that, during the term of this Agreement and for a continuous period of two (2) years after the expiration or termination of this Agreement, and/or a transfer as contemplated in Section 16 above, you will not directly, indirectly, for yourself, or through, on behalf of, or in conjunction with any party, in any manner whatsoever, do any of the following:

19.3.1 Divert or attempt to divert any actual or potential business or customer of any Goosehead Business to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Marks and the System.

19.3.2 Employ or seek to employ any person who is then employed by us or any other Goosehead Business franchisee or developer, or otherwise directly or indirectly induce such person to leave his or her employment. In addition to any other rights and remedies available to us under this Agreement, in the event of a violation of this Section, we will have the right to require you to pay to us (or such other Goosehead Business developer or franchisee, as the case may be) an amount equal to three times the annual salary of the person(s) involved in such violation, plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

19.3.3 Own, maintain, develop, operate, engage in, franchise or license, make loans to, lease real or personal property to, be associated with, accept any compensation or remuneration from, and/or have any whatsoever interest in, or render services or give advice to, any Competitive Business.

19.4 *Where Restrictions Apply*. During the term of this Agreement, there is no geographical limitation on the restrictions set forth in Section 19.3 above. During the two-year period following the expiration, the non-renewal, or earlier termination of this Agreement, or a transfer as contemplated under Section 16 above, these restrictions will apply only within the city and county in which the Approved Location is situated. These restrictions will not apply to businesses that you operate that we (or our affiliates) have franchised to you pursuant to a valid franchise agreement.

19.5 *Post-Term*. You further covenant and agree that, for a continuous period of two (2) years after (1) the expiration of this Agreement, (2) the non-renewal of this Agreement, (3) the termination of this Agreement, and/or (4) a transfer as contemplated in Section 16 above:

19.5.1 you will not directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease, and/or transfer the Approved Location to any person, firm, partnership, corporation, or other entity that you know, or have reason to know, intends to operate a Competitive Business at the Approved Location; and

19.5.2 you will not solicit, divert, or attempt to solicit or divert any actual or potential business or customer of the Franchised Business to any Competitive Business.

19.5.3 You agree that, by the terms of any conveyance, selling, assigning, leasing or transferring your interest in the Approved Location, you shall include these restrictive covenants as necessary to ensure that a Competitive Business that would violate this Section is not operated at the Approved Location for this two-year period, and you will take all steps necessary to ensure that these restrictive covenants become a matter of public record.

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

19.7 *Publicly-Held Entities*. Section 19.3.3 above will not apply to your ownership of less than five percent (5%) beneficial interest in the outstanding equity securities of any publicly-held

corporation. As used in this Agreement, the term "**publicly-held corporation**" will be deemed to refer to a corporation which has securities that have been registered under the Securities Exchange Act of 1934.

19.8 *Personal Covenants*. You agree to require and obtain execution of covenants similar to those set forth in Sections 9.3, 11, 16, 18 above, and this Section 19 (as modified to apply to an individual), from your Managers, Producers and other managerial and/or executive staff, as well as your Principals. The covenants required by this section must be in the form provided in Exhibit F to this Agreement. If you do not obtain execution of the covenants required by this section and deliver to us those signed covenants, that failure will constitute a default under Section 17.2.6 above.

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

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

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

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

20 TAXES, PERMITS, AND INDEBTEDNESS

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

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

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

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

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

21 INDEPENDENT CONTRACTOR AND INDEMNIFICATION

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

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

21.1.2 you are the only party that will be in day-to-day control of your franchised business, even though we will share the brand and Proprietary Marks as specified in this Agreement, and neither this Agreement nor any of the systems, guidance, computer programs, processes, or requirements under which you operate alter that basic fact;

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

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

21.2 *Notice of Status*. At all times during the term of this Agreement and any extensions hereof, you will hold yourself out to the public as an independent contractor operating the business pursuant to a franchise from us. You agree to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Approved Location, the content of which we reserve the right to specify.

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

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

21.5 *Definitions*. As used in Section 21.4 above, the parties agree that the following terms will have the following meanings:

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

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

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

22 FORCE MAJEURE

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

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

23 APPROVALS AND WAIVERS

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

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

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

24 NOTICES

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

25 ENTIRE AGREEMENT AND AMENDMENT

25.1 *Entire Agreement*. This Agreement and the exhibits referred to in this Agreement constitute the entire, full, and complete Agreement between the parties to this Agreement concerning the subject matter hereof, and supersede all prior agreements. The parties confirm that: **(a)** they were not induced by any representations other than the words of this Agreement (and the FDD) before deciding whether to sign this Agreement; and **(b)** they relied only on the words printed in this Agreement in deciding whether to enter into this Agreement. However, nothing in this Section is intended as, nor will it be interpreted to be, a disclaimer by us of any representation made in our Franchise Disclosure Document (“**FDD**”), including the exhibits and any amendments to the FDD.

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

26 SEVERABILITY AND CONSTRUCTION

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

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

26.3 *No Third Party Rights*. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor will be deemed, to confer upon any person or legal entity other than you, we, and such of our respective successors and assigns as may be contemplated (and, as to you, permitted) by Section 16.4 above, any rights or remedies under or by reason of this Agreement.

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

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

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

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

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

26.9 *Counterparts*. This Agreement may be signed in counterparts, and signature pages may be exchanged by fax, each such counterpart, when taken together with all other identical copies of this Agreement also signed in counterpart, will be considered as one complete Agreement.

27 APPLICABLE LAW AND DISPUTE RESOLUTION

27.1 *Choice of Law*. This Agreement takes effect when we accept and sign this document. This Agreement will be interpreted and construed exclusively under the laws of the State of Texas, which laws will prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Texas choice-of-law rules); provided, however, that if the covenants in Section 19 of this Agreement would not be enforced as written under

Texas law, then the parties agree that those covenants will instead be interpreted and construed under the laws of the state in which the Franchised Business is located. Nothing in this Section 27.1 is intended by the parties to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of law of the State of Texas (or any other state) that would not otherwise apply without this Section 27.1.

27.2 *Choice of Venue.* Subject to Section 27.3 below, the parties agree that any action that you bring against us, in any court, whether federal or state, must be brought only within the state and judicial district in which we maintain our principal place of business. Any action that we bring against you in any court, whether federal or state, may be brought within the state and judicial district in which we maintain our principal place of business.

27.2.1 The parties agree that this Section 27.2 will not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue will be as set forth above.

27.2.2 The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

27.2.3 Any such action will be conducted on an individual basis, and not as part of a consolidated, common, or class action.

27.3 *Mediation*. Before any party may bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 27.5 below). Any such mediation will be non-binding and will be conducted in accordance with the then-current rules for mediation of commercial disputes of JAMS, Inc. (formerly, "Judicial Arbitration and Mediation Services, Inc.") at its location nearest to our then-current principal place of business.

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

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

27.6 ***WAIVER OF JURY TRIALS*. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.**

27.7 ***MUST BRING CLAIMS WITHIN ONE YEAR*. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES' RELATIONSHIP, AND/OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR, IT IS EXPRESSLY ACKNOWLEDGED AND AGREED BY ALL PARTIES, SUCH CLAIM OR ACTION SHALL BE IRREVOCABLY BARRED.**

27.8 ***WAIVER OF PUNITIVE DAMAGES*. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.**

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

28 ACKNOWLEDGMENTS

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

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

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

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

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

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

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

Approved Location; and that you will be solely responsible for your own success at the Approved Location.

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

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

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

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

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

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

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

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

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

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

28.13 *Two or More Signatories*. If two or more persons are signing this Agreement as the "Franchisee" (each, a "**Signatory**"), the parties agree that:

28.13.1 Each Signatory will have the power to individually bind "Franchisee" with respect to us and third parties;

28.13.2 We have the right to treat each Signatory as having the full authority to bind all other Signatories in any and all matters;

28.13.3 We have the right to treat each Signatory as if s/he represents and can act on behalf of all the other Signatory(ies) in all matters;

28.13.4 Even though there may be more than one Signatory, all of the Signatories' rights will be one and none of the Signatories will have the right to exercise any right independent of (and/or apart from) one another;

28.13.5 We have the right to communicate with or provide notice to any Signatory, and such communication or notice will be deemed as having been given to all Signatories; and

28.13.6 If there is a conflict among the Signatories (including us receiving conflicting information from or requests between the Signatories), we have the right to select from among any conflicting or inconsistent requests by, or information from, any of the Signatories, and our selection in such case will be final and dispositive with respect to any such conflict.

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

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

*****

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Agreement in duplicate on the day and year first above written.

Goosehead Insurance Agency, LLC
Franchisor

By:_____

Name:_____

Title:_____

Effective Date:_____

Address for Notices:

1500 Solana Blvd., Suite 4500
Westlake, Texas 76262
Fax:_____
Attn:_____

_____
Franchisee Entity

By:_____

Name:_____

Title:_____

Address for Notices:

_____
_____
Fax:_____
Attn:_____

GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
EXHIBIT B
GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

In order to induce Goosehead Insurance Agency, LLC ("**Franchisor**") to sign the Goosehead Insurance Franchise Agreement between Franchisor and _____ ("**Franchisee**"), dated_____, 201___ (the "**Agreement**"), each of the undersigned parties, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee's obligations (monetary and otherwise) under the Agreement as well as any other contract between Franchisee and Franchisor (and/or Franchisor's affiliates) will be punctually paid and performed.

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

- Upon Franchisor's demand, s/he will immediately make each payment required of Franchisee under the Agreement and/or any other contract with Franchisor and/or its affiliates.

- S/he waives any right to require Franchisor to: ***(a)*** proceed against Franchisee for any payment required under the Agreement (and/or any other contract with Franchisor and/or its affiliates); ***(b)*** proceed against or exhaust any security from Franchisee; ***(c)*** pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; and/or ***(d)*** give notice of demand for payment by Franchisee.

- Without affecting the obligations of the undersigned persons under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. Each of the undersigned persons waive notice of amendment of the Agreement (and any other contract with Franchisor and Franchisor's affiliates) and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement (and any other contract with Franchisor and Franchisor's affiliates).

- S/he will defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement (and any other contract with Franchisor and Franchisor's affiliates) and/or any amendment to the Agreement.

- S/he will be personally bound by all of Franchisee's covenants, obligations, and promises in the Agreement.

- S/he agrees to be individually bound by all of Franchisee's covenants, obligations, and promises in the Agreement, which include, but are not limited to, the covenants in the following Sections of the Agreement: **Section 9.3** (generally regarding trademarks), **Section 11** (generally regarding confidentiality), **Section 16** (generally regarding Transfers), **Section 18** (generally regarding obligations upon termination or expiration of this Agreement), and **Section 19** (generally regarding covenants against competition) of the Agreement.

- S/he understands that: **(a)** this Guarantee does not grant them any rights under the Agreement (including but not limited to the right to use any of Franchisor's marks such as the "Goosehead Insurance" marks) and/or the system licensed to Franchisee under the Agreement; **(b)** that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this paragraph, and that they intend to fully comply with those provisions of the Agreement as if they were printed here; and **(c)** that they have had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee.

This Guarantee will be interpreted and construed in accordance with **Section 27** of the Agreement (including but not limited to the waiver of punitive damages, waiver of jury trial, agreement to bring claims within one year, and agreement not to engage in class or common actions). Among other things, that means that this Guarantee will be interpreted and construed exclusively under the laws of the State of Texas, and that in the event of any conflict of law, Texas law will prevail (without applying Texas conflict of law rules).

IN WITNESS WHEREOF, each of the undersigned persons has signed this Guarantee as of the date of the Agreement.

_____	_____	_____
(in his/her personal capacity)	(in his/her personal capacity)	(in his/her personal capacity)
Printed Name:_____	Printed Name:_____	Printed Name:_____
Date:_____	Date:_____	Date:_____
Home Address:	Home Address:	Home Address:
_____	_____	_____
_____	_____	_____

GOOSEHEAD INSURANCE AGENCY, LLC]
FRANCHISE AGREEMENT
EXHIBIT C
LIST OF PRINCIPALS

Name of Principal	Home Address	Interest %

Initials

Franchisee

Franchisor

AUTHORIZATION AGREEMENT FOR ACH PAYMENTS
(DIRECT DEBITS FOR ROYALTY, MARKETING CONTRIBUTION, AND OTHER FEES)

_____ (Name of Person or Legal Entity)

_____(ID Number)

The undersigned depositor ("**Depositor**" or "**Franchisee**") hereby authorizes Goosehead Insurance Agency, LLC ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("**Depository**" or "**Bank**") to debit or credit such account(s) pursuant to our instructions.

Depository	Branch	
City	State	Zip Code
Bank Transit/ABA Number	Account Number	

This authorization is to remain in full and force and effect until sixty days after we have received written notification from Franchisee of its termination.

Printed Name of Depositor: _____

Signed By: _____

Printed Name: _____

Title: _____

Date: _____

GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
EXHIBIT E
ADA CERTIFICATION

Goosehead Insurance Agency, LLC ("**Franchisor**" or "**us**") and ("**Franchisee**" or "**you**") are parties to a franchise agreement dated _____, 201___ (the "**Franchise Agreement**") for the operation of a Franchised Business at _____(the "**Franchised Business**").

- In accordance with Section 5.6.2 of the Franchise Agreement, you certify to us that, to the best of your knowledge, the Franchised Business and its adjacent areas comply with all applicable federal, state, and local accessibility laws, statutes, codes, rules, regulations, and standards, including but not limited to the Americans with Disabilities Act.

- You acknowledge that you are an independent contractor and the requirement of this certification by Franchisor does not constitute ownership, control, leasing, or operation of the Franchised Business.

- You acknowledge that we have relied on the information contained in this certification.

- You agree to indemnify us and our officers, directors, members, managers, shareholders, and employees in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified party(ies) as a result of any matters associated with your compliance with the Americans with Disabilities Act, as well as the costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) related to the same.

Acknowledged and Agreed:

_____
Franchisee:

By:_____
_____

Printed Name:_____
_____

Title:_____

SAMPLE FORM OF
CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
(to be signed by franchisee with its executive/management personnel)

THIS CONFIDENTIALITY AND NON-DISCLOSURE AND AGREEMENT ("**Agreement**") is made this _____ day of _____, 201__, by and between _____ (the "**Franchisee**"), and _____, who is a Principal, Manager, supervisor, member, partner, Producer, or employee with Franchisee (the "**Member**").

Background:

A. Goosehead Insurance Agency, LLC ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "Goosehead Insurance" businesses providing insurance services, including home insurance, automobile insurance, life insurance, watercraft insurance, and business insurance, operating in structures that bear Franchisor's interior and exterior trade dress, and under its Proprietary Marks, as defined below (each, a "**Goosehead Business**").

B. Franchisor identifies Goosehead Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "Goosehead Insurance") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**").

C. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a Goosehead Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same confidentiality provisions that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Confidential Information. Member agrees that Member will not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of the business franchised thereunder which may be communicated to Member or of which Member may be apprised by virtue of your operation under the terms of the Franchise Agreement. Any and all information, knowledge, know-how, and techniques which Franchisor designates as confidential will be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention before disclosure thereof by Franchisor; or which, at or after the time of disclosure by Franchisor to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others.

2. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

4. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

5. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE	MEMBER
_____	_____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
EXHIBIT F-2
SAMPLE FORM OF
IN-TERM NON-COMPETITION AGREEMENT
(to be signed by franchisee with its executive/management personnel)

THIS IN-TERM NON-COMPETITION AGREEMENT ("**Agreement**") is made this ____ day of _____, 201__, by and between _____ (the "**Franchisee**"), and _____, who is a Principal, Manager, supervisor, member, partner, Producer or employee with Franchisee (the "**Member**").

Background:

A. Goosehead Insurance Agency, LLC ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "Goosehead Insurance" businesses providing insurance services, including home insurance, automobile insurance, life insurance, watercraft insurance, and business insurance, operating in structures that bear Franchisor's interior and exterior trade dress, and under its Proprietary Marks, as defined below (each, a "**Goosehead Business**").

B. Franchisor identifies Goosehead Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "Goosehead Insurance") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**").

C. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a Goosehead Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same non-competition provisions that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Covenants Not to Compete.

(a) Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of his/her position with Franchisee, Member will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the System.

(b) Member covenants and agrees that during the term of the Franchise Agreement, except as otherwise approved in writing by Franchisor, Member will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

(i) Solicit, divert or attempt to solicit or divert any business or customer of the Franchised Business or of any Franchised Business using the System to a Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Proprietary Marks and the System.

(ii) Employ or seek to employ any person who is at that time employed by Franchisor, Franchisee, any other franchisee, master franchisee, developer, or development agent, or otherwise directly or indirectly induce such person to leave his or her employment; or

(iii) Either directly or indirectly for him/herself or on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, own, maintain, operate, engage in, be employed by or accept any compensation or remuneration from, or have any interest in any Competitive Business.

(c) As used in this Agreement, the term "**Competitive Business**" is agreed to mean any property and/or casualty insurance distribution business.

2. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

4. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

5. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE	MEMBER
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
EXHIBIT F-3
SAMPLE FORM OF
POST-TERM NON-COMPETITION AGREEMENT
(to be signed by franchisee with its executive/management personnel)

THIS POST-TERM NON-COMPETITION AGREEMENT ("**Agreement**") is made this _____day of _____, 201___, by and between _____ (the "**Franchisee**"), and _____, who is a Principal, Manager, supervisor, member, partner, Producer or employee with Franchisee (the "**Member**").

Background:

A. Goosehead Insurance Agency, LLC ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "Goosehead Insurance" businesses providing insurance services, including home insurance, automobile insurance, life insurance, watercraft insurance, and business insurance, operating in structures that bear Franchisor's interior and exterior trade dress, and under its Proprietary Marks, as defined below (each, a "**Goosehead Business**").

B. Franchisor identifies Goosehead Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "Goosehead Insurance") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**").

C. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a Goosehead Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same non-competition provisions that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Covenants Not to Compete. Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of his/her position with Franchisee, Member will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the System.

(a) Member covenants and agrees that during the Post-Term Period (defined below), except as otherwise approved in writing by Franchisor, Member will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, Member will not own, maintain, operate, engage in, be associated with or accept any compensation or remuneration from, or have any interest in or render services or give

advice to any Competitive Business and which business is, or is intended to be, located within the city or county in which the Approved Location is situated.

(b) Member covenants and agrees that during the Post-Term Period, Member will not, either directly or indirectly, solicit, divert, or attempt to solicit or divert any actual or potential business or customer of the Franchised Business to any Competitive Business.

(c) As used in this Agreement, the term "**Competitive Business**" is agreed to mean any property and/or casualty insurance distribution business.

(d) As used in this Agreement, the term "**Post-Term Period**" means a continuous uninterrupted period of two (2) years from the date of: ***(i)*** a transfer as contemplated under Section 16 of the Franchise Agreement; ***(ii)*** expiration or termination of the Franchise Agreement (regardless of the cause for termination); ***(iii)*** termination of Member's employment with Franchisee; and/or ***(iv)*** a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Agreement; either directly or indirectly (through, on behalf of, or in conjunction with any persons, partnership, corporation or entity). Any period of non-compliance with the requirements of this Section 1, whether such non-compliance takes place after termination, expiration, non-renewal, and/or a transfer, will not be credited toward satisfying the two-year obligation specified above.

2. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

4. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

5. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE	MEMBER
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

SITE SELECTION ADDENDUM

Goosehead Insurance Agency, LLC ("**Franchisor**" or "**us**" or "**we**") and _____ ("**Franchisee**" or "**you**") have this ____ day of _____, 201_ entered into a Goosehead Insurance Franchise Agreement ("**Franchise Agreement**") and wish to supplement its terms as set out below in this Site Selection Addendum (the "**Addendum**"). The parties agree as follows:

AGREEMENT

1. **Time to Locate Site**: Within ninety (90) days after the date of this Addendum, you agree to acquire or lease/sublease, at your own expense, commercial real estate that is properly zoned for the use of the business that you will conduct under the Franchise Agreement (the "**Franchised Business**") at a site that we will have approved in writing as provided below.

a. Such location must be within the following area: _____ _____ _____ (the "**Site Selection Area**").

b. The only reason that the Site Selection Area is described is for the purpose of selecting a site for the Franchised Business.

c. For purposes of this Addendum, the term "**Search Period**" means ninety (90) days from the date of this Addendum, or the period from the date of this Addendum until we have approved of a location for your Franchised Business, whichever event first occurs.

d. If you do not acquire or lease a site (that we have approved in writing) for the Franchised Business in accordance with this Addendum by not later than ninety (90) days after the date of this Addendum, that will constitute a default under Section 17.2 of the Franchise Agreement and also under this Addendum, and we will have the right to terminate the Franchise Agreement and this Addendum pursuant to the terms of Section 17.2 of the Franchise Agreement.

2. **Site Evaluation Services**: We will provide you with our site selection guidelines, including our minimum standards for a location for the Franchised Business, and such site selection counseling and assistance as we may deem advisable. If we deem on-site evaluation to be necessary and appropriate, we will conduct up to two (2) on-site evaluations at our cost and expense. If we perform any additional on-site evaluations, you must reimburse us, as applicable, for all reasonable expenses that we incur in connection with such on-site evaluation, including, without limitation, the cost of travel, lodging and meals. We will not provide on site evaluation for any proposed site before we have received from you a completed site approval form for the site (prepared as set forth in Section 3 below).

3. **Site Selection Package Submission and Approval**: You must submit to us, in the form that we specify: ***(a)*** a completed site approval form (in the form that we require); ***(b)*** such other information or materials that we may reasonably require; and ***(c)*** an option contract, letter of intent, or other evidence satisfactory to us that confirms your favorable prospects for obtaining the site. You acknowledge that time is of the essence. We will have thirty (30) days after receipt of all such information and materials from you to approve or disapprove the proposed site as the location for the Franchised Business. We have the right to approve or disapprove any such site to serve as the

Approved Location for the Franchised Business. If we do not approve a proposed site by giving you written notice within the 30-day period, then we will be deemed to have disapproved the site.

4. **Lease Responsibilities**: After we have approved a site and before the expiration of the Search Period, you must execute a lease, which must be coterminous with the Franchise Agreement, or a binding agreement to purchase the site. Our approval of any lease is conditioned upon inclusion in the lease of the **Lease Rider** attached to the Franchise Agreement as Exhibit H. However, even if we examine the Lease, we are not responsible for review of the Lease for any terms other than those contained in the Lease Rider.

5. **Approved Location**: After we have approved the location for the Franchised Business and you have leased or acquired that location, the location will constitute the **Approved Location** described in Section 1.2 of the Franchise Agreement. The Approved Location will be specified on Exhibit A to the Franchise Agreement, and will become a part the Franchise Agreement.

a. You Franchisee hereby acknowledge and agree that our approval of a site does not constitute an assurance, representation, or warranty of any kind, express or implied, as to the suitability of the site for the Franchised Business or for any other purpose. Our approval of the site indicates only that we believe the site complies with our minimum acceptable criteria solely for our own purposes as of the time of the evaluation. The parties each acknowledge that application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for all sites and that, subsequent to our approval of a site, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from criteria that we used could change, thereby altering the potential of a site. Such factors are unpredictable and are beyond our control.

b. We will not be responsible for the failure of a site (even if we have approved that site) to meet your expectations as to revenue or operational criteria.

c. You acknowledge and agree that your acceptance of a franchise for the operation of the Franchised Business at the site is based on its own independent investigation of the suitability of the site.

6. **Construction**: This Addendum will be considered an integral part of the Franchise Agreement between the parties hereto, and the terms of this Addendum will be controlling with respect to the subject matter hereof. All capitalized terms not otherwise defined herein will have the same meaning as set forth in the Franchise Agreement. Except as modified or supplemented by this Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to duly execute and deliver this Addendum on the date first above written.

Goosehead Insurance Agency, LLC
Franchisor

By:_____

Name:_____

Title:_____

_____
Franchisee

By:_____

Name:_____

Title:_____

GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
EXHIBIT H
LEASE RIDER

THIS ADDENDUM (the "**Addendum**") has been executed as of this _____ day of _____, 201___, by and between _____("**Franchisee**") and _____ ("**Landlord**"), as an addendum to the lease, as modified, amended, supplemented, renewed and/or extended from time to time as contemplated herein ("**Lease**") dated as of _____, 201___ for the premises located at _____, in the State of _____ ("**Premises**").

Franchisee has also entered (or will also enter) into a Franchise Agreement ("**Franchise Agreement**") with Goosehead Insurance Agency, LLC ("**Franchisor**") for the development and operation of a "Goosehead Insurance" Business at the Premises, and as a condition to obtaining Franchisor's approval of the Lease, the Lease for the Premises must contain the provisions contained in this Addendum.

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Franchisee hereby agree as follows:

1. Landlord agrees to deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee. Franchisor agrees to deliver to Landlord a copy of any notice of termination under the Franchise Agreement. Franchisee hereby consents to that exchange of information by Landlord and Franchisor.

2. Franchisee hereby assigns to Franchisor, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interests to and under the Lease upon any termination or non-renewal of the Franchise Agreement, but no such assignment will be effective unless and until: ***(a)*** the Franchise Agreement is terminated or expires without renewal; ***(b)*** Franchisor has exercised its Option to Purchase under the Franchise Agreement; and ***(c)*** Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.

3. Franchisor will have the right, but not the obligation, to cure any breach of the Lease (within fifteen (15) business days after the expiration of the period in which Franchisee had to cure any such default should Franchisee fail to do so) upon giving written notice of its election to Franchisee and Landlord, and, if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder. The Lease may not be modified, amended, supplemented, renewed, extended or assigned by Franchisee without Franchisor's prior written consent.

4. Franchisee and Landlord acknowledge and agree that Franchisor will have no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing pursuant to Section 2 or Section 3, above.

5. If Franchisor assumes the Lease, as provided above, Franchisor may, without Landlord's prior consent, further assign the Lease to another franchisee of Franchisor to operate a "Goosehead Insurance" business at the Premises provided that the proposed franchisee has met all of Franchisor's applicable criteria and requirements and has executed a franchise agreement with Franchisor. Landlord agrees to execute such further documentation to

confirm its consent to the assignment permitted under this Addendum as Franchisor may reasonably request. Upon such assignment to a franchisee of Franchisor, Franchisor will be released from any further liability under the terms and conditions of the Lease.

6. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its employees or agents will have the right to enter the Premises for certain purposes. Landlord hereby agrees not to interfere with or prevent such entry by Franchisor, its employees or agents. Landlord and Franchisee hereby further acknowledge that if the Franchise Agreement expires (without renewal) or is terminated, Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the Premises as a "Goosehead Insurance" business (unless Franchisor takes an assignment of the lease, as provided above). Landlord agrees to permit Franchisor, its employees or agent, to enter the Premises and remove signs (both interior and exterior), décor and materials displaying any marks, designs or logos owned by Franchisor, provided that Franchisor will bear the expense of repairing any damage to the Premises as a result thereof.

7. If Landlord is an affiliate or an Owner of Franchisee, Landlord and Franchisee agree that if Landlord proposes to sell the Premises, before the sale of the Premises, upon the request of Franchisor the Lease will be amended to reflect a rental rate and other terms that are the reasonable and customary rental rates and terms prevailing in the community where the "Goosehead Insurance" business is located.

8. Landlord agrees that during and after the term of the Lease, it will not disclose or use Franchisor's Confidential Information (as defined below) for any purpose other than for the purpose of fulfilling Landlord's obligations under the Lease. "**Confidential Information**" as used herein will mean all non-public information and tangible things, whether written, oral, electronic or in other form, provided or disclosed by or on behalf of Franchisee to Landlord, or otherwise obtained by Landlord, regarding the design and operations of the business located at the Premises, including, without limitation, all information identifying or describing the floor plan and layout, furnishings, equipment, fixtures, wall coverings, flooring materials, shelving, decorations, trade secrets, techniques, trade dress, "look and feel," design, manner of operation, suppliers, vendors, and all other products, goods, and services used, useful or provided by or for Franchisee on the Premises. Landlord acknowledges that all such Confidential Information belongs exclusively to Franchisor.

9. Landlord agrees that: ***(a)*** Franchisor has granted to only one party, the Franchisee, the right to use Franchisor's proprietary trade name, trademarks, service marks logos, insignias, slogans, emblems, symbols, designs and indicia of origin (collectively the "**Marks**") at the Premises under the terms of the Franchise Agreement; and ***(b)*** Franchisor has not granted any rights or privileges to use the Marks to Landlord.

10. Landlord and Franchisee agree that the premises will be used solely for the operation of a "Goosehead Insurance" business.

11. Landlord and Franchisee agree that any default under the lease will also constitute a default under the Franchise Agreement, and any default under the Franchise Agreement will also constitute a default under the lease.

12. Landlord and Franchisee agree that the terms contained herein will supersede any terms to the contrary set forth in the Lease.

13. Franchisor, along with its successors and assigns, is an intended third party beneficiary of the provisions of this Addendum.

14. Landlord and Franchisee agree that copies of any and all notices required or permitted under this Addendum, or under the Lease, will also be sent to Franchisor at _____ (attention _____), or to such other address as Franchisor may specify by giving written notice to Landlord.

WITNESS the execution hereof under seal.

Landlord:	Franchisor*	Franchisee:
_____	_____	_____
Date:	Date:	Date:
_____	_____	_____
Subscribed and sworn to before me this day of _____, 201_.	Subscribed and sworn to before me this ____ day of _____, 201_.	Subscribed and sworn to before me this _____ day of _____, 201_.
_____	_____	_____
Notary Public	Notary Public	Notary Public
My Commission expires:	My Commission expires:	My Commission expires:
_____	_____	_____

* The Franchisor has signed this lease rider only to acknowledge its terms and not to accept any obligations under the lease.

GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
EXHIBIT I
PROMISSORY NOTE

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA

In recognition of the requirements of California's Franchise Investment Law and the California Franchise Relations Act, the Goosehead Insurance Agency, LLC Franchise Disclosure Document shall be supplemented as follows:

1. California Corporations Code, Section 31125, requires Franchisor to give Franchisee a disclosure document, approved by the Department of Business Oversight, before a solicitation of a proposed material modification of an existing franchise.

2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

3. Item 3 of the Franchise Disclosure Document is modified by adding the following paragraph to the end thereof:

   Neither Goosehead Insurance Agency, LLC nor any person listed in Item 2 of this Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

4. Item 17 of the Franchise Disclosure Document is modified by adding the following paragraphs to the end of Item 17:

   California Business and Professions Code Sections 20000 through 20043 provide rights to Franchisee concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

   The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

   The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

   Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure

Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of the State of Texas. This provision may not be enforceable under California law.

The Franchise Agreement requires Franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code Section 31000–31516). Business and Professions Code Section 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code Sections 20000–20043).

5. We maintain an Internet website at www.goosehead.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

6. This Addendum shall be effective only to the extent that jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act are not met.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

In recognition of the requirements of California's Franchise Investment Law and the California Franchise Relations Act, the Goosehead Insurance Agency, LLC Franchise Agreement shall be supplemented as follows:

1. Section 17.3 of the Franchise Agreement is amended to read as follows:

> 17.3 Termination with Notice and Opportunity to Cure. Except as otherwise provided in Sections 17.1 and 17.2 of this Agreement, you will have 60 days after your receipt from us of a written notice of default within which to remedy any default under this Agreement and to provide evidence thereof to us. You may avoid termination by immediately initiating a remedy to cure such default and curing it to our satisfaction within the sixty-day period, and by promptly providing proof thereof to us. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement will terminate without further notice to you, effective immediately upon the expiration of the sixty-day period or such longer period as applicable law may require. You will be in default pursuant to this Section 17.3 for failure substantially to comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the Manual, or failure to carry out the terms of this Agreement in good faith. Such defaults include, but are not limited to, the following illustrative events:

2. This Amendment shall be effective only to the extent that jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act are met independently of and without reference to this Amendment. This Amendment shall have no effect if the jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act are not met.

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

In recognition of the requirements of the Illinois law, the Goosehead Insurance Agency, LLC Franchise Disclosure Document shall be supplemented as follows:

1. The Risk Factors on the Franchise Disclosure Document cover page of this disclosure document are modified to comply with Section 4 of the Illinois Franchise Disclosure Act, which provides that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void.

2. Item 17 of the disclosure document is modified by substituting the following in place of provisions v. and w., in the chart:

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
v. Choice of forum	Section 25.5	Litigation may be brought in Illinois.
w. Choice of law	Section 25.1	Except to the extent governed by the Lanham Act, Illinois law (including the Illinois Franchise Disclosure Act) will apply to Illinois franchisees.

and by adding the following paragraph to the end of the chart:

"**THE CONDITIONS UNDER WHICH YOUR FRANCHISE CAN BE TERMINATED AND YOUR RIGHTS UPON NON-RENEWAL MAY BE AFFECTED BY ILLINOIS LAW: 815 ILCS 705/19 AND 20**.".

3. This Addendum is effective only to the extent that the jurisdictional requirements of the Illinois law are met independently of and without reference to this Addendum. This Addendum will have no effect if the jurisdictional requirements of the Illinois law are not met.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

In recognition of the requirements of the Illinois law, the Goosehead Insurance Agency, LLC Franchise Agreement shall be supplemented as follows:

1. Section 27.1 of the Franchise Agreement is deleted in its entirety and the following Section 27.1 is substituted in lieu thereof:

> 27.1 This Agreement takes effect when we accept and sign this document. This Agreement will be interpreted and construed exclusively under the laws of the State of Illinois, which laws will prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Illinois choice-of-law rules); provided, however, that if the covenants in Section 19 of this Agreement would not be enforced as written under Illinois law, then the parties agree that those covenants will instead be interpreted and construed under the laws of the state in which the Franchised Business is located. Nothing in this Section 27.1 is intended by the parties to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of law of the State of Illinois (or any other state) that would not otherwise apply without this Section 27.1

2. Section 27.2 of the Franchise Agreement is amended by the addition of the following:

> Notwithstanding anything to the contrary contained in this Section 27.2, any claims arising under the Illinois Franchise Disclosure Act may be brought in Illinois.

3. Section 27.7 of the Franchise Agreement is deleted in its entirety and the following Section 27.7 is substituted in lieu thereof:

> 27.7 Must bring claims within one year. Each party to this agreement agrees that any and all claims and actions arising out of or relating to this agreement, the parties' relationship, and/or your operation of the franchised business, brought by any party hereto against the other, shall be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action, or, it is expressly acknowledged and agreed by all parties, such claim or action shall be irrevocably barred; provided, however, that the time limit for filing claims contained in this Section 27.7 shall not apply

to claims or actions arising under the Illinois Franchise Disclosure Act.

4. Section 27 is amended by the addition of the following new Section 27.10 which shall be an integral part of the Franchise Agreement:

> 27.10 Nothing contained in this Agreement shall be deemed to waive any right you may have under the Illinois Franchise Disclosure Act of 1987. If anything in this Agreement is deemed to be contrary to or inconsistent with the Act, the terms of the Act will control.

5. This Amendment shall be effective only to the extent that the jurisdictional requirements of the Illinois law are met independently of and without reference to this Amendment. This Amendment shall have no effect if the jurisdictional requirements of the Illinois law are not met.

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Franchise Disclosure Document for Goosehead Insurance Agency, LLC for use in the State of Maryland shall be amended as follows:

1. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language:

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under the U.S. Bankruptcy Code (11 U.S.C. Section 101, et seq.).

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Exhibit I, "Franchisee Compliance Questionnaire," shall be amended by the addition of the following at the end of Exhibit I:

> The representations under this Franchisee Compliance Questionnaire are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Goosehead Insurance Agency, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Section 2.2.7 of the Agreement, under the heading "Term and Renewal," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

2.2.7 You agree to sign and deliver to us a release, in a form that we will provide (which will be a mutual release with limited exclusions), which will release all claims against us and our affiliates, and our respective officers, directors, members, managers, agents, and employees. If you are an entity, then your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us, excluding only such claims as the Franchisee may have under the Maryland Franchise Registration and Disclosure Law;

2. Section 16.5.1 of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

16.5.1 The transferor must have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, successors, and assigns, and their respective officers, directors, members, managers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any other agreement between you and us, and/or our respective affiliates, and federal, state, and local laws and rules, excluding only such claims as the Franchisee may have under the Maryland Franchise Registration and Disclosure Law;

3. Sections 27.1, 27.2, and 27.7 of the Agreement, under the heading "Applicable and Dispute Resolution," shall be amended by the addition of the following language:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

4. Section 28 of the Agreement, under the heading "Acknowledgments," shall be supplemented by the following:

The foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

5. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT

RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE*. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

525 THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

525 THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE

FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION I.

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

* * * *

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN $100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED. AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW.

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

* * * *

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:
DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN: FRANCHISE
670 G. MENNEN WILLIAMS BUILDING
525 WEST LANSING
LANSING, MICHIGAN 48913

NOTE: NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS. WE BELIEVE THAT PARAGRAPH

(F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS.

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Franchise Disclosure Document for Goosehead Insurance Agency, LLC for use in the State of Minnesota shall be amended to include the following:

1. Item 13 is amended by the addition of the following language:

> The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suite or demand regarding the use of the name.

2. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs:

> With respect to franchisees governed by Minnesota law, we will comply with Minn. Stat. § 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.
>
> Pursuant to Minn. Rule 2860.4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce.
>
> Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction.
>
> Minn. Stat. § 80C.17 prohibits any action from being commenced under the Minnesota Franchises Law more than three years after the cause of action accrues.

3. Each provision of this addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and

Regulations promulgated thereunder by the Minnesota Commission of Commerce are met independently without reference to this addendum to the disclosure document.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the attached Goosehead Insurance Agency, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Section 2.2.7 of the Agreement, under the heading "Term and Renewal," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be inserted in its place:

> 2.2.7 You agree to sign and deliver to us a release, in a form that we will provide (which will be a mutual release with limited exclusions), which will release all claims against us and our affiliates, and our respective officers, directors, members, managers, agents, and employees. If you are an entity, then your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us, excluding only such claims as Franchisee may have that have arisen under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

2. Section 2 of the Agreement, under the heading "Term and Renewal," shall be amended by the addition of the following paragraph:

> Minnesota law provides franchisees with certain non-renewal rights. In sum, Minn. Stat. § 80C.14 (subd. 4) currently requires, except in certain specified cases, that a franchisee be given 180 days' notice of non-renewal of the Franchise Agreement.

3. Section 9 of the Agreement, under the heading "Proprietary Marks," shall be amended by the addition of the following paragraph:

> Pursuant to Minnesota Stat. Sec. 80C.12, Subd. 1(g), Franchisor is required to protect any rights Franchise may have to Franchisor's Marks.

4. Section 16.5.1 of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be inserted in its place:

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

rules, excluding only such claims as Franchisee may have under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

5. Section 16 of the Agreement, under the heading "Transfer of Interest," shall be amended by the addition of the following paragraph:

Minnesota law provides franchisees with certain transfer rights. In sum, Minn. Stat. §80C.14 (subd. 5) currently requires that consent to the transfer of the franchise may not be unreasonably withheld.

6. Section 17 of the Agreement, under the heading "Default and Termination" shall be amended by the addition of the following paragraph:

Minnesota law provides franchisees with certain termination rights. In sum, Minn. Stat. § 80C.14 (subd. 3) currently requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement.

7. Sections 18.8 of the Agreement, under the heading "Obligations Upon Termination or Expiration," shall be deleted in its entirety and shall have no force or effect; and the following paragraph shall be substituted in its place:

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

8. Sections 27.5 and 27.9 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be deleted in their entirety and shall have no force or effect; and the following paragraphs shall be substituted in its place:

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

27.9 Payment of Legal Fees. You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur after the termination or expiration of the franchise granted under this Agreement in: (a) seeking injunctive or other relief for the enforcement of any provisions of this Agreement (including without limitation Sections 9 and 17 above); and/or (b) successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this Agreement are not

fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship.

9. Section 27 of the Agreement, under the heading "Applicable Law and Dispute Resolution", shall be amended by the following paragraph, which shall be considered an integral part of the Agreement:

27.10 Minn. Stat. § 80C.17 prohibits any action from being commenced under the Minnesota Franchises Law more than three years after the cause of action accrues. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction.

10. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently without reference to this Amendment.

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

FRANCHISEE

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT C OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

> However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law":

> The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

STATEMENT OF DISCLOSURE DOCUMENT ACCURACY

THE FRANCHISOR REPRESENTS THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N.Y. Comp. Code R. & Regs., tit. 13, §§ 200.1 through 201.16), the parties to the attached Goosehead Insurance Agency, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Section 2.2.6 of the Agreement, under the heading "Term and Renewal," shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in its place:

2.2.6 You must execute a general release, in a form prescribed by us, of any and all claims against us and our affiliates, and our and our affiliates' respective officers, directors, securities holders, agents, and employees, provided, however, that all rights enjoyed by you and any causes of action arising in your favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied;

2. Section 13.3.3 of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in its place:

13.3.3 That the transferor must execute a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, and our respective officers, directors, shareholders, member, agents, and employees, provided, however, that all rights enjoyed by the transferor and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied;

3. Section 25.6 of the Agreement, under the heading "Applicable Law; Dispute Resolution," shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in lieu thereof:

25.6 Nothing contained in this Agreement shall bar our right to seek injunctive relief against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

4. Section 25 of the Agreement, under the heading "Applicable Law; Dispute Resolution," shall be amended by the addition of the following language:

Nothing in this Agreement should be considered a waiver of any right conferred upon you by New York General Business Law, Sections 680-695.

5. There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York. However, an offer or sale is deemed made in New York if you are domiciled in or the franchise will be opening in New York. We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51 19 01 through 51 19 17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for Goosehead Insurance Agency, LLC shall be amended by the addition of the following language:

The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

I. Limitation on Claims. Requiring North Dakota franchisees to consent to a limitation on when claims may be brought.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51 19 01 through 51 19 17, and the policies of the office of the State of North Dakota Securities Commission, the parties to the attached Goosehead Insurance Agency, LLC Franchise Agreement (the "Agreement") agree as follows:

1. The Agreement shall be amended by the addition of the following Section 29:

29. The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees:

A. Restrictive Covenants: Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the Franchisee's business.

C. Restriction on Forum: Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary and Punitive Damages: Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

I. Limitation on Claims. Requiring North Dakota franchisees to consent to a limitation on when claims may be brought.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19 28.1-1 through 19-28.1-34 the Franchise Disclosure Document for Goosehead Insurance Agency, LLC for use in the State of Rhode Island shall be amended to include the following:

1. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

1. This addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this addendum to the disclosure document.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties to the attached Goosehead Insurance Agency, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Section 27 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be amended by the addition of the following paragraph:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. This amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this amendment.

IN WITNESS WHEREOF, we and you agree to be bound by the terms of this Amendment to be effective as of the Effective Date of the Franchise Agreement.

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA

1. Item 17 of the disclosure document is hereby modified by adding the following paragraphs to the end of provision entitled "h. 'Cause' defined – non-curable defaults":

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute 'reasonable cause,' as that term may be defined in the Virginia Retail Franchise Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

ADDENDUM TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, the Franchise Disclosure Document for Goosehead Insurance Agency, LLC in connection with the offer and sale of franchises for use in the State of Washington shall be amended to include the following:

1. Item 17(d), "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following statement:

Franchisees may terminate under any grounds permitted by law.

2. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs at the conclusion of the Item:

The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

3. Each provision of this addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, are met independently without reference to this addendum to the disclosure document.

AMENDMENT TO GOOSEHEAD INSURANCE AGENCY, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached Goosehead Insurance Agency, LLC Franchise Agreement agree as follows:

1. The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

2. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

4. A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, are met independently without reference to this amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Washington amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

GOOSEHEAD INSURANCE AGENCY, LLC

By: _____
Name: P. Ryan Langston
Title: Vice President and General Counsel

_____
FRANCHISEE

By: _____
Name: _____
Title: _____

GOOSEHEAD INSURANCE, INC.
OMNIBUS INCENTIVE PLAN

Section 1. *Purpose*. The purpose of the Goosehead Insurance, Inc. Omnibus Incentive Plan (as amended from time to time, the "**Plan**") is to motivate and reward employees and other individuals to perform at the highest level and contribute significantly to the success of Goosehead Insurance, Inc. (the "**Company**"), thereby furthering the best interests of the Company and its shareholders.

Section 2. *Definitions*. As used in the Plan, the following terms shall have the meanings set forth below:

(a) "**Affiliate**" means any entity that, directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Company.

(b) "**Award**" means any Option, SAR, Restricted Stock, RSU, Performance Award, Other Cash-Based Award or Other Stock-Based Award granted under the Plan.

(c) "**Award Agreement**" means any agreement, contract or other instrument or document (including in electronic form) evidencing any Award granted under the Plan, which may, but need not, be executed or acknowledged by a Participant.

(d) "**Beneficial Owner**" has the meaning ascribed to such term in Rule 13d-3 under the Exchange Act.

(e) "**Beneficiary**" means a Person entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. If no such Person can be named or is named by the Participant, or if no Beneficiary designated by such Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, such Participant's Beneficiary shall be such Participant's estate.

(f) "**Board**" means the Board of Directors of the Company.

(g) "**Cause**" is as defined in the Participant's employment or service agreement, if any, or if not so defined, means the Participant's: (i) misconduct, (ii) conduct that is injurious to the Company or its Affiliates; (iii) conviction of, plea of guilty to, or plea of nolo contendere to, (x) a felony or (y) any other criminal offense involving moral turpitude, fraud or dishonesty, (iv) commission of an act of fraud, embezzlement or misappropriation, in each case, against the Company or any Affiliate, (v) breach of any policies of the Company or its Affiliates or (vi) breach of any applicable employment or service agreement between the Participant and the Company or an Affiliate.

(h) "**Change in Control**" means the occurrence of any one or more of the following events:

(i) any Person, other than any Non-Change in Control Person, is (or becomes, during any 12-month period) the Beneficial Owner, directly or

indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 50% or more of the total voting power of the stock of the Company; *provided* that the provisions of this subsection (i) are not intended to apply to or include as a Change in Control any transaction that is specifically excepted from the definition of Change in Control under subsection (iii) below;

(ii) a change in the composition of the Board such that, during any 12-month period, the individuals who, as of the beginning of such period, constitute the Board (the "**Existing Board**") cease for any reason to constitute at least 50% of the Board; *provided*, *however*, that any individual becoming a member of the Board subsequent to the beginning of such period whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the Directors immediately prior to the date of such appointment or election shall be considered as though such individual were a member of the Existing Board; *provided*, *further*, that, notwithstanding the foregoing, no individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 or Regulation 14A promulgated under the Exchange Act or successor statutes or rules containing analogous concepts) or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, corporation, partnership, group, associate or other entity or Person other than the Board, shall in any event be considered to be a member of the Existing Board;

(iii) the consummation of a merger or consolidation of the Company with any other corporation or other entity, or the issuance of voting securities in connection with a merger or consolidation of the Company pursuant to applicable stock exchange requirements; *provided* that immediately following such merger or consolidation the voting securities of the Company outstanding immediately prior thereto do not continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of such merger or consolidation or parent entity thereof) 50% or more of the total voting power of the Company's stock (or, if the Company is not the surviving entity of such merger or consolidation, 50% or more of the total voting power of the stock of such surviving entity or parent entity thereof); and *provided*, *further*, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 50% or more of either the then-outstanding Shares or the combined voting power of the Company's then-outstanding voting securities shall not be considered a Change in Control; or

(iv) the sale or disposition by the Company of all or substantially all of the Company's assets in which any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person) assets from the Company that have a total gross fair market value equal to more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions.

Notwithstanding the foregoing, (A) no Change in Control shall be deemed to have occurred if there is consummated any transaction or series of integrated transactions immediately following which the record holders of the Shares immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns substantially all of the assets of the Company immediately prior to such transaction or series of transactions, (B) no event or circumstances described in any of clauses (i) through (iv) above shall constitute a Change in Control unless such event or circumstances also constitute a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets, as defined in Section 409A of the Code and (C) no Change in Control shall be deemed to have occurred upon the acquisition of additional control of the Company by any Person that is considered to effectively control the Company. In no event will a Change in Control be deemed to have occurred if any Participant is part of a "group" within the meaning of Section 13(d)(3) of the Exchange Act that effects a Change in Control. Terms used in the definition of a Change in Control shall be as defined or interpreted in a manner consistent with Section 409A of the Code.

(i) "**Code**" means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code shall include any successor provision thereto.

(j) "**Committee**" means the compensation committee of the Board unless another committee is designated by the Board. If there is no compensation committee of the Board and the Board does not designate another committee, references herein to the "Committee" shall refer to the Board.

(k) "**Consultant**" means any individual, including an advisor, who is providing services to the Company or any Subsidiary or who has accepted an offer of service or consultancy from the Company or any Subsidiary.

(l) "**Director**" means any member of the Board.

(m) "**Effective Date**" means the date on which the Plan is adopted by the Board.

(n) "**Employee**" means any individual, including any officer, employed by the Company or any Subsidiary or any prospective employee or officer who has accepted an offer of employment from the Company or any Subsidiary, with the status of employment determined based upon such factors as are deemed appropriate by the Committee in its discretion, subject to any requirements of the Code or applicable laws.

(o) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(p) "**Fair Market Value**" means (i) with respect to Shares, the closing price of a Share on the trading day immediately preceding the date of determination (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred), on the principal stock market or exchange on which the Shares are quoted or traded, or if Shares are not so quoted or traded, the fair market value of a Share as determined by the Committee, and (ii) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(q) "**Incentive Stock Option**" means an option representing the right to purchase Shares from the Company, granted pursuant to the provisions of Section 6, that meets the requirements of Section 422 of the Code.

(r) "**Intrinsic Value**" with respect to an Option or SAR Award means (i) the excess, if any, of the price or implied price per Share in a Change in Control or other event *over* (ii) the exercise or hurdle price of such Award *multiplied by* (iii) the number of Shares covered by such Award.

(s) "**Non-Change in Control Person**" means (i) any employee plan established by the Company or any Subsidiary, (ii) the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, (iv) a corporation owned, directly or indirectly, by stockholders of the Company in substantially the same proportions as their ownership of the Company or (v) any member of the family of Mark and Robyn Jones (the "**Jones Family**") and any trust or other estate planning vehicle of any member of the Jones Family.

(t) "**Non-Qualified Stock Option**" means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that is not an Incentive Stock Option.

(u) "**Option**" means an Incentive Stock Option or a Non-Qualified Stock Option.

(v) "**Other Cash-Based Award**" means an Award granted pursuant to Section 11, including cash awarded as a bonus or upon the attainment of specified performance criteria or otherwise as permitted under the Plan.

(w) "**Other Stock-Based Award**" means an Award granted pursuant to Section 11 that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares or factors that may influence the value of Shares, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, purchase rights for Shares, dividend rights or dividend equivalent rights or Awards with value and payment contingent upon

performance of the Company or business units thereof or any other factors designated by the Committee.

(x) "**Participant**" means the recipient of an Award granted under the Plan.

(y) "**Performance Award**" means an Award granted pursuant to Section 10.

(z) "**Performance Period**" means the period established by the Committee with respect to any Performance Award during which the performance goals specified by the Committee with respect to such Award are to be measured.

(aa) "**Person**" has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

(bb) "**Restricted Stock**" means any Share subject to certain restrictions and forfeiture conditions, granted pursuant to Section 8.

(cc) "**RSU**" means a contractual right granted pursuant to Section 9 that is denominated in Shares. Each RSU represents a right to receive the value of one Share (or a percentage of such value) in cash, Shares or a combination thereof. Awards of RSUs may include the right to receive dividend equivalents.

(dd) "**SAR**" means any right granted pursuant to Section 7 to receive upon exercise by the Participant or settlement, in cash, Shares or a combination thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise or settlement over (ii) the exercise or hurdle price of the right on the date of grant.

(ee) "**SEC**" means the Securities and Exchange Commission.

(ff) "**Share**" means a share of the Company's common stock, $0.01 par value.

(gg) "**Subsidiary**" means an entity of which the Company, directly or indirectly, holds all or a majority of the value of the outstanding equity interests of such entity or a majority of the voting power with respect to the voting securities of such entity. Whether employment by or service with a Subsidiary is included within the scope of this Plan shall be determined by the Committee.

(hh) "**Substitute Award**" means an Award granted in assumption of, or in substitution for, an outstanding award previously granted by a company or other business acquired by the Company or with which the Company combines.

(ii) "**Termination of Service**" means, in the case of a Participant who is an Employee, cessation of the employment relationship such that the Participant is no longer an employee of the Company or any Subsidiary, or, in the case of a Participant who is a Consultant or non-employee Director, the date the performance of services for the Company or any Subsidiary has ended; *provided, however*, that in the case of a Participant who is an Employee, the transfer of employment from the Company to a

Subsidiary, from a Subsidiary to the Company, from one Subsidiary to another Subsidiary or, unless the Committee determines otherwise, the cessation of employee status but the continuation of the performance of services for the Company or a Subsidiary as a Director or Consultant shall not be deemed a cessation of service that would constitute a Termination of Service; *provided*, *further*, that a Termination of Service shall be deemed to occur for a Participant employed by a Subsidiary when a Subsidiary ceases to be a Subsidiary unless such Participant's employment continues with the Company or another Subsidiary. Notwithstanding the foregoing, with respect to any Award subject to Section 409A of the Code (and not exempt therefrom), a Termination of Service occurs when a Participant experiences a "separation of service" (as such term is defined under Section 409A of the Code).

Section 3. *Eligibility*.

(a) Any Employee, Director or Consultant shall be eligible to be selected to receive an Award under the Plan, to the extent that an offer of an Award or a receipt of such Award is permitted by applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

(b) Holders of options and other types of awards granted by a company or other business that is acquired by the Company or with which the Company combines are eligible for grants of Substitute Awards under the Plan to the extent permitted under applicable regulations of any stock exchange on which the Company is listed.

Section 4. *Administration*.

(a) *Administration of the Plan*. The Plan shall be administered by the Committee. All decisions of the Committee shall be final, conclusive and binding upon all parties, including the Company, its shareholders, Participants and any Beneficiaries thereof. The Committee may issue rules and regulations for administration of the Plan.

(b) *Delegation of Authority*. To the extent permitted by applicable law, including under Section 157(c) of the Delaware General Corporation Law, the Committee may delegate to one or more officers of the Company some or all of its authority under the Plan, including the authority to grant Options and SARs or other Awards in the form of Share rights (except that such delegation shall not be applicable to any Award for a Person then covered by Section 16 of the Exchange Act), and the Committee may delegate to one or more committees of the Board (which may consist of solely one Director) some or all of its authority under the Plan, including the authority to grant all types of Awards, in accordance with applicable law.

(c) *Authority of Committee*. Subject to the terms of the Plan and applicable law, the Committee (or its delegate) shall have full discretion and authority to: (i) designate Participants; (ii) determine the type or types of Awards (including Substitute Awards) to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any

Award and prescribe the form of each Award Agreement which need not be identical for each Participant; (v) determine whether, to what extent and under what circumstances Awards may be settled or exercised in cash, Shares, other Awards, other property, net settlement, or any combination thereof, or canceled, forfeited or suspended, and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vi) determine whether, to what extent and under what circumstances cash, Shares, other Awards, other property and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Committee; (vii) amend terms or conditions of any outstanding Awards; (viii) correct any defect, supply any omission and reconcile any inconsistency in the Plan or any Award, in the manner and to the extent it shall deem desirable to carry the Plan into effect; (ix) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (x) establish, amend, suspend or waive such rules and regulations and appoint such agents, trustees, brokers, depositories and advisors and determine such terms of their engagement as it shall deem appropriate for the proper administration of the Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations; and (xi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations. Notwithstanding anything to the contrary contained herein, the Board may, in its sole discretion, at any time and from time to time, grant Awards or administer the Plan. In any such case, the Board shall have all of the authority and responsibility granted to the Committee herein.

Section 5. *Shares Available for Awards*.

(a) Subject to adjustment as provided in Section 5(c)(i) and except for Substitute Awards, the maximum number of Shares available for issuance under the Plan shall not exceed in the aggregate [·] Shares. The total number of Shares available for issuance under the Plan shall be increased on the first day of each Company fiscal year following the Effective Date in an amount equal to the least of (i) [·] Shares, (ii) 1% of outstanding Shares on the last day of the immediately preceding fiscal year and (iii) such number of Shares as determined by the Board in its discretion.

(b) If any Award is forfeited, cancelled, expires, terminates or otherwise lapses or is settled in cash, in whole or in part, without the delivery of Shares, then the Shares covered by such forfeited, expired, terminated or lapsed Award shall again be available for grant under the Plan. For the avoidance of doubt, the following will not again become available for issuance under the Plan: (i) any Shares withheld in respect of taxes and (ii) any Shares tendered or withheld to pay the exercise price of Options.

(c) In the event that the Committee determines that, as a result of any dividend or other distribution (other than an ordinary dividend or distribution), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, separation, rights offering, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or

other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, or of changes in applicable laws, regulations or accounting principles, an adjustment is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, subject to compliance with Section 409A of the Code and other applicable law, adjust equitably so as to ensure no undue enrichment or harm (including by payment of cash), any or all of:

(i) the number and type of Shares (or other securities) which thereafter may be made the subject of Awards, including the aggregate limits specified in Section 5(a) and Section 5(f) and the individual limits specified in Section 5(e);

(ii) the number and type of Shares (or other securities) subject to outstanding Awards; and

(iii) the grant, purchase, exercise or hurdle price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award;

provided, *however*, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

(d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or Shares acquired by the Company.

(e) Subject to adjustment as provided in Section 5(c)(i), no Participant who is a non-employee Director may receive under the Plan in any calendar year: (i) Options, SARs, Restricted Stock, RSUs, Performance Awards denominated in Shares and Other Stock-Based Awards with a Fair Market Value as of the grant date of more than $[·] (as determined in accordance with applicable accounting standards); and (ii) Performance Awards denominated in cash and Other Cash-Based Awards which relate to more than $[·].

(f) Subject to adjustment as provided in Section 5(c)(i), the maximum number of Shares available for issuance with respect to Incentive Stock Options shall be [·].

Section 6. *Options*. The Committee is authorized to grant Options to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The exercise price per Share under an Option shall be determined by the Committee at the time of grant; *provided*, *however*, that, except in the case of Substitute Awards, such exercise price shall not be less than the Fair Market Value of a Share on the date of grant of such Option.

(b) The term of each Option shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such Option. The Committee shall determine the time or times at which an Option becomes vested and exercisable in whole or in part.

(c) The Committee shall determine the method or methods by which, and the form or forms, including cash, Shares, other Awards, other property, net settlement, broker-assisted cashless exercise or any combination thereof, having a Fair Market Value on the exercise date equal to the exercise price of the Shares as to which the Option shall be exercised, in which payment of the exercise price with respect thereto may be made or deemed to have been made.

(d) No grant of Options may be accompanied by a tandem award of dividend equivalents or provide for dividends, dividend equivalents or other distributions to be paid on such Options (except as provided under Section 5(c)).

(e) The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code. Incentive Stock Options may be granted only to employees of the Company or of a parent or subsidiary corporation (as defined in Section 424 of the Code).

Section 7. *Stock Appreciation Rights*. The Committee is authorized to grant SARs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) SARs may be granted under the Plan to Participants either alone (“freestanding”) or in addition to other Awards granted under the Plan (“tandem”) and may, but need not, relate to a specific Option granted under Section 6.

(b) The exercise or hurdle price per Share under a SAR shall be determined by the Committee; *provided*, *however*, that, except in the case of Substitute Awards, such exercise or hurdle price shall not be less than the Fair Market Value of a Share on the date of grant of such SAR.

(c) The term of each SAR shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such SAR. The Committee shall determine the time or times at which a SAR may be exercised or settled in whole or in part.

(d) Upon the exercise of a SAR, the Company shall pay to the Participant an amount equal to the number of Shares subject to the SAR multiplied by the excess, if any, of the Fair Market Value of one Share on the exercise date over the exercise or hurdle price of such SAR. The Company shall pay such excess in cash, in Shares valued at Fair Market Value, or any combination thereof, as determined by the Committee.

(e) No grant of SARs may be accompanied by a tandem award of dividend equivalents or provide for dividends, dividend equivalents or other distributions to be paid on such SARs (except as provided under Section 5(c)).

Section 8. *Restricted Stock.* The Committee is authorized to grant Awards of Restricted Stock to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The Award Agreement shall specify the vesting schedule.

(b) Awards of Restricted Stock shall be subject to such restrictions as the Committee may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(c) Subject to the restrictions set forth in the applicable Award Agreement, a Participant generally shall have the rights and privileges of a stockholder with respect to Awards of Restricted Stock, including the right to vote such Shares of Restricted Stock and the right to receive dividends.

(d) The Committee may, in its discretion, specify in the applicable Award Agreement that any or all dividends or other distributions paid on Awards of Restricted Stock prior to vesting be paid either in cash or in additional Shares and either on a current or deferred basis and that such dividends or other distributions may be reinvested in additional Shares, which may be subject to the same restrictions as the underlying Awards.

(e) Any Award of Restricted Stock may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration.

(f) The Committee may provide in an Award Agreement that an Award of Restricted Stock is conditioned upon the Participant making or refraining from making an election with respect to the Award under Section 83(b) of the Code. If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Restricted Stock, the Participant shall be required to file promptly a copy of such election with the Company and the applicable Internal Revenue Service office.

Section 9. *RSUs.* The Committee is authorized to grant Awards of RSUs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The Award Agreement shall specify the vesting schedule and the delivery schedule (which may include deferred delivery later than the vesting date).

(b) Awards of RSUs shall be subject to such restrictions as the Committee may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(c) An RSU shall not convey to the Participant the rights and privileges of a stockholder with respect to the Share subject to the RSU, such as the right to vote or the

right to receive dividends, unless and until a Share is issued to the Participant to settle the RSU.

(d) The Committee may, in its discretion, specify in the applicable Award Agreement that any or all dividend equivalents or other distributions paid on Awards of RSUs prior to vesting or settlement, as applicable, be paid either in cash or in additional Shares and either on a current or deferred basis and that such dividend equivalents or other distributions may be reinvested in additional Shares, which may be subject to the same restrictions as the underlying Awards.

(e) Shares delivered upon the vesting and settlement of an RSU Award may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration.

(f) The Committee may determine the form or forms (including cash, Shares, other Awards, other property or any combination thereof) in which payment of the amount owing upon settlement of any RSU Award may be made.

Section 10. *Performance Awards.* The Committee is authorized to grant Performance Awards to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) Performance Awards may be denominated as a cash amount, number of Shares or units or a combination thereof and are Awards which may be earned upon achievement or satisfaction of performance conditions specified by the Committee. In addition, the Committee may specify that any other Award shall constitute a Performance Award by conditioning the grant to a Participant or the right of a Participant to exercise the Award or have it settled, and the timing thereof, upon achievement or satisfaction of such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions. Subject to the terms of the Plan, the performance goals to be achieved during any Performance Period, the length of any Performance Period, the amount of any Performance Award granted and the amount of any payment or transfer to be made pursuant to any Performance Award shall be determined by the Committee.

(b) If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which the Company conducts its business, or other events or circumstances render the performance objectives unsuitable, the Committee may modify the performance objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable such that it does not provide any undue enrichment or harm. Performance measures may vary from Performance Award to Performance Award and from Participant to Participant, and may be established on a stand-alone basis, in tandem or in the alternative. The Committee shall have the power to impose such other restrictions on Awards subject to this Section 10(b) as it may deem necessary or

appropriate to ensure that such Awards satisfy all requirements of any applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

(c) Settlement of Performance Awards shall be in cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined in the discretion of the Committee.

(d) A Performance Award shall not convey to the Participant the rights and privileges of a stockholder with respect to the Share subject to the Performance Award, such as the right to vote (except as relates to Restricted Stock) or the right to receive dividends, unless and until Shares are issued to the Participant to settle the Performance Award. The Committee, in its sole discretion, may provide that a Performance Award shall convey the right to receive dividend equivalents on the Shares underlying the Performance Award with respect to any dividends declared during the period that the Performance Award is outstanding, in which case, such dividend equivalent rights shall accumulate and shall be paid in cash or Shares on the settlement date of the Performance Award, subject to the Participant's earning of the Shares underlying the Performance Awards with respect to which such dividend equivalents are paid upon achievement or satisfaction of performance conditions specified by the Committee. Shares delivered upon the vesting and settlement of a Performance Award may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration. For the avoidance of doubt, unless otherwise determined by the Committee, no dividend equivalent rights shall be provided with respect to any Shares subject to Performance Awards that are not earned or otherwise do not vest or settle pursuant to their terms.

(e) The Committee may, in its discretion, increase or reduce the amount of a settlement otherwise to be made in connection with a Performance Award.

Section 11. *Other Cash-Based Awards and Other Stock-Based Awards.* The Committee is authorized, subject to limitations under applicable law, to grant Other Cash-Based Awards (either independently or as an element of or supplement to any other Award under the Plan) and Other Stock-Based Awards. The Committee shall determine the terms and conditions of such Awards. Shares delivered pursuant to an Award in the nature of a purchase right granted under this Section 11 shall be purchased for such consideration, and paid for at such times, by such methods and in such forms, including cash, Shares, other Awards, other property, net settlement, broker-assisted cashless exercise or any combination thereof, as the Committee shall determine; *provided* that the purchase price therefor shall not be less than the Fair Market Value of such Shares on the date of grant of such right.

Section 12. *Effect of Termination of Service or a Change in Control on Awards*.

(a) The Committee may provide, by rule or regulation or in any applicable Award Agreement, or may determine in any individual case, the circumstances in which, and the extent to which, an Award may be exercised, settled, vested, paid or forfeited in the event of the Participant's Termination of Service prior to the end of a Performance Period or vesting, exercise or settlement of such Award.

(b) In the event of a Change in Control, the Committee may, in its sole discretion, and on such terms and conditions as it deems appropriate, take any one or more of the following actions with respect to any outstanding Award, which need not be uniform with respect to all Participants and/or Awards:

(i) continuation or assumption of such Award by the Company (if it is the surviving corporation) or by the successor or surviving corporation or its parent;

(ii) substitution or replacement of such Award by the successor or surviving corporation or its parent with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving corporation (or a parent or subsidiary thereof), with substantially the same terms and value as such Award (including any applicable performance targets or criteria with respect thereto);

(iii) acceleration of the vesting of such Award and the lapse of any restrictions thereon and, in the case of an Option or SAR Award, acceleration of the right to exercise such Award during a specified period (and the termination of such Option or SAR Award without payment of any consideration therefor to the extent such Award is not timely exercised), in each case, upon (A) the Participant's involuntary Termination of Service (including upon a termination of the Participant's employment by the Company (or a successor corporation or its parent) without "cause" or by the Participant for "good reason", as such terms may be defined in the applicable Award Agreement and/or the Participant's employment agreement or offer letter, as the case may be) or (B) the failure of the successor or surviving corporation (or its parent) to continue or assume such Award;

(iv) in the case of a Performance Award, determination of the level of attainment of the applicable performance condition(s); and

(v) cancellation of such Award in consideration of a payment, with the form, amount and timing of such payment determined by the Committee in its sole discretion, subject to the following: (A) such payment shall be made in cash, securities, rights and/or other property; (B) the amount of such payment shall equal the value of such Award, as determined by the Committee in its sole discretion; *provided* that, in the case of an Option or SAR Award, if such value equals the Intrinsic Value of such Award, such value shall be deemed to be valid; *provided further* that, if the Intrinsic Value of an Option or SAR Award is equal to or less than zero, the Committee may, in its sole discretion, provide for the cancellation of such Award without payment of any consideration therefor (for the avoidance of doubt, in the event of a Change in Control, the Committee may, in its sole discretion, terminate any Option or SAR Awards for which the exercise or hurdle price is equal to or exceeds the per Share value of the consideration to be paid in the Change in Control transaction without payment of consideration therefor); and (C) such payment shall be made promptly following such Change

in Control or on a specified date or dates following such Change in Control; *provided* that the timing of such payment shall comply with Section 409A of the Code.

Section 13. *General Provisions Applicable to Awards*.

(a) Awards shall be granted for such cash or other consideration, if any, as the Committee determines; *provided* that in no event shall Awards be issued for less than such minimal consideration as may be required by applicable law.

(b) Awards may, in the discretion of the Committee, be granted either alone or in addition to or in tandem with any other Award or any award granted under any other plan of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other plan of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(c) Subject to the terms of the Plan, payments or transfers to be made by the Company upon the grant, exercise or settlement of an Award may be made in the form of cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined by the Committee in its discretion at the time of grant, and may be made in a single payment or transfer, in installments or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of dividend equivalents in respect of installment or deferred payments.

(d) Except as may be permitted by the Committee or as specifically provided in an Award Agreement, (i) no Award and no right under any Award shall be assignable, alienable, saleable or transferable by a Participant other than by will or pursuant to Section 13(e) and (ii) during a Participant's lifetime, each Award, and each right under any Award, shall be exercisable only by such Participant or, if permissible under applicable law, by such Participant's guardian or legal representative. The provisions of this Section 13(d) shall not apply to any Award that has been fully exercised or settled, as the case may be, and shall not preclude forfeiture of an Award in accordance with the terms thereof.

(e) A Participant may designate a Beneficiary or change a previous Beneficiary designation only at such times as prescribed by the Committee, in its sole discretion, and only by using forms and following procedures approved or accepted by the Committee for that purpose.

(f) All certificates for Shares and/or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the SEC, any stock market or exchange upon which such Shares or other securities are then quoted, traded or listed, and any applicable

securities laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(g) The Committee may impose restrictions on any Award with respect to non-competition, confidentiality and other restrictive covenants as it deems necessary or appropriate in its sole discretion.

Section 14. *Amendments and Terminations*.

(a) *Amendment or Termination of the Plan*. Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan, the Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; *provided*, *however*, that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval if such approval is required by applicable law or the rules of the stock market or exchange, if any, on which the Shares are principally quoted or traded or (ii) subject to Section 5(c) and Section 12, the consent of the affected Participant, if such action would materially adversely affect the rights of such Participant under any outstanding Award, except (x) to the extent any such amendment, alteration, suspension, discontinuance or termination is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations or (y) to impose any "clawback" or recoupment provisions on any Awards (including any amounts or benefits arising from such Awards) in accordance with Section 18. Notwithstanding anything to the contrary in the Plan, the Committee may amend the Plan, or create sub-plans, in such manner as may be necessary to enable the Plan to achieve its stated purposes in any jurisdiction in a tax-efficient manner and in compliance with local rules and regulations.

(b) *Dissolution or Liquidation*. In the event of the dissolution or liquidation of the Company, each Award shall terminate immediately prior to the consummation of such action, unless otherwise determined by the Committee.

(c) *Terms of Awards*. The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate any Award theretofore granted, prospectively or retroactively, without the consent of any relevant Participant or holder or Beneficiary of an Award; *provided*, *however*, that, subject to Section 5(c) and Section 12, no such action shall materially adversely affect the rights of any affected Participant or holder or Beneficiary under any Award theretofore granted under the Plan, except (x) to the extent any such action is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations, or (y) to impose any "clawback" or recoupment provisions on any Awards (including any amounts or benefits arising from such Awards) in accordance with Section 18. The Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of events (including the events described in Section 5(c)) affecting the Company, or the financial statements of the Company, or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are

appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(d) *No Repricing*. Notwithstanding the foregoing, except as provided in Section 5(c), no action (including the repurchase of Options or SAR Awards (in each case, that are "out of the money") for cash and/or other property) shall directly or indirectly, through cancellation and regrant or any other method, reduce, or have the effect of reducing, the exercise or hurdle price of any Award established at the time of grant thereof without approval of the Company's shareholders.

Section 15. *Miscellaneous*.

(a) No Employee, Consultant, Director, Participant, or other Person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of employees, Participants or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient. Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The Company, in its sole discretion, maintains the right to make available future grants under the Plan.

(b) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of, or to continue to provide services to, the Company or any Subsidiary. Further, the Company or any applicable Subsidiary may at any time dismiss a Participant, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement or in any other agreement binding on the parties. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Award Agreement.

(c) Nothing contained in the Plan shall prevent the Company from adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

(d) The Committee may authorize the Company to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to the Participant the amount (in cash, Shares, other Awards, other property, net settlement, or any combination thereof) of applicable withholding taxes due in respect of an Award, its exercise or settlement or any payment or transfer under such Award or under the Plan and to take such other action (including providing for elective payment of such amounts in cash or Shares by such Participant) as may be necessary to satisfy all obligations for the payment of such taxes and, unless otherwise determined by the Committee in its discretion, to the extent such withholding would not result in liability classification of such Award (or any portion thereof) pursuant to FASB ASC Subtopic 718-10.

(e) If any provision of the Plan or any Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any Person or

Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of the Plan and any such Award Agreement shall remain in full force and effect.

(f) Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(g) No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

(h) Awards may be granted to Participants who are non-United States nationals or employed or providing services outside the United States, or both, on such terms and conditions different from those applicable to Awards to Participants who are employed or providing services in the United States as may, in the judgment of the Committee, be necessary or desirable to recognize differences in local law, tax policy or custom. The Committee also may impose conditions on the exercise or vesting of Awards in order to minimize the Company's obligation with respect to tax equalization for Participants on assignments outside their home country.

Section 16. *Effective Date of the Plan.* The Plan shall be effective as of the Effective Date, subject to its approval by the shareholders of the Company.

Section 17. *Term of the Plan.* No Award shall be granted under the Plan after the earliest to occur of (i) the 10-year anniversary of the Effective Date; (ii) the maximum number of Shares available for issuance under the Plan have been issued; or (iii) the Board terminates the Plan in accordance with Section 14(a). However, unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award theretofore granted may extend beyond such date, and the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award, or to waive any conditions or rights under any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

Section 18. *Cancellation or "Clawback" of Awards*. The Committee shall have full authority to implement any policies and procedures necessary to comply with Section 10D of the Exchange Act and any rules promulgated thereunder and any other regulatory regimes. Notwithstanding anything to the contrary contained herein, any Awards granted under the Plan (including any amounts or benefits arising from such Awards) shall be subject to any clawback or recoupment arrangements or policies the Company has in

place from time to time, and the Committee may, to the extent permitted by applicable law and stock exchange rules or by any applicable Company policy or arrangement, and shall, to the extent required, cancel or require reimbursement of any Awards granted to the Participant or any Shares issued or cash received upon vesting, exercise or settlement of any such Awards or sale of Shares underlying such Awards.

Section 19. *Section 409A of the Code.* With respect to Awards subject to Section 409A of the Code, the Plan is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and any Award Agreement shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and the Plan shall be operated accordingly. If any provision of the Plan or any term or condition of any Award would otherwise frustrate or conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Notwithstanding anything in the Plan to the contrary, if the Board considers a Participant to be a "specified employee" under Section 409A of the Code at the time of such Participant's "separation from service" (as defined in Section 409A of the Code), and any amount hereunder is "deferred compensation" subject to Section 409A of the Code, any distribution of such amount that otherwise would be made to such Participant with respect to an Award as a result of such "separation from service" shall not be made until the date that is six months after such "separation from service," except to the extent that earlier distribution would not result in such Participant's incurring interest or additional tax under Section 409A of the Code. If an Award includes a "series of installment payments" (within the meaning of Section 1.409A-2(b)(2)(iii) of the Treasury Regulations), the Participant's right to such series of installment payments shall be treated as a right to a series of separate payments and not as a right to a single payment, and if an Award includes "dividend equivalents" (within the meaning of Section 1.409A-3(e) of the Treasury Regulations), the Participant's right to such dividend equivalents shall be treated separately from the right to other amounts under the Award. Notwithstanding the foregoing, the tax treatment of the benefits provided under the Plan or any Award Agreement is not warranted or guaranteed, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by any Participant on account of non-compliance with Section 409A of the Code.

Section 20. *Successors and Assigns*. The terms of the Plan shall be binding upon and inure to the benefit of the Company and any successor entity, including any successor entity contemplated by Section 12(b).

Section 21. *Data Protection*. By participating in the Plan, the Participant consents to the holding and processing of personal information provided by the Participant to the Company or any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include:

(a) administering and maintaining Participant records;

(b) providing information to the Company, any Subsidiary, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;

(c) providing information to future purchasers or merger partners of the Company or any Affiliate, or the business in which the Participant works; and

(d) transferring information about the Participant to any country or territory that may not provide the same protection for the information as the Participant's home country.

Section 22. *Governing Law*. The Plan and each Award Agreement shall be governed by the laws of the State of Delaware, without application of the conflicts of law principles thereof.

Exhibit 10.9

GOOSEHEAD INSURANCE, INC. EMPLOYEE STOCK PURCHASE PLAN

Section 1. *Purpose*. This Goosehead Insurance, Inc. Employee Stock Purchase Plan (the "**Plan**") is intended to provide employees of the Company and its Participating Subsidiaries with an opportunity to acquire a proprietary interest in the Company through the purchase Shares. The Company intends that the Plan qualify as an "employee stock purchase plan" under Section 423 of the Code and the Plan shall be interpreted in a manner that is consistent with that intent.

Section 2. *Definitions*.

(a) "**Board**" means the Board of Directors of the Company.

(b) "**Code**" means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code shall include any successor provision thereto.

(c) "**Committee**" means the Board, unless a committee is designated by the Board. If the Board does not designate a committee, references herein to the "Committee" shall refer to the Board.

(d) "**Company**" means Goosehead Insurance, Inc., a Delaware corporation, including any successor thereto.

(e) "**Compensation**" means base salary, wages, annual bonuses and commissions paid to an Eligible Employee by the Company or a Participating Subsidiary as compensation for services to the Company or Participating Subsidiary, before deduction for any salary deferral contributions made by the Eligible Employee to any tax-qualified or nonqualified deferred compensation plan, including overtime, vacation pay, holiday pay, parental leave pay, jury duty pay and funeral leave pay, but excluding education or tuition reimbursements, imputed income arising under any group insurance or benefit program, travel expenses, business and relocation expenses, and income received in connection with stock options or other equity-based awards.

(f) "**Corporate Transaction**" means a merger, consolidation, acquisition of property or stock, separation, reorganization or other corporate event described in Section 424 of the Code.

(g) "**Designated Broker**" means the financial services firm or other agent designated by the Company to maintain ESPP Share Accounts on behalf of Participants who have purchased Shares under the Plan.

(h) "**Effective Date**" means the date as of which this Plan is adopted by the Board and approved by the shareholders of the Company in accordance with Section 18(k).

(i) "**Employee**" means any person who renders services to the Company or a

Participating Subsidiary as an employee pursuant to an employment relationship with such employer. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on military leave, sick leave or other leave of absence approved by the Company or a Participating Subsidiary that meets the requirements of Treasury Regulation Section 1.421-1(h)(2). Where the period of leave exceeds three (3) months, or such other period of time specified in Treasury Regulation Section 1.421-1(h)(2), and the individual's right to re-employment is not guaranteed by statute or contract, the employment relationship shall be deemed to have terminated on the first day immediately following such three-month period, or such other period specified in Treasury Regulation Section 1.421-1(h)(2).

(j) "**Eligible Employee**" means an Employee who (i) has been employed by the Company or a Participating Subsidiary for at least six (6) months and (ii) is customarily employed for at least twenty (20) hours per week and more than five (5) months in any calendar year; *provided* that executive officers, members of the Board and managing directors, in each case who are "highly compensated employees" of the Company or a Participating Subsidiary (within the meaning of Section 414(q) of the Code), shall not constitute "Eligible Employees." Notwithstanding the foregoing, the Committee (i) may exclude from participation in the Plan or any Offering any other Employees who are "highly compensated employees" or sub-set of such "highly compensated employees" and (ii) shall exclude any Employees located outside of the United States to the extent permitted under Section 423 of the Code.

(k) "**Enrollment Form**" means an agreement pursuant to which an Eligible Employee may elect to enroll in the Plan, to authorize a new level of payroll deductions, or to stop payroll deductions and withdraw from an Offering Period.

(l) "**ESPP Share Account**" means an account into which Shares purchased with accumulated payroll deductions at the end of an Offering Period are held on behalf of a Participant.

(m) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(n) "**Fair Market Value**" means, as of any date, the closing price of a Share on the trading day immediately preceding the date of determination (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred), on the principal stock market or exchange on which Shares are quoted or traded, or if Shares are not so quoted or traded, the fair market value of a Share as determined by the Committee and such determination shall be conclusive and binding on all persons.

(o) "**Offering Date**" means the first Trading Day of each Offering Period as designated by the Committee.

(p) "**Offering or Offering Period**" means a period of six months beginning each June 15th and December 15th of each year; *provided* that, pursuant to Section 5, the Committee may change the duration of future Offering Periods (subject to a maximum Offering Period of twenty-seven (27) months) and/or the start and end dates of future Offering Periods.

(q) "**Participant**" means an Eligible Employee who is actively participating in the Plan.

(r) "**Participating Subsidiaries**" means the Subsidiaries that have been designated as eligible to participate in the Plan, and such other Subsidiaries that may be designated by the Committee from time to time in its sole discretion.

(s) "**Plan**" means this Goosehead Insurance, Inc. Employee Stock Purchase Plan, as set forth herein, and as amended from time to time.

(t) "**Purchase Date**" means the last Trading Day of each Offering Period.

(u) "**Purchase Price**" means an amount equal to ninety-five percent (95%) (or such greater percentage as designated by the Committee) of the Fair Market Value of a Share on the Purchase Date; *provided* that the Purchase Price per Share will in no event be less than the par value of the Shares.

(v) "**Securities Act**" means the Securities Act of 1933, as amended.

(w) **"Share"** means a share of the Company's common stock, $0.01 par value.

(x) "**Subsidiary**" means any corporation, domestic or foreign, of which not less than 50% of the combined voting power is held by the Company or a Subsidiary, whether or not such corporation exists now or is hereafter organized or acquired by the Company or a Subsidiary. In all cases, the determination of whether an entity is a Subsidiary shall be made in accordance with Section 424(f) of the Code.

(y) "**Trading Day**" means any day on which the national stock exchange upon which the Shares are listed is open for trading or, if the Shares are not listed on an established stock exchange or national market system, a business day, as determined by the Committee in good faith.

Section 3. *Administration*.

(a) Administration of Plan. The Plan shall be administered by the Committee which shall have the authority to construe and interpret the Plan, prescribe, amend and rescind rules relating to the Plan's administration and take any other actions necessary or desirable for the administration of the Plan including, without limitation, adopting sub-plans applicable to particular Participating Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code. The Committee may

correct any defect or supply any omission or reconcile any inconsistency or ambiguity in the Plan. The decisions of the Committee shall be final and binding on all persons. All expenses of administering the Plan shall be borne by the Company.

(b) Delegation of Authority. To the extent permitted by applicable law, including under Section 157(c) of the Delaware General Corporation Law, the Committee may delegate to (i) one or more officers of the Company some or all of its authority under the Plan and (ii) one or more committees of the Board some or all of its authority under the Plan.

Section 4. *Eligibility*. In order to participate in an Offering, an Eligible Employee must deliver a completed Enrollment Form to the Company at least five (5) business days prior to the Offering Date (unless a different time is set by the Company for all Eligible Employees with respect to such Offering) and must elect his or her payroll deduction rate as described in Section 6. Notwithstanding any provision of the Plan to the contrary, no Eligible Employee shall be granted an option under the Plan if (i) immediately after the grant of the option, such Eligible Employee (or any other person whose stock would be attributed to such Eligible Employee pursuant to Section 424(d) of the Code) would own capital stock of the Company or hold outstanding options to purchase stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary or (ii) such option would permit his or her rights to purchase stock under all employee stock purchase plans (described in Section 423 of the Code) of the Company and its Subsidiaries to accrue at a rate that exceeds $25,000 of the Fair Market Value of such stock (determined at the time the option is granted) for each calendar year in which such option is outstanding at any time.

Section 5. *Offering Periods*. The Plan shall be implemented by a series of Offering Periods, each of which shall be six (6) months in duration, with new Offering Periods commencing on or about June 15th and December 15th of each year (or such other times as determined by the Committee). The Committee shall have the authority to change the duration, frequency, start and end dates of Offering Periods.

Section 6. *Participation*.

(a) Enrollment; Payroll Deductions. An Eligible Employee may elect to participate in the Plan by properly completing an Enrollment Form, which may be electronic, and submitting it to the Company, in accordance with the enrollment procedures established by the Committee. Participation in the Plan is entirely voluntary. By submitting an Enrollment Form, which may be electronic, the Eligible Employee authorizes payroll deductions from his or her pay check in an amount equal to at least one percent (1%), but not more than five percent (5%) of his or her Compensation on each pay day occurring during an Offering Period (or such other maximum percentage as the Committee may establish from time to time before an Offering Period begins). Payroll deductions shall commence as soon as practicable following the Offering Date and end on the latest practicable payroll date on or before the Purchase Date. The Company shall maintain records of all payroll deductions but shall have no obligation to pay interest on

payroll deductions or to hold such amounts in a trust or in any segregated account. Unless expressly permitted by the Committee, a Participant may not make any separate contributions or payments to the Plan.

(b) Election Changes. During an Offering Period, a Participant may decrease his or her rate of payroll deductions applicable to such Offering Period only once. To make such a change, the Participant must submit a new Enrollment Form authorizing the new rate of payroll deductions at least fifteen (15) days before the Purchase Date. A Participant may decrease or increase his or her rate of payroll deductions for future Offering Periods by submitting a new Enrollment Form authorizing the new rate of payroll deductions at least fifteen days before the start of the next Offering Period.

(c) Automatic Re-enrollment. The deduction rate selected in the Enrollment Form shall remain in effect for subsequent Offering Periods unless the Participant (i) submits a new Enrollment Form authorizing a new level of payroll deductions in accordance with Section 6(b), (ii) withdraws from the Plan in accordance with Section 10, or (iii) terminates employment or otherwise becomes ineligible to participate in the Plan.

Section 7. *Grant of Option*. On each Offering Date, each Participant in the applicable Offering Period shall be granted an option to purchase, on the Purchase Date, a number of Shares determined by dividing the Participant's accumulated payroll deductions by the applicable Purchase Price; *provided*, that in no event shall any Participant purchase more than 2,500 Shares during an Offering Period (subject to adjustment in accordance with Section 17 and the limitations set forth in Section 13 of the Plan).

Section 8. *Exercise of Option/Purchase of Shares*. A Participant's option to purchase Shares will be exercised automatically on the Purchase Date of each Offering Period. The Participant's accumulated payroll deductions will be used to purchase the maximum number of whole Shares that can be purchased with the amounts in the Participant's notional account. No fractional Shares may be purchased, but contributions unused in a given Offering Period due to being less than the cost of a Share will be carried forward to the next Offering Period, subject to earlier withdrawal by the Participant in accordance with Section 10 or termination of employment in accordance with Section 11.

Section 9. *Transfer of Shares*. As soon as reasonably practicable after each Purchase Date, the Company will arrange for the delivery to each Participant of the Shares purchased upon exercise of his or her option. The Committee may permit or require that the Shares be deposited directly into an ESPP Share Account established in the name of the Participant with a Designated Broker and may require that the Shares be retained with such Designated Broker for a specified period of time. Participants will not have any voting, dividend or other rights of a shareholder with respect to the Shares subject to any option granted hereunder until such Shares have been delivered pursuant to this Section 9.

Section 10. *Withdrawal*.

(a) Withdrawal Procedure. A Participant may withdraw from an Offering by submitting to the Company a revised Enrollment Form indicating his or her election to withdraw at least fifteen days before the Purchase Date. The accumulated payroll deductions held on behalf of a Participant in his or her notional account (that have not been used to purchase Shares) shall be paid to the Participant promptly following receipt of the Participant's Enrollment Form indicating his or her election to withdraw and the Participant's option shall be automatically terminated. If a Participant withdraws from an Offering Period, no payroll deductions will be made during any succeeding Offering Period, unless the Participant re-enrolls in accordance with Section 6(a) of the Plan.

(b) Effect on Succeeding Offering Periods. A Participant's election to withdraw from an Offering Period will not have any effect upon his or her eligibility to participate in succeeding Offering Periods that commence following the completion of the Offering Period from which the Participant withdraws.

Section 11. *Termination of Employment; Change in Employment Status*. Notwithstanding Section 10, upon termination of a Participant's employment for any reason, including death, disability or retirement, or a change in the Participant's employment status following which the Participant is no longer an Eligible Employee, which in either case occurs at least ten days before the Purchase Date, the Participant will be deemed to have withdrawn from the Plan and the payroll deductions in the Participant's notional account (that have not been used to purchase Shares) shall be returned to the Participant, or in the case of the Participant's death, to the person(s) entitled to such amounts by will or the laws of descent and distribution, and the Participant's option shall be automatically terminated. If the Participant's termination of employment or change in status occurs within ten days before a Purchase Date, the accumulated payroll deductions shall be used to purchase Shares on the Purchase Date.

Section 12. *Interest*. No interest shall accrue on or be payable with respect to the payroll deductions of a Participant in the Plan.

Section 13. *Shares Reserved for Plan*.

(a) Number of Shares. A total of [·] Shares have been reserved as authorized for the grant of options under the Plan (the "**Initial Share Pool**"). The Shares may be newly issued Shares, treasury Shares or Shares acquired on the open market. The total number of Shares available for purchase under the Plan shall be increased on the first day of each Company fiscal year following the Effective Date in an amount equal to the least of (i) [·] Shares, (ii) 1% of the Initial Share Pool and (iii) such number of Shares as determined by the Board in its discretion; *provided* that the maximum number of Shares that may be issued under the Plan in any event shall be [·] Shares (subject to any adjustment in accordance with Section 17).

(b) Over-subscribed Offerings. The number of Shares which a Participant may

purchase in an Offering under the Plan may be reduced if the Offering is over-subscribed. No option granted under the Plan shall permit a Participant to purchase Shares which, if added together with the total number of Shares purchased by all other Participants in such Offering would exceed the total number of Shares remaining available under the Plan. If the Committee determines that, on a particular Purchase Date, the number of Shares with respect to which options are to be exercised exceeds the number of Shares then available under the Plan, the Company shall make a pro rata allocation of the Shares remaining available for purchase in as uniform a manner as practicable and as the Committee determines to be equitable.

Section 14. *Transferability*. No payroll deductions credited to a Participant, nor any rights with respect to the exercise of an option or any rights to receive Shares hereunder may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will or the laws of descent and distribution) by the Participant. Any attempt to assign, transfer, pledge or otherwise dispose of such rights or amounts shall be without effect.

Section 15. *Application of Funds*. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose to the extent permitted by applicable law, and the Company shall not be required to segregate such payroll deductions or contributions.

Section 16. *Statements*. Participants will be provided with statements at least annually which shall set forth the contributions made by the Participant to the Plan, the Purchase Price of any Shares purchased with accumulated funds, the number of Shares purchased, and any payroll deduction amounts remaining in the Participant's notional account.

Section 17. *Adjustments Upon Changes in Capitalization; Dissolution or Liquidation; Corporate Transactions*.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the Company's structure affecting the Shares occurs, then in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, the Committee will, in such manner as it deems equitable, adjust the number of Shares and class of Shares that may be delivered under the Plan, the Purchase Price per Share and the number of Shares covered by each outstanding option under the Plan, and the numerical limits of Section 7 and Section 13.

(b) Dissolution or Liquidation. Unless otherwise determined by the Committee, in the event of a proposed dissolution or liquidation of the Company, any Offering Period then in progress will be shortened by setting a new Purchase Date and the Offering Period will end immediately prior to the proposed dissolution or liquidation.

The new Purchase Date will be before the date of the Company's proposed dissolution or liquidation. Before the new Purchase Date, the Committee will provide each Participant with written notice, which may be electronic, of the new Purchase Date and that the Participant's option will be exercised automatically on such date, unless before such time, the Participant has withdrawn from the Offering in accordance with Section 10.

(c) Corporate Transaction. In the event of a Corporate Transaction, each outstanding option will be assumed or an equivalent option substituted by the successor corporation or a parent or Subsidiary of such successor corporation. If the successor corporation refuses to assume or substitute the option, the Offering Period with respect to which the option relates will be shortened by setting a new Purchase Date on which the Offering Period will end. The new Purchase Date will occur before the date of the Corporate Transaction. Prior to the new Purchase Date, the Committee will provide each Participant with written notice, which may be electronic, of the new Purchase Date and that the Participant's option will be exercised automatically on such date, unless before such time, the Participant has withdrawn from the Offering in accordance with Section 10. Notwithstanding the foregoing, in the event of a Corporate Transaction, the Committee may also elect to terminate all outstanding Offering Periods in accordance with Section 18(i).

Section 18. *General Provisions*.

(a) Equal Rights and Privileges. Notwithstanding any provision of the Plan to the contrary and in accordance with Section 423 of the Code, all Eligible Employees who are granted options under the Plan shall have the same rights and privileges.

(b) No Right to Continued Service. Neither the Plan nor any compensation paid hereunder will confer on any Participant the right to continue as an Employee or in any other capacity.

(c) Rights as Shareholder. A Participant will become a shareholder with respect to the Shares that are purchased pursuant to options granted under the Plan when the Shares are transferred to the Participant's ESPP Share Account. A Participant will have no rights as a shareholder with respect to Shares for which an election to participate in an Offering Period has been made until such Participant becomes a shareholder as provided above.

(d) Successors and Assigns. The Plan shall be binding on the Company and its successors and assigns.

(e) Entire Plan. This Plan constitutes the entire plan with respect to the subject matter hereof and supersedes all prior plans with respect to the subject matter hereof.

(f) Compliance with Law. The obligations of the Company with respect to payments under the Plan are subject to compliance with all applicable laws and regulations. Shares shall not be issued with respect to an option granted under the Plan

unless the exercise of such option and the issuance and delivery of the Shares pursuant thereto shall comply with all applicable provisions of law, including, without limitation, the Securities Act, the Exchange Act, and the requirements of any stock exchange upon which the Shares may then be listed.

(g) Disqualifying Dispositions. Each Participant shall give the Company prompt written notice of any disposition or other transfer of Shares acquired pursuant to the exercise of an option acquired under the Plan, if such disposition or transfer is made within two years after the Offering Date or within one year after the Purchase Date. Notwithstanding the foregoing, Participants shall not transfer Shares acquired pursuant to the exercise of an option acquired under the Plan to a broker other than the Designated Broker within two years after the Offering Date or within one year after the Purchase Date.

(h) Term of Plan. The Plan shall become effective on the Effective Date and, unless terminated earlier pursuant to Section 18(i), shall have a term of ten years.

(i) Amendment or Termination. The Committee may, in its sole discretion, amend, suspend or terminate the Plan at any time and for any reason. If the Plan is terminated, the Committee may elect to terminate all outstanding Offering Periods either immediately or once Shares have been purchased on the next Purchase Date (which may, in the discretion of the Committee, be accelerated) or permit Offering Periods to expire in accordance with their terms (and subject to any adjustment in accordance with Section 17). If any Offering Period is terminated before its scheduled expiration, all amounts that have not been used to purchase Shares will be returned to Participants (without interest, except as otherwise required by law) as soon as administratively practicable.

(j) Applicable Law. The laws of the State of Delaware shall govern all questions concerning the construction, validity and interpretation of the Plan, without regard to such state's conflict of law rules.

(k) Shareholder Approval. The Plan shall be subject to approval by the shareholders of the Company within twelve (12) months before or after the date the Plan is adopted by the Board.

(l) Section 423. The Plan is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code. Any provision of the Plan that is inconsistent with Section 423 of the Code shall be reformed to comply with Section 423 of the Code.

(m) Withholding. To the extent required by applicable Federal, state or local law, a Participant must make arrangements satisfactory to the Company for the payment of any withholding or similar tax obligations that arise in connection with the Plan.

(n) Severability. If any provision of the Plan shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other

provision hereof, and the Plan shall be construed as if such invalid or unenforceable provision were omitted.

(o) Headings. The headings of sections herein are included solely for convenience and shall not affect the meaning of any of the provisions of the Plan.

Exhibit 10.10

GOOSEHEAD INSURANCE, INC.
DIRECTOR AND EXECUTIVE OFFICER
INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "**Agreement**"), made and entered into as of the ____ day of _____, 2018, by and between Goosehead Insurance, Inc., a Delaware corporation (the "**Company**") and _____ ("**Indemnitee**").

W I T N E S S E T H:

WHEREAS, highly competent persons have become more reluctant to serve publicly held corporations as directors or executive officers unless they are provided with adequate protection through insurance or adequate indemnification against risks of claims and actions against them arising out of their service to and activities on behalf of the corporation.

WHEREAS, the Board of Directors of the Company (the "**Board**") has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself.

WHEREAS, the Amended and Restated Certificate of Incorporation of the Company provide that the Company shall indemnify and advance expenses to all directors and officers of the Company in the manner set forth therein and to the fullest extent permitted by applicable law, and the Company's Amended and Restated Certificate of Incorporation provides for limitation of liability for directors. In addition, Indemnitee may be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware ("**DGCL**") . The Amended and Restated Certificate of Incorporation and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification.

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons.

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company's stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future.

WHEREAS, the Board has determined that it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified.

WHEREAS, this Agreement is a supplement to and in furtherance of the charter and by-laws of the Company and any resolutions adopted pursuant thereto and any liability insurance procured by the Company and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

WHEREAS, Indemnitee does not regard the protection available under the Company's charter and by-laws and insurance as adequate in the present circumstances, and may not be willing to serve as an officer or director of the Company without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he or she be so indemnified.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

ARTICLE 1
CERTAIN DEFINITIONS

(a) As used in this Agreement:

"**Change of Control**" means any one of the following circumstances occurring after the date hereof: (i) there shall have occurred an event required to be reported with respect to the Company in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item or any similar schedule or form) under the Exchange Act, regardless of whether the Company is then subject to such reporting requirement; (ii) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) shall have become, without prior approval of the Company's Board by approval of a majority of the Continuing Directors, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing a majority or more of the combined voting power of the Company's then outstanding voting securities (provided that, for purposes of this clause (ii), the term "person" shall exclude (x) the Company, (y) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (z) any corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company); (iii) there occurs a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) to a majority of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity; (iv) all or substantially all the assets of the Company

are sold or disposed of in a transaction or series of related transactions (other than a sale or disposition (x) to a corporation or other entity described in clause (ii)(z) above or (y) pursuant to a merger or consolidation, which shall be governed by clause (iii) above); (v) the approval by the stockholders of the Company of a complete liquidation of the Company; or (vi) the Continuing Directors cease for any reason to constitute at least a majority of the members of the Board.

"**Continuing Director**" means (i) each director on the Board on the date hereof or (ii) any new director whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who were directors on the date hereof or whose election or nomination was so approved.

"**Corporate Status**" means the status of a person who is or was a director, officer, trustee, general partner, managing member, fiduciary, board of directors' committee member, employee or agent of the Company or of any other Enterprise.

"**Disinterested Director**" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

"**Enterprise**" means the Company and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, trustee, general partner, managing member, fiduciary, board of directors' committee member, employee or agent.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Expenses**" means all direct and indirect costs (including attorneys' fees, retainers, court costs, transcripts, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses) reasonably incurred in connection with (i) prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or (ii) establishing or enforcing a right to indemnification or advancement under this Agreement, the Company's Amended and Restated Certificate of Incorporation, applicable law or otherwise. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. For the avoidance of doubt, Expenses, however, shall not include any Liabilities.

"**Independent Counsel**" means a law firm, or a member of a law firm, that is experienced in matters of corporate law and neither currently is, nor in the five years previous to its selection or appointment has been, retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements) or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

"**Liabilities**" means any losses or liabilities, including any judgments, fines, excise taxes and penalties, penalties and amounts paid in settlement, arising out of or in connection with any Proceeding (including all interest, assessments and other charges paid or payable in connection with or in respect of any such judgments, fines, excise taxes and penalties, penalties or amounts paid in settlement).

"**Proceeding**" means any threatened, pending or completed action, derivative action, suit, claim, counterclaim, cross claim, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether civil (including intentional and unintentional tort claims), criminal, administrative or investigative, including any appeal therefrom, and whether instituted by or on behalf of the Company or any other party, or any inquiry or investigation that Indemnitee in good faith believes might lead to the institution of any such action, suit or other proceeding hereinabove listed in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of any Corporate Status of Indemnitee, or by reason of any action taken (or failure to act) by him or her or of any action (or failure to act) on his or her part while serving in any Corporate Status.

(b) For the purposes of this Agreement:

References to "Company" shall include, in addition to the resulting or surviving corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that if Indemnitee is or was a director, officer, employee, or agent of such constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, then Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

Reference to "other enterprise" shall include employee benefit plans; references to "fines" shall include any excise tax assessed with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

Reference to "including" shall mean "including, without limitation," regardless of whether the words "without limitation" actually appear, references to the words "herein," "hereof" and "hereunder" and other words of similar import shall refer to this Agreement as a whole and not to any particular paragraph, subparagraph, section, subsection or other subdivision.

ARTICLE 2
SERVICES BY INDEMNITEE

Section 2.01 . *Services By Indemnitee.* Indemnitee hereby agrees to serve or continue to serve, at the will of the Company, as a director or executive officer of the Company, for so long as Indemnitee is duly elected or appointed or until Indemnitee tenders his or her resignation or is removed.

ARTICLE 3
INDEMNIFICATION

Section 3.01 . *General.* (a) The Company hereby agrees to and shall indemnify Indemnitee and hold Indemnitee harmless from and against any and all Expenses and Liabilities, in either case, actually and reasonably incurred by Indemnitee or on Indemnitee's behalf by reason of Indemnitee's Corporate Status, to the fullest extent permitted by applicable law. The Company's indemnification obligations set forth in this Section 3.01 shall apply (i) in respect of Indemnitee's past, present and future service in any Corporate Status and (ii) regardless of whether Indemnitee is serving in any Corporate Status at the time any such Expense or Liability is incurred.

For purposes of this Agreement, the meaning of the phrase "to the fullest extent permitted by applicable law" shall include, but not be limited to:

(i) to the fullest extent permitted by any provision of the DGCL, or the corresponding provision of any successor statute, and

(ii) to the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

(b) *Witness Expenses*. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness in any Proceeding to which Indemnitee is not a party, he or she shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection therewith.

(c) *Expenses as a Party Where Wholly or Partly Successful*. Notwithstanding any other provisions of this Agreement, to the fullest extent permitted by applicable law, to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding, but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall, to the fullest extent permitted by applicable law, indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in

such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 3.02. *Exclusions*. Notwithstanding any provision of this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or

(b) except as otherwise provided in Sections 6.01(e), prior to a Change of Control, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee (other than any cross claim or counterclaim asserted by the Indemnitee), including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law or (iii) the Proceeding is a compulsory counterclaim brought by Indemnitee in response to a Proceeding otherwise indemnifiable under this Agreement; or

(c) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision.

ARTICLE 4
ADVANCEMENT OF EXPENSES; DEFENSE OF CLAIMS

Section 4.01. *Advances*. Notwithstanding any provision of this Agreement to the contrary, the Company shall advance any Expenses actually and reasonably incurred by Indemnitee in connection with any Proceeding, whether prior to or after final disposition of any Proceeding, within twenty (20) days after the receipt by the Company of each statement requesting such advance from time to time. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay such amounts and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. This Section 4.01 shall

be subject to Section 4.03 and shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 3.02.

Section 4.02. *Repayment of Advances or Other Expenses*. Indemnitee agrees that Indemnitee shall reimburse the Company for all Expenses advanced by the Company pursuant to Section 4.01, in the event and only to the extent that it shall be determined by final judgment or other final adjudication under the provisions of any applicable law (as to which all rights of appeal therefrom have been exhausted or lapsed) that Indemnitee is not entitled to be indemnified by the Company for such Expenses.

Section 4.03. *Defense of Claims*. The Company shall be entitled to assume the defense of any Proceeding with counsel consented to by Indemnitee (such consent not to be unreasonably withheld) upon the delivery by the Company to Indemnitee of written notice of the Company's election to do so. After delivery of such notice, consent to such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees or expenses of counsel subsequently incurred by Indemnitee with respect to such Proceeding; provided that (i) Indemnitee shall have the right to employ separate counsel in respect of any Proceeding at Indemnitee's expense and (ii) if (A) the employment of counsel by Indemnitee has been previously authorized in writing by the Company or (B) Indemnitee shall have reasonably concluded upon the advice of counsel (with written notice being given to the Company setting forth the basis for such conclusion) that there is a conflict of interest between the Company and Indemnitee in the conduct of the defense of such Proceeding, then in each such case the fees and expenses of Indemnitee's counsel shall be at the Company's expense. In addition, the Company will not be entitled, without the written consent of the Indemnitee, to assume the defense of any claim brought by or in the right of the Company.

ARTICLE 5
PROCEDURES FOR NOTIFICATION OF AND DETERMINATION OF ENTITLEMENT TO INDEMNIFICATION

Section 5.01. *Notification; Request For Indemnification*. (a) As soon as reasonably practicable after receipt by Indemnitee of written notice that he or she is a party to or a participant (as a witness or otherwise) in any Proceeding or of any other matter in respect of which Indemnitee intends to seek indemnification or advancement of Expenses hereunder, Indemnitee shall provide to the Company written notice thereof, including the nature of and the facts underlying the Proceeding. The omission by Indemnitee to so notify the Company will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise, except to the extent of any material and actual prejudice to the Company caused by such omission.

(b) To obtain indemnification under this Agreement, Indemnitee shall deliver to the Company a written request for indemnification, including therewith such information as is reasonably available to Indemnitee and reasonably necessary to determine Indemnitee's entitlement to indemnification hereunder. Such request(s) may be delivered from time to time and at such time(s) as Indemnitee deems appropriate in his or her sole discretion. Indemnitee's entitlement to indemnification shall be determined according to Section 5.02 of this Agreement and applicable law.

Section 5.02. *Determination of Entitlement*. (a) Where there has been a written request by Indemnitee for indemnification pursuant to Section 5.01(b), then as soon as is reasonably practicable (but in any event not later than 60 days) after final disposition of the relevant Proceeding, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case: (i) if a Change of Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (D) if so directed by the Board, by the stockholders of the Company; or (ii) if a Change of Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall reasonably cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification).

(b) If entitlement to indemnification is to be determined by Independent Counsel pursuant to Section 5.02(a)(ii), such Independent Counsel shall be selected by Indemnitee, and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. If entitlement to indemnification is to be determined by Independent Counsel pursuant to Section 5.02(a)(i)(C) (or if Indemnitee requests that such selection be made by the Board), such Independent Counsel shall be selected by the Company in which case the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within 10 days after such written notice of selection shall have been received, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit. If, within twenty (20) days after the later of submission by Indemnitee of a written request for indemnification pursuant to Section 5.01(b) hereof and the final disposition of the Proceeding, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to

whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 5.02(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 6.01(a) of this Agreement, the Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) The Company agrees to pay the reasonable fees and expenses of any Independent Counsel serving under this Agreement.

Section 5.03. *Presumptions and Burdens of Proof; Effect of Certain Proceedings.* (a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 5.01(b) of this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of any person, persons or entity empowered or selected under Section 5.02 of this Agreement to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by any person, persons or entity empowered or selected under Section 5.02 of this Agreement that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) If the person, persons or entity empowered or selected under Section 5.02 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within the sixty (60) day period referred to in Section 5.02(a), the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; *provided*, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and *provided*, *further*, that the foregoing provisions of this Section 5.02(b) shall not apply if the determination of entitlement to indemnification is to be made by the stockholder pursuant to Section 5.02(a) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board of Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of the stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is in good faith reliance on the records or books of account of any Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of such Enterprise in the course of their duties, or on the advice of legal counsel for such Enterprise or on information or records given or reports made to such Enterprise by an independent certified public accountant or by an appraiser or other expert selected by such Enterprise. The provisions of this Section 5.03(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed or found to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any other director, trustee, partner, managing member, fiduciary, officer, agent or employee of any Enterprise shall not be imputed to Indemnitee for purposes of determining any right to indemnification under this Agreement.

ARTICLE 6
REMEDIES OF INDEMNITEE

Section 6.01 . *Adjudication or Arbitration.* (a) In the event of any dispute between Indemnitee and the Company hereunder as to entitlement to indemnification or advancement of Expenses (including where (i) a determination is made pursuant to Section 5.02 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 4.01 of this Agreement, (iii) payment of indemnification pursuant to Section 3.01 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, (iv) no determination as to entitlement to indemnification is timely made pursuant to Section 5.02 of this Agreement and no payment of indemnification is made within ten (10) days after entitlement is deemed to have been determined pursuant to Section 5.03(b)) or (v) a contribution payment is not made in a timely manner pursuant to Section 8.04 of this Agreement, then Indemnitee shall be entitled to an adjudication by a court of his or her entitlement to such indemnification, contribution or advancement.

(b) In the event that a determination shall have been made pursuant to Section 5.02(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 6.01 shall be conducted in all respects as a *de novo* trial, or arbitration, on the merits, and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 6.01 the Company shall have the burden of proving Indemnitee is not entitled to

indemnification or advancement of Expenses, as the case may be, and the Company may not refer to or introduce into evidence any determination pursuant to Section 5.02(a) of this Agreement adverse to Indemnitee for any purpose. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 6.01, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 4.02 until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed).

(c) If a determination shall have been made pursuant to Section 5.02(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 6.01, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 6.01 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify Indemnitee to the fullest extent permitted by law against all Expenses and, if requested by Indemnitee, shall (within ten (10) days after the Company's receipt of such written request) advance such Expenses to Indemnitee, which are reasonably incurred by Indemnitee in connection with any judicial proceeding or arbitration brought by Indemnitee for (i) indemnification or advances of Expenses by the Company (or otherwise for the enforcement, interpretation or defense of his or her rights) under this Agreement or any other agreement, including any other indemnification, contribution or advancement agreement, or any provision of the Company's Amended and Restated Certificate of Incorporation or Amended and Restated By-laws now or hereafter in effect or (ii) recovery or advances under any directors' and officers' liability insurance policy maintained by the Company.

ARTICLE 7
DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Section 7.01. *D&O Liability Insurance*. The Company shall obtain and maintain a policy or policies of insurance ("**D&O Liability Insurance**") with reputable insurance companies providing liability insurance for directors and executive officers of the Company in their capacities as such (and for any capacity in which any director or executive officer of the Company serves any other Enterprise at the request of the Company), in respect of acts or omissions occurring while serving in such capacity, on terms with respect to coverage and amount (including with respect to the payment of Expenses) no less favorable than those of such policy in effect on the date hereof, except for any changes approved by the Board prior to a Change of Control; *provided* that such coverage and amounts are available on commercially reasonable terms.

Section 7.02. *Evidence of Coverage.* Upon request by Indemnitee, the Company shall provide copies of all policies of D&O Liability Insurance obtained and maintained in accordance with Section 7.01 of this Agreement.

ARTICLE 8
MISCELLANEOUS

Section 8.01. *Nonexclusivity of Rights.* The rights of indemnification, contribution and advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled to under applicable law, the Company's Amended and Restated Certificate of Incorporation, the Company's Amended and Restated Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

Section 8.02. *Insurance and Subrogation.* (a) Indemnitee shall be covered by the Company's D&O Liability Insurance in accordance with its or their terms to the maximum extent of the coverage available for any director or executive officer under such policy or policies. If, at the time the Company receives notice of a claim hereunder, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. The failure or refusal of any such insurer to pay any such amount shall not affect or impair the obligations of the Company under this Agreement.

(b) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(c) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable (or for which advancement is provided) hereunder if and to the extent that Indemnitee has actually received such payment under any insurance policy or other indemnity provision.

Section 8.03 The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, fiduciary, board of directors' committee member, employee or agent of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such Enterprise.

Section 8.04. *Contribution.* To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 8.05. *Amendment.* This Agreement may not be modified or amended except by a written instrument executed by or on behalf of each of the parties hereto. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit, restrict or reduce any right of Indemnitee under this Agreement in respect of any act or omission, or any event occurring, prior to such amendment, alteration or repeal. For the avoidance of doubt, this Agreement may not be terminated by the Company without Indemnitee's prior written consent. To the extent that a change in applicable law, whether by statute or judicial decision, (i) permits greater indemnification, contribution or advancement of Expenses than would be afforded currently under the Company's Amended and Restated Certificate of Incorporation and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change or (ii) limits rights with respect to indemnification, contribution or advancement of Expenses, it is the intent of the parties hereto that the rights with respect to indemnification, contribution or advancement of Expenses in effect prior to such change shall remain in full force and effect to the extent permitted by applicable law.

Section 8.06. *Waivers.* The observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) by the party entitled to enforce such term only by a writing signed by the party against which such waiver is to be asserted. Unless otherwise expressly provided herein, no delay on the part of any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

Section 8.07. *Entire Agreement.* This Agreement and the documents referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or contemporaneous oral or written understandings or agreements with respect to the matters covered hereby are superseded by this Agreement, provided that this Agreement is a supplement to and in furtherance of the Amended and Restated Certificate of Incorporation and Amended and Restated By-laws of the Company and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 8.08. *Severability.* If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and

enforceability of the remaining provisions of this Agreement (including each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 8.09. *Notices.* All notices, requests, demands and other communications under this Agreement shall be in writing (which may be by facsimile transmission). All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding business day in the place of receipt. The address for notice to a party is as shown on the signature page of this Agreement, or such other address as any party shall have given by written notice to the other party as provided above.

Section 8.10. *Binding Effect.* (a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or executive officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director or executive officer of the Company.

(b) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, spouses, heirs, and executors, administrators, personal and legal representatives. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all, or a substantial part of the business or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(c) The indemnification, contribution and advancement of Expenses provided by, or granted pursuant to this Agreement shall continue as to a person who has ceased to be a director or executive officer and shall inure to the benefit of the heirs, executors, administrators, legatees and assigns of such a person.

Section 8.11. *Governing Law.* This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules.

Section 8.12. *Consent To Jurisdiction.* Except with respect to any arbitration commenced by Indemnitee pursuant to Section 6.01(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "**Delaware Court**"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 8.13. *Headings.* The Article and Section headings in this Agreement are for convenience of reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

Section 8.14. *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 8.15. *Use of Certain Terms.* As used in this Agreement, the words "herein," "hereof," and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular paragraph, subparagraph, section, subsection, or other subdivision. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

Section 8.16. *Certain Settlement Provisions*. The Company shall not, without the Indemnitee's prior written consent, enter into any settlement of any Proceeding (in whole or in part) where such Indemnitee is a named party unless such settlement (i) provides for a full and final release of all claims asserted against Indemnitee and (ii) does not impose any Expense, Liability or limitation on Indemnitee.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered to be effective as of the date first above written.

COMPANY

By: _____
Name:
Title:

Goosehead Insurance, Inc.
1500 Solana Blvd
Building 4, Suite 4500
Westlake, Texas 76262
Attention: Ryan Langston
E-mail: [****]

With a copy to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Richard D. Truesdell, Jr.
Facsimile: [****]
E-mail: [****]

INDEMNITEE

_____

Address:
Facsimile:

With a copy to:

Address:
Facsimile:
Attention:

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-1 of our report dated March 15, 2018 relating to the consolidated and combined financial statements of Goosehead Financial, LLC appearing in the Prospectus, which is part of this Registration Statement.

We also consent to the reference to us under the heading “Experts” in such Prospectus.

/s/ Deloitte & Touche LLP

Dallas, Texas

April 2, 2018