Risk Factors Comparison 2024-02-22 to 2023-02-27 Form: 10-K

Legend: New Text ~~Removed Text~~ Unchanged Text Moved Text Section

Risks related to our business and industry Our business is dependent on our relationships with our partners using our platform, many of which have no long- term contractual commitments with us. If demand partners stop purchasing Consumer Referrals on our platform, if supply partners stop making Consumer Referrals available on our platform, or if we are unable to establish and maintain new relationships with demand or supply partners on our platform, our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. A substantial majority of our revenue is derived from sales of Consumer Referrals to demand partners on our platform. Our relationships with such demand partners are dependent on our ability to make quality Consumer Referrals available on our platform at attractive volumes and prices, which in turn depends on our relationship with our supply partners. If demand partners are not able to acquire their preferred Consumer Referrals on our platform, they may stop purchasing on our platform. If demand partners are not able to reach desired consumer segments precisely or do not achieve their desired return on their customer acquisition spend, they may stop using our platform. Supply partners use our platform to optimize consumer conversions and the yield on their traffic. If supply partners are not able to obtain the best yield on their traffic using our platform, they may stop using our platform to make their Consumer Referrals available. The majority of our partners can stop using our platform at any time with no notice. Many of our agreements with our partners have no fixed term and are cancellable upon 30 or 60 days' notice. Furthermore, the agreements with our partners do not require that such partners transact a minimum amount on our platform. As a result, we cannot guarantee that our partners will continue to work with us, or, if they do, the amount of Consumer Referrals demand partners will purchase or the amount of Consumer Referrals supply partners will make available on our platform. If a partner is not satisfied with our platform, it could cause us to lose our relationship with them. In addition to a loss of revenue, this may produce publicity that could hurt our reputation and adversely affect our ability to retain business or secure new business with other partners. The success of our platform depends on both our supply partners making available a robust supply of Consumer Referrals and our demand partners' willingness to pay to purchase such Consumer Referrals. Accordingly, the loss of a supply partner' s traffic could affect our ability to provide a sufficient supply of Consumer Referrals for demand partners to acquire. In turn, the loss of a demand partner' s purchasing power on our platform could decrease the payouts to supply partners, which could decrease our supply of Consumer Referrals. We may decide to terminate our relationship with a partner for a number of reasons and at any time. For example, in October 2020, we terminated our relationship with a supply partner that represented approximately 2 % of revenue for the year ended December 31, 2020. The termination of our relationship with a partner could reduce the number of demand partners seeking to purchase Consumer Referrals and supply partners seeking to sell their Consumer Referrals to our platform. In connection with such a termination, we would lose a source of Transaction Value and fees for future sales. Our business, financial condition, operating results, cash flows, and prospects could also be harmed if in the future we fail to develop new partner relationships. We depend on a small group of demand and supply partners for a substantial portion of our business. Changes in our relationships with these partners may adversely affect our business, financial condition, operating results, cash flows, and prospects. We derive a large portion of our revenue from our demand partners through their purchases of Consumer Referrals provided by our supply partners. A limited number of our demand and supply partners account for a substantial portion of our business. Our largest demand partner represented **7 % and** 10 ~~% and 16~~ % of our revenue for the years ended December 31, **2023 and** 2022 ~~and 2021~~, respectively, and our next largest demand partner represented **6 % and** 5 ~~% and 11~~ % of revenue for the years ended December 31, **2023 and** 2022 ~~and 2021~~, respectively. Our top 20 demand partners ~~represent~~ **represented 41 % and** 46 ~~% and 60~~ % of our revenue for the years ended December 31, **2023 and** 2022 ~~and 2021~~, respectively. The majority of our agreements with our demand and supply partners do not include minimum transaction volume commitments, and accordingly, our supply partners can reduce or cease the volume of Consumer Referrals they provide to our platform, and / or our demand partners can reduce or cease their purchasing on our platform at any time. In addition, many of our agreements with our demand and supply partners are terminable by the partner without cause upon 30 or 60 days' notice. Should we become dependent on fewer demand or supply partner relationships (whether as a result of the termination of existing relationships, insurance carrier consolidation or otherwise), we may become more vulnerable to adverse changes in our relationships with **, or demand for our Consumer Referrals from,** our demand or supply partners, which in turn could harm our business, financial condition, operating results, cash flows, and prospects. We expect to obtain payment from our demand partners for work performed and maintain an allowance against receivables for potential losses on partner accounts. Actual losses on partner receivables could differ from those that we have historically experienced or currently anticipate and, as a result, we may need to adjust our allowances. We may not accurately assess the creditworthiness of our partners. As a result, this could cause partners to delay payments to us, request modifications to their payment arrangements that could extend the timing of cash receipts, or default on their payment obligations to us. If we experience an increase in the time to bill and collect for our services, our business, financial condition, operating results, cash flows, and prospects could be adversely affected. Our business is highly subject to business cycles and risks related to the property & casualty insurance, health insurance, and life insurance industries. We derive a substantial majority of our revenue from sales of Consumer Referrals to property & casualty insurance carriers, health insurance carriers, and life insurance carriers. Revenue from our insurance verticals accounted for **96. 6 % and** 95 ~~. 5 % and 96~~ . 5 % of our total revenue for the years ended December 31, **2023 and** 2022 ~~and 2021~~, respectively. If insurance carriers experience large or unexpected losses through the offering of insurance, these carriers may choose to decrease the amount of money they spend on customer acquisition, including with us. These insurance markets, most notably the automobile insurance industry, have historically been cyclical in nature. These cycles are often characterized by periods of " soft " market conditions, when carriers' loss ratios are relatively low and they tend to focus on investing to acquire customers and build market share, and " hard " market conditions, when their loss ratios are relatively high and they tend to prioritize profitability over growth and reduce their customer acquisition spending until they can obtain regulatory approval to raise premiums. As our insurance carrier partners go through these market cycles, our demand partners may increase or decrease their spending on Customer Referrals on our platform. These changes in spending may occur rapidly and without warning, and the duration of these market cycles can be difficult to predict accurately. Reductions in spending can have a material adverse impact on our operating results, causing them to fall short of the expectations of investors and securities analysts. For example, in the third quarter of 2021, many automobile insurers began to reduce their customer acquisition spending sharply in response to higher- than- expected loss ratios resulting from higher accident severity and increased repair costs due to global supply chain issues, and those reductions continued and in many cases worsened during 2022 **and 2023** . These reductions have materially and adversely affected our operating results, and the timing and extent of recovery from this hard market cycle are difficult to predict. We will likely experience similar insurance industry cycles in the future, which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. Our partners may negotiate with us to reduce our platform fees or switch certain transactions from Open Marketplace to Private Marketplace, which could harm our business, financial condition, operating results, cash flows, and prospects. Many of the terms of our agreements with our partners, including our platform fees, are specifically negotiated with each partner. Our partners may negotiate with us to reduce our platform fees. The outcome of such negotiations could result in terms that are less favorable to us than those contained in our existing agreements or those obtained by our competitors, which could impact our relationship with our partners and could harm our business, financial condition, operating results, cash flows, and prospects. In addition, the net revenue generated from transactions in our Open Marketplace is higher than the net revenue from transactions in our Private Marketplaces. In the past, certain of our supply and demand partners have switched their transactions with each other from our Open ~~marketplace~~ **Marketplace** to a Private Marketplace once they have reached a significant level of Transaction Value, and this may occur with other supply and demand partners in the future. Such transitions may occur with minimal notice, and may cause our operating results for a given period to fail to meet our expectations or those of any analysts that cover us or investors, which could cause the market price of our Class A common stock to fall substantially. Demand partners who access our platform can attract consumers directly through their own customer acquisition strategies, including third- party online platforms and other ~~traditional~~ methods of distribution, or obtain similar services from our competitors. Similarly, supply partners can seek to monetize high- intent consumers or maximize the value of non- converting consumers on their websites by building their own solutions or turning to other service providers, including our competitors. The majority of our demand partners do not have exclusive relationships with us, and they may ~~choose to make systemic or incremental changes~~ - **change** ~~in~~ the manner in which they market and distribute their products. They can attract consumers directly through their own customer acquisition strategies, including third- party online platforms and other ~~traditional~~ methods of distribution, such as referral arrangements, physical storefront operations or broker agreements. Such demand partners also may obtain Consumer Referrals through one or more online competitors of our business. If such demand partners determine to compete directly with us or choose to favor one or more third- party platforms, they could cease or reduce purchases of Consumer Referrals on our platform. In our insurance verticals, if consumers seek insurance policies directly from insurance carriers, or if insurance carrier partners seek Consumer Referrals through our competitors or cease providing us with access to their systems or information, the number of transactions by demand partners on our platform may decline, which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. Similarly, most of our supply partners do not have exclusive relationships with us, and they can seek other solutions to maximize their consumer traffic monetization, such as building their own solution or turning to other service providers, including our competitors, in order to monetize high- intent consumers or maximize the value of non- converting consumers on their websites. Consolidation of sellers could eventually lead to a concentration of desirable inventory on websites or networks owned by a small number of individuals or entities, which could limit the supply or impact the pricing of inventory available to us. We cannot assure you that we will be able to acquire Consumer Referrals that meet our partners' performance, price, and quality requirements, in which case our revenue could decline or our operating costs could increase. If we fail to compete effectively against technology companies engaged in digital customer acquisition and other competitors, we could lose partners and our revenue may decline. We operate in the broadly defined tech- enabled insurance distribution sector. Within this sector, our closest competitors are technology companies engaged in digital customer acquisition. This sector is intensely competitive, and we expect this competition to continue to increase in the future both from existing and new competitors that provide competing platforms or technology. We compete both for demand partners' customer acquisition budgets and high- quality Consumer Referrals. We compete on the basis of a number of factors, including return on investment, technology, and client service. Our principal competitors in this space include technology companies engaged in digital customer acquisition for insurance carriers, as well as other companies including: • direct distribution companies focused on insurance products; • industry- specific portals or customer acquisition companies with insurance- focused research online destinations; • online marketing or media services providers; • major internet portals and search engine companies with online advertising platforms; and • supply partners with their own sales forces that sell their online Consumer Referrals directly to buyers. Finding, developing, and retaining high quality Consumer Referrals on a cost- effective basis is challenging because competition for web traffic among ~~technology~~ companies engaged in digital customer acquisition, websites, and search engines, as well as competition with traditional media companies, has resulted and may continue to result in significant increases in web traffic costs, declining margins, and reduction in revenue. In addition, if we expand the scope of our services and / or served markets, we may compete with a greater number of technology companies, websites, buyers, and traditional media companies across an increasing range of different services, including in vertical markets where competitors may have advantages in expertise, brand recognition, and other areas. Internet search companies with brand recognition have significant numbers of direct sales personnel and web traffic that provide a significant competitive advantage and have a significant impact on pricing for Consumer Referrals or web traffic. Some of these companies may offer or develop more vertically targeted products that match consumers with products and services or match Consumer Referrals with buyers and, thus, compete with us more directly. The trend toward consolidation in online marketing may also affect pricing and availability of Consumer Referral inventory. Many of our current and potential competitors also have other competitive advantages over us, such as longer operating histories, greater brand recognition, larger client bases, greater access to Consumer Referrals or web traffic more generally, and significantly greater financial, technical, and marketing resources. As a result, we may not be able to compete successfully. Competition from the DTC distribution channel may affect both volume and price, and, thus, revenue, profit margins, and profitability. If we fail to deliver results that are superior to those that other technology companies engaged in digital customer acquisition deliver to partners, we could lose partners and market share, and our revenue may decline. If we are unable to develop new offerings, achieve increased partner adoption of those offerings or penetrate new vertical markets, our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. Our continued improvement of our product and service offerings is critical to our continued growth. Accordingly, we must continually invest resources in product, technology, and development in order to further enhance the capabilities, effectiveness and competitive differentiation of our platform, including by improving upon and expanding the tools we offer to our partners for customer acquisition cost management and optimization. In addition, while we have historically concentrated our efforts on the property & casualty insurance, health insurance, and life insurance markets, we may in the future seek to opportunistically penetrate other vertical markets, such as consumer finance, education, and home services. In order to penetrate new vertical markets successfully, it will be necessary to develop an understanding of those new markets and the associated risks, which may require substantial investments of time and resources, and even then we may not be successful. In such event, our revenue may grow at a slower rate than we anticipate and our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. If we fail to manage future growth effectively, our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. We have experienced rapid growth in recent years and anticipate further growth in the future. This growth has placed, and will continue to place, significant demands on management and our operational infrastructure. As we continue to grow, we must continue to maintain and enhance our platform and information technology infrastructure, as well as our financial and accounting systems and controls. We must also continue to attract, train and retain a significant number of qualified information technology and other personnel, and to effectively integrate, develop, and motivate our employees, while maintaining the beneficial aspects of our company culture. If we do not manage the growth of our business and operations effectively, the quality of our services and efficiency of our operations could suffer and we may not be able to execute on our business plan, which could harm our business, financial condition, operating results, cash flows, and prospects. Our past growth or the past growth in our verticals or by our competitors may not be indicative of future growth, and our revenue growth rate may decline in the future. Our past growth or the past growth in our verticals or by our competitors may not be indicative of future growth, if any. We will not be able to grow as expected, or at all, if we do not accomplish the following: • maintain and expand the number of demand and supply partners that use our platform; • increase the volume and quality of Consumer Referrals available on our platform; • further enhance the capabilities and effectiveness of our platform, and effectively demonstrate the value provided by our platform to current and prospective partners; • maintain the quality of our platform; and • expand our presence to new verticals. Our revenue growth rates may also be limited if we are unable to achieve high market penetration rates as we experience increased competition. If our revenue or revenue growth rates decline, investors' perceptions of our business may be adversely affected and the market price of our Class A common stock could decline. If we are unable to attract, integrate, and retain qualified employees, our ability to develop and successfully grow our business could be harmed. Our business depends on our ability to retain our key executives and management, including Steven Yi, Chief Executive Officer and Co- Founder, and Eugene Nonko, Chief Technology Officer and Co- Founder, and to hire, develop, and retain other key employees. Our ability to expand our business depends on our being able to hire, train, and retain sufficient numbers of experienced information technology employees, as well as data analytics, product and account management, and other personnel. Our success in recruiting highly skilled and qualified employees can depend on factors outside of our control, including the strength of the general economy and local employment markets and the availability of alternative forms of employment. Experienced information technology personnel, who are critical to the success of our business, are in particularly high demand. This demand is particularly acute in the Seattle, Washington area, where our technology and engineering team is based. Competition for their talents is intense, and retaining such individuals can be difficult. The loss of any of our executive officers or other key employees could materially and adversely affect our ability to execute our business plan and strategy, and we may not be able to find adequate replacements on a timely basis, or at all. Most of our executive officers and other key employees are at- will employees, which means they may terminate their employment relationships with us at any time, and their knowledge of our business and industry would be extremely difficult to replace. We cannot ensure that we will be able to retain the services of any members of our senior management or other key employees **. Key executives and other employees have left our company to pursue other opportunities in the past, and may do so in the future** . If we do not succeed in attracting well- qualified employees or retaining and motivating our existing employees, our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. We may acquire other companies or technologies, which could divert our management' s attention, result in additional dilution to our stockholders, and otherwise disrupt our operations and harm our operating results, financial condition, and prospects. As part of our growth strategy, we intend to acquire businesses or technologies that we believe could complement, expand or enhance the features and functionality of our platform and our technical capabilities, broaden our service offerings or offer growth opportunities. For example, on April 1, 2022 we acquired substantially all of the assets of Customer Helper Team, LLC, a company engaged in lead generation through social media and short form video channels. The identification of suitable acquisition candidates can be difficult, time- consuming, and may divert the attention of management away from operating our business and cause us to incur various expenses in identifying, investigating and pursuing suitable acquisitions, whether or not such acquisitions are consummated. Acquisitions also could result in dilutive issuances of equity securities, the incurrence of debt, contingent liabilities, amortization expenses, impairment of goodwill and / or purchased long- lived assets, and restructuring charges, any of which could adversely affect our operating results and financial condition. In addition, we may face risks or experience difficulties in: • effectively managing the combined business following the acquisition; • implementing operations, technologies, controls, procedures, and / or policies at the acquired company; • integrating the acquired company' s accounting, human resource, and other administrative systems, and coordination of product, engineering, and sales and marketing functions; • transitioning operations, users, and customers onto our existing platforms; • obtaining any required approvals on a timely basis, if at all, from governmental authorities, or conditions placed upon approval that could, among other things, delay or prevent us from completing a transaction, or otherwise restrict our ability to realize the expected financial or strategic goals of an acquisition or other strategic transaction; • cultural challenges associated with integrating employees from the acquired company into our organization, and retention of employees from the businesses we acquire; • liability for activities of the acquired company ~~before the acquisition~~ , including intellectual property infringement claims, privacy issues, violations of laws, commercial disputes, tax liabilities, and other known and unknown liabilities; and • litigation or other claims in connection with the acquisition of the acquired company, including claims from terminated employees, customers, former stockholders, or other third parties. Depending on the condition of any company or technology we may acquire, that acquisition may, at least in the near term, adversely affect our business, financial condition, operating results, cash flows, and prospects and, if not successfully integrated with our organization, may continue to have such effects over a longer period. We may not realize the anticipated benefits of any acquisitions and we may not be successful in overcoming these risks or any other problems encountered in connection with potential acquisitions. Our inability to overcome these risks could have an adverse effect on our profitability, return on equity, and return on assets, and our ability to implement our business strategy and enhance stockholder value, which in turn could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. We rely on data provided to us by our demand partners, our supply partners, and consumers to improve our technology and service offerings, and if we are unable to maintain or increase the amount of such data available to us, we may be unable to provide our demand partners with a bidding experience that is relevant, efficient, and effective or our supply partners with satisfactory revenue yields, which could adversely affect our business, financial condition, operating results, cash flows, and prospects. Our business relies on the data provided to us by our demand partners, our supply partners, and consumers. The large amount of information we use in operating our platform is critical to the optimal functioning of our platform. If we are unable to maintain or effectively utilize the data provided to us, including data from our demand partners regarding consumer conversion, the value that we can provide to our partners may be reduced. In addition, the quality, accuracy, and timeliness of this data may suffer, which may lead to a negative bidding experience for demand partners using our platform, or decreased yields for supply partners using our platform, which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. We have made substantial investments, including time and human resources, in the development of our proprietary technology platform, which relies on consumer- provided data, third- party data, predictive modeling, and analytics engines to maximize value for our platform users. We cannot assure you that we will be able to continue to collect and retain sufficient data, or to improve our data technologies, to satisfy our operating needs and the needs of our partners. Failure to do so could materially and adversely affect our business, financial condition, operating results, cash flows and prospects. In addition, to the extent consumers or third parties provide our suppliers' websites or our proprietary websites with inaccurate information or fail to provide information, the quality of Consumer Referrals offered to our demand partners through our platform may suffer. A decrease in quality of Consumer Referrals could lead to a reduction in use of our platform by our demand partners. We depend upon internet search companies to direct a significant portion of visitors to our suppliers' websites and our proprietary websites. Changes in search engine algorithms have in the past harmed and may in the future harm the websites' placements in both paid and organic search result listings, which may reduce the number of visitors to our supply partners' websites and our proprietary websites and as a result, cause our revenue to decline. Our success depends on ~~the~~ **our suppliers'** ability to attract online visitors to **their** ~~our suppliers'~~ websites and **our ability to attract online visitors to** our proprietary websites **,** and **to** convert them into Consumer Referrals for our partners in a cost- effective manner. We depend on internet search companies to direct a substantial share of visitors to our suppliers' websites and our proprietary websites. Search companies offer two types of search results: organic and paid listings. Organic listings are displayed based solely on formulas designed by the search companies. Paid listings are displayed based on a combination of the buyer' s bid price for particular keywords and the search engines' assessment of the website' s relevance and quality. If one or more of the search engines or other online sources on which we or our suppliers rely for purchased listings modifies or terminates its relationship with us or decides to decrease its rating of the relevance and quality of our suppliers' or our proprietary websites, our expenses could rise, we could lose consumers, and traffic to our suppliers' websites and our proprietary websites could decrease, which could in turn decrease the amount and quality of Consumer Referrals made available for sale on our platform. Any of the foregoing could have a material and adverse effect on our business, financial condition, operating results, cash flows and prospects. The ability to maintain or grow the number of visitors to our suppliers' websites and our proprietary websites from search companies is not entirely within our control. Search companies frequently revise their algorithms and changes in their algorithms have in the past caused or could in the future cause our suppliers' websites and our proprietary websites to receive less favorable placements. There have been fluctuations in organic rankings for a number of our suppliers' websites and some of the paid listing campaigns have also been harmed by search engine algorithmic changes. Search companies could also determine that the content of our suppliers' websites or our proprietary websites is either not relevant or is of poor quality. In addition, search engine companies periodically change their advertising policies, or implement new policies, which can affect the placement of our paid search results in listings (or even our ability to participate in paid search result listing at all), reducing the number of visitors to our owned and operated and third-party publishers' websites. For example, in April 2021, Google implemented a new policy requiring paid search advertisers to be licensed health insurance brokers to bid on health insurance- related keywords, which required us ~~and our suppliers~~ to become a licensed health insurance broker in all 50 states and the District of Columbia to be able to continue bidding on such keywords. Any such new or revised policies implemented in the future, or the loss of insurance licenses in particular states, could have a material adverse impact on our or our suppliers' ability to drive traffic to our respective websites, which could result in a smaller supply of Consumer Referrals available on our platform to our demand partners and thus lower revenue, which would have an adverse effect on our business, financial condition, operating results, cash flows, and prospects. We or our supply partners may also fail to optimally manage our paid listings, or our proprietary bid management technologies may fail, which may lead to a decrease in the number of visits to our supply partners' websites or our proprietary websites. As a result, we may need to use more costly sources to replace lost visitors who could have contributed to our supply of Consumer Referrals, and such increased expense could adversely affect our business, financial condition, operating results, cash flows, and prospects. Even if we and our suppliers succeed in driving traffic to our respective websites, we may not be able to effectively monetize this traffic or otherwise retain users. Failure to do so could result in a smaller supply of Consumer Referrals available on our platform to our demand partners and thus lower revenue, which would have an adverse effect on our business, financial condition, operating results, cash flows, and prospects . Broad- based pandemics or public...... disaster recovery plans prove to be inadequate . If the market for digital customer acquisition services fails to continue to develop, our success may be limited, and our revenue may decrease. The digital customer acquisition services market is relatively new and rapidly evolving, and it uses different measurements than traditional media to gauge its effectiveness. Some of our current or potential partners have little or no experience using the internet for customer acquisition purposes and have historically allocated only limited portions of their customer acquisition budgets to the internet. The adoption of digital customer acquisition, particularly by those companies that have historically relied upon traditional media for customer acquisition, requires the acceptance of a new way of conducting business, exchanging information, and evaluating new customer acquisition technologies and services. In addition, we may experience resistance from traditional advertising agencies that may be advising our partners. We cannot assure you that the market for digital customer acquisition services will continue to grow. If the market for digital customer acquisition services fails to continue to develop or develops more slowly than we anticipate, the success of our business may be limited, and our revenue may stop growing or decrease. If we fail to protect our brand...... could be materially and adversely affected. Our existing and any future indebtedness could adversely affect our ability to operate our business. On July 29, 2021, our subsidiary QuoteLab, LLC entered into the First Amendment to the 2020 Credit Agreement (" ~~Amended~~ **Existing** Credit Agreement ") **, as amended** , which provides for the 2021 Term Loan Facility and the 2021 Revolving Credit Facility (collectively " 2021 Credit Facilities "). The 2021 Revolving Credit Facility is available for general corporate purposes. **The 2021 Credit Facilities will mature on July 29, 2026.** As of December 31, ~~2022~~ **2023** , the aggregate principal amount outstanding under the 2021 Term Loan Facility was $ ~~180~~ **171** . ~~5~~ **0** million and our borrowing capacity under the 2021 Revolving Credit Facility was $ 45. 0 million. In addition, we may in the future decide to incur additional indebtedness. Our existing or future indebtedness could have important consequences, including: • requiring us to dedicate a substantial portion of our cash flow to payments on our indebtedness, which would reduce the amount of cash flow available to fund working capital, capital expenditures or other corporate purposes; • increasing our vulnerability to general adverse economic, industry, and market conditions; • subjecting us to restrictive covenants, including restrictions on our ability to pay dividends and requiring the pledge of substantially all of our assets as collateral, that may reduce our ability to take certain corporate actions or obtain further debt or equity financing; • limiting our ability to plan for and respond to business opportunities or changes in our business or industry; and • placing us at a competitive disadvantage compared ~~to~~ **with** our competitors that have less debt or better debt servicing options. In addition, our indebtedness under the 2021 Credit Facilities bears interest at a variable rate, making us vulnerable to increases in the market rate of interest. **For example, interest paid on the 2021 Credit Facilities during the year ended December 31, 2023 was $ 13. 8 million, an increase of $ 6. 7 million, or 95 %, compared with the year ended December 31, 2022, due to rising interest rates.** If the market rate of interest increases ~~substantially~~ , we will have to pay additional interest on this indebtedness, which would reduce cash available for our other business needs. The ~~Amended~~ **Existing** Credit Agreement requires us to comply with certain financial covenants, including maintaining specific financial ratios. These ratios are based in part on our Consolidated EBITDA, as defined in the Amended Credit Agreement. Our ability to continue to meet these financial ratios and tests will be dependent upon our future performance, which will be subject to financial, business and other factors affecting our operations, many of which are beyond our control ~~. In the event that we are unable to generate the levels of Consolidated EBITDA required to maintain compliance with such financial covenants, we may need to reduce operating costs, negotiate amendments to or waivers of the terms of such credit facilities, refinance our debt, or raise additional capital~~ . During the second half of 2021, the auto insurance industry began to experience a cyclical downturn, as supply chain disruptions and cost increases caused by the pandemic and overall inflationary pressures contributed to higher- than- expected P & C insurance claims costs, which led many carriers to reduce their customer acquisition spending to preserve their profitability. These reductions continue to impact revenue from our P & C insurance vertical and we are currently unable to predict the timing or slope of a recovery in this vertical. **In the event that we are unable to generate the levels of Consolidated EBITDA required to maintain compliance with such financial covenants, we may need to reduce operating costs, negotiate amendments to or waivers of the terms of such credit facilities, refinance our debt, or raise additional capital.** We may not have sufficient funds, and may be unable to generate sufficient cash flows from operations, to pay the amounts due under our existing debt instruments. Failure to make payments or comply with other covenants under our existing or future debt instruments could result in an event of default. ~~If~~ **Upon the maturity of the 2021 Credit Facilities, or earlier if** an event of default occurs and the lender accelerates the amounts due, we may need to seek additional financing, which may not be available on acceptable terms, in a timely manner or at all. In such event, we may not be able to make accelerated payments, and the lender could seek to enforce security interests, if any, in the collateral securing such indebtedness, which includes or could include substantially all of our assets. In addition, the covenants and other terms of our existing or future debt instruments could interfere with our execution of our growth strategy and limit our ability to obtain additional debt financing. Any of these events could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. We maintain cash balances in our bank accounts that exceed the FDIC insurance limitation. We maintain our cash assets at commercial banks in the U. S. in amounts in excess of the Federal Deposit Insurance Corporation insurance limit of $ 250, 000. In the event of a failure at a commercial bank where we maintain our deposits or uninsured losses on money market or other cash equivalents in which we maintain cash balances, we may incur a loss to the extent such loss exceeds the insurance limitation, which could have a material adverse effect upon our financial conditions and our results of operations. Operating and growing our business may require additional capital, and if capital is not available to us, our business, financial condition, operating results, cash flows, and prospects may suffer. Operating and growing our business is expected to require further investments in our technology and operations. We may be presented with opportunities that we want to pursue, and unforeseen challenges may present themselves, any of which could cause us to require additional capital beyond our internally generated cash flows. At any given time, if our cash needs exceed our expectations or we experience rapid growth, we could experience strain in our cash flow, which could adversely affect our operations in the event we were unable to obtain other sources of liquidity. If we raise additional funds through future issuances of equity or convertible debt securities, our stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing that we may secure in the future could involve debt service obligations and restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. ~~profitability.~~ If we fail to protect our brand,our ability to expand the use of our platform by buyers and sellers may be adversely affected.Maintaining strong brand recognition and a reputation for delivering value to our partners is important to our business.A failure by us to protect our brand and deliver on these expectations could harm our reputation and damage our ability to attract and retain partners,which could adversely affect our business,financial condition,operating results,cash flows,and prospects.Furthermore,a failure to protect our trademarks and domain names could adversely affect our brand and make it more difficult for users to find our platform.In addition,our competitors may have more resources than we do and may spend more advertising their brands and services.Accordingly,we could be forced to incur greater expense marketing our brand in the future to preserve our position in the market and,even with such greater expense,may not be successful in doing so.Furthermore,complaints or negative publicity about our business practices,legal compliance,marketing and advertising campaigns,data privacy and security issues,and other aspects of our business,whether valid or not,could damage our reputation and brand.If we are unable to maintain or enhance client awareness of our brand cost- effectively,our business,financial condition,operating results,cash flows,and prospects could be materially and adversely **affected.** Changes in tax laws or exposure to additional income or other tax liabilities could affect our future profitability. We are subject to income taxes in the United States, various state and local jurisdictions and foreign jurisdictions. Our effective tax rate and profitability could be subject to volatility or adversely affected by a number of factors, including: • changes in applicable tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect; • changes in accounting and tax standards or practice; • changes in the valuation of deferred tax assets and liabilities; and • our operating results before taxes. In addition, we **have in the past been, and** may **in the future** be subject to audits of our income, sales, and other taxes by U. S. federal, state and local taxing authorities, and foreign authorities. Outcomes from these audits could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. Taxing authorities may assert that we should have collected or in the future should collect sales, use, value added or similar taxes, and we could be subject to liability with respect to past or future sales, which could adversely affect our operating results. We do not collect sales, use, value added or similar taxes in the majority of the jurisdictions in which we have sales, and we believe that such taxes are not applicable either because we do not have the requisite amount of contacts with the state for the state to be able to impose these taxes or our products and services are not subject to these taxes. Sales, use, value added and similar tax laws and rates vary greatly by jurisdiction. Certain jurisdictions in which we do not collect such taxes may assert that such taxes are applicable, which could result in tax assessments, penalties and interest, to us or our end- customers for the past amounts, and we may be required to collect such taxes in the future. If we are unsuccessful in collecting such taxes from our end- customers, we could be held liable for such costs. Such tax assessments, penalties and interest, or future requirements may adversely affect our operating results. We may from time to time be subject to litigation, which may be extremely costly to defend, could result in substantial judgment or settlement costs or subject us to other remedies. We are currently not a party to any material legal proceedings. However, we have in the past and may from time to time in the future be involved in various legal proceedings, including, but not limited to, actions relating to claims of violations of laws or regulations, breach of contract, and intellectual property infringement, misappropriation or other violation. For example, insurance regulators have in the past and may in the future make claims that certain of our proprietary properties, particularly in our health insurance vertical, do not comply with one or more regulations governing marketing of insurance products in that state. Claims may be expensive to defend, may divert management' s time away from our operations, and may affect the availability and premiums of our liability insurance coverage, regardless of whether they are meritorious or ultimately lead to a judgment against us. We cannot assure you that we will be able to successfully defend or resolve any current or future litigation matters, in which case those litigation matters could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. Sellers, vendors, or their respective affiliates may engage in unauthorized or unlawful acts that could subject us to significant liability or cause us to lose demand partners and revenue. We generate a majority of our Consumer Referrals from online media that we source directly from our supply partners' websites, as well as indirectly from the affiliates of our supply partners. We also rely on third- party call centers and email marketers. Some of these third parties, vendors, and their respective affiliates are authorized to use our demand partners' brands, subject to contractual restrictions. Any activity by suppliers, vendors, or their respective affiliates which violates the marketing guidelines of our demand partners or that our demand partners view as potentially damaging to their brands, whether or not permitted by our contracts with our demand partners, could harm our relationships and cause demand partners to terminate their relationship with us, resulting in a loss of revenue. Moreover, because we do not have a direct contractual relationship with the affiliates of our suppliers, we may not be able to monitor the compliance activity of such affiliates. If we are unable to cause our suppliers to monitor and enforce our demand partners' contractual restrictions on such affiliates, our demand partners may terminate their relationships with us or decrease their customer acquisition budgets with us. In addition, we may also face liability for any failure of our suppliers, vendors or their respective affiliates to comply with regulatory requirements. The law is unsettled on the extent of liability that an advertiser has for the activities of sellers or vendors. Insurance regulations may impose liability on us and our demand partners for misrepresentations made by their marketing service providers. In addition, certain of our contracts impose liability on us, including indemnification obligations, for the acts of our sellers or vendors. We could be subject to costly litigation and, if we are unsuccessful in defending ourselves or in obtaining indemnity from our vendors, we could incur damages for the unauthorized or unlawful acts of sellers or vendors. ~~Risks .~~ Broad- based pandemics or public health crises,such as the COVID- 19 pandemic,have had,and may in the future have,an adverse impact on our business,financial condition,operating results,cash flows,and prospects.Our business has been,and may in the future be,adversely impacted by the effects of public health crises,such as the global COVID- 19 pandemic.The impacts of the COVID- 19 pandemic,including supply chain constraints and labor shortages,have contributed to higher- than- expected inflation in insurance claims costs,which has driven significant reductions in P & C insurance carrier profitability,leading our P & C insurance carrier partners to reduce their customer acquisition spending.The timing and slope of a recovery in this vertical are difficult to predict.In addition,in our travel vertical,COVID- 19 has led to a dramatic decline in consumers shopping for travel **-** related **products** ~~to our intellectual property rights and our technology If we are unable to adequately obtain~~ , ~~maintain, protect~~ **which has led to a significant decline in** ~~or~~ **our** ~~enforce our intellectual property rights~~ **revenue from the travel vertical** , ~~proprietary systems, technology and brand~~ -- **and** ~~, our ability to compete could be harmed. Our ability to compete effectively depends upon our ability to obtain, maintain, protect, and enforce our intellectual property rights, proprietary systems, technology and brand. We rely on a combination of trade secret, trademark and copyright law, confidentiality agreements, and technical measures to establish, maintain and protect our intellectual property rights and technology. These laws are subject to change at any time and could further limit our ability to protect our intellectual property rights. Additionally,~~ there is uncertainty **about whether our** ~~concerning the scope of patent and other intellectual property protection for software and~~ business ~~methods, which are fields~~ in **this vertical will return** ~~which we rely on intellectual property laws~~ to **pre- pandemic levels** ~~protect our rights. Despite our efforts to obtain, maintain, protect,~~ and ~~enforce our intellectual property rights, these~~ -- **the timing** ~~efforts may not be sufficient to effectively prevent unauthorized disclosure or unauthorized use~~ of **any** ~~our trade secrets or other confidential information or to prevent third parties from infringing, misappropriating, diluting or otherwise violating our intellectual property rights and offering similar or superior functionality. To the extent we are able to obtain enforceable intellectual property rights,~~ such **recovery** intellectual property rights may not prevent third...... protection of intellectual property rights are uncertain . In addition, **future outbreaks of COVID- 19** ~~our~~ - **or** ~~competitors~~ **other widespread diseases** may ~~attempt to copy unprotected aspects~~ **occur in the future, any** of **which could negatively affect customer acquisition spend by our demand partners** ~~our~~ - **or on consumer insurance** product ~~design or independently develop similar technology or design around~~ **search activity (and, in turn, Consumer Referral availability),** ~~our~~ - **or require changes to** ~~intellectual property rights. Third parties also may take actions that diminish the value of our proprietary rights or~~ **our business operations,** ~~our reputation or cause partner confusion through the use of similar service names or domain names. Litigation regarding~~ any ~~intellectual property disputes may be costly and disruptive to us. Any~~ of **which** ~~these results would~~ **could** ~~harm~~ **have a material and adverse effect on** our business, financial condition, operating results, cash flows, and prospects. ~~Additionally~~ **Our business could be adversely affected by natural disasters** , ~~we rely~~ **political crises** , ~~in part~~ **economic downturns or other unexpected events. A significant natural disaster** , ~~on trade secrets~~ **such as an earthquake** , ~~proprietary know~~ **fire, hurricane, tornado, flood or significant power outage, could disrupt our operations, platform, the internet or the operations of our third** - ~~how, and other confidential information to maintain our competitive position. We enter into confidentiality and invention assignment agreements with our employees and enter into confidentiality agreements with third parties, including our partners. However, we cannot guarantee that we have entered into such agreements with each~~ party ~~that has or may have had access to our proprietary information, know- how and trade secrets. Moreover, no assurance can be given that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation, reverse engineering or disclosure of our proprietary information, know- how and trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies~~ **technology** that **providers. In particular, our corporate headquarters** are **located in Los Angeles** ~~substantially equivalent or superior to our products and platform capabilities. These agreements may be breached~~ , **California, a region known** ~~and we may not have adequate remedies~~ for **seismic activity** ~~any such breach. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret or know- how is difficult, expensive, and time- consuming, and the outcome is unpredictable~~ . In addition, ~~trade secrets and know- how can be difficult to protect and some courts inside and outside the U. S. are less willing or unwilling to~~

~~protect trade secrets and know- how. If~~ any **unforeseen political crises, terrorist attacks, war, political instability,** ~~of our trade secrets were to be lawfully obtained or independently developed by a competitor~~ or other **catastrophic** ~~third party, we would have no right to prevent~~ -- **events , whether in** ~~them~~ - **the United States** ~~from using that technology or information to compete with us. If any of our~~ - **or abroad** ~~trade secrets were to be disclosed to or independently developed by a competitor or other third party~~ , ~~our competitive position would be materially and adversely harmed. We currently hold various domain names relating to our brand, including mediaalpha. com, quotelab. com, and healthplans. com. Failure to maintain our domain names~~ could adversely affect our **operations** ~~reputation and brand and make it more difficult for~~ - **or the economy as a whole** ~~current and future partners to find our website and our platform~~ . ~~We may be unable~~ **The impact of any natural disaster** , ~~without significant cost or at~~ **act** ~~all, to prevent third parties from acquiring domain names that are similar to, infringe upon or otherwise decrease the value~~ of **terrorism** ~~our~~ - **or** ~~trademarks and~~ other **disruption** ~~proprietary rights. We may become subject~~ to ~~intellectual property disputes, which are costly and may subject~~ us ~~to significant liability and increased costs of doing business. Our success depends, in part, on our~~ - **or** ~~ability to develop and commercialize our products and services without infringing, misappropriating or~~ **our** ~~otherwise violating the intellectual property rights of third parties. However, we may not be aware that our products or services are infringing, misappropriating or otherwise violating~~ third- party intellectual property rights and such third parties...... for which we are required to provide **providers** indemnification could cause us to incur substantial...... preventing us from accessing such third party ' ~~s intellectual property rights, or if we cannot license or develop alternative technology for any infringing aspect of our business, we would be forced to limit or stop sales of our products and platform capabilities~~ --- **abilities** ~~or cease business activities related to such intellectual property. We may be required to spend significant resources in order to monitor and protect our intellectual property rights, and some violations may be difficult or impossible to detect. Actions we may take to enforce our intellectual property rights may be expensive and divert management' s attention away from the ordinary operation of our business and~~ could result in ~~the impairment~~ **decreased demand** ~~or~~ **for our offerings** ~~loss of portions of our~~ - **or a** ~~intellectual property. Our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights, and, if such defenses, counterclaims, and countersuits are successful, we could lose valuable intellectual property rights. Our inability to secure and protect our intellectual property rights could impair the functionality of our platform,~~ delay ~~introductions of enhancements to our platform, result~~ in ~~our substituting inferior or more costly technologies into our platform, or harm our reputation and brand, and could materially and adversely affect our brand and business, financial condition, operating results, cash flows, and prospects. Furthermore, such enforcement actions, even if successful, may not result in an adequate remedy. In addition, many companies have the capability to dedicate greater resources to enforce their intellectual property rights and to defend claims that may be brought against them~~ - **the provision** ~~. Although we carry general liability insurance, our insurance may not cover potential claims~~ of ~~this type or~~ **our offerings** ~~may not be adequate to indemnify us for all liability that may be imposed. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition, operating results, cash flows, and prospects. Such claims could subject us to significant liability for damages and could result in our having to stop using technology found to be in violation of a third party' s rights. Further, we might be required to seek a license for third- party intellectual property~~ , which may not be available on commercially reasonable......, or " bugs, " that could adversely affect ~~their performance. Additionally, we update our platform and our other online systems. These updates may contain undetected errors when first introduced or released, which may cause disruptions in our services and may, as a result, cause us to lose current and potential partners, which could harm~~ our business, financial condition, operating results, cash flows, and prospects. We rely on third- party service...... in lengthy interruptions to our platform. All of the aforementioned risks may be ~~exacerbated~~ **further increased** if our ~~or AWS' business continuity and~~ disaster recovery plans prove to be inadequate. **Risks related to information** ~~Additionally, AWS may experience threats or attacks from computer malware, ransomware, viruses, social engineering (including phishing attacks), denial of service or other attacks, employee theft or misuse, and general hacking, which have become more prevalent in our industry. Any of these~~ security **and privacy** ~~incidents could result in unauthorized access to~~ , **the integrity** ~~damage to, disablement or encryption~~ of ~~, use or misuse of, disclosure of, modification of, destruction of, or loss of our data or our partners' data or disrupt our ability to provide~~ our platform ~~or service. Our platform' s continuing and uninterrupted performance is critical to our success. Users may become dissatisfied by any system failure that interrupts our ability to provide our platform to them. We may not be able to easily switch our AWS operations to another cloud or other data center provider if there are disruptions or interference with our use of AWS~~ , ~~and, even if we do switch our operations, other cloud and data center providers are subject to the same risks. Sustained or repeated system failures would reduce the attractiveness of our platform to our partners, thereby reducing revenue. Moreover, negative publicity arising from these types of disruptions could damage our reputation and may adversely impact the use of our platform. We may not carry sufficient business interruption insurance to compensate us for losses that may occur as a result of any events that cause interruptions in our service. AWS does not have an~~ **and** ~~obligation to renew its agreements with us on commercially reasonable terms, or~~ **our intellectual property** at all. Although alternative data center...... could be materially and adversely affected. Our business could be materially and adversely affected by a cybersecurity breach or other attack involving our computer systems or those of our partners or third- party service providers. Our systems and those of our partners and third- party service providers could be vulnerable to ~~hardware and cybersecurity issues~~ **cyber- attacks by third parties seeking unauthorized access to our data or data of our partners or consumers, or to disrupt our ability to provide service** . Our operations **involve the collection, storage, processing, and transmission of a** ~~are~~ **large** ~~dependent upon~~ **amount of data, including personal information, and security breaches could result in the loss** ~~our~~ - **or** ~~and our third- party service providers'~~ **exposure of this information, which could result in potential** ~~ability~~ **liability** ~~to protect~~ **, litigation and remediation costs, as well as reputational harm,** ~~our~~ - **or otherwise materially disrupt** ~~respective computer equipment and systems against telecommunications failure or~~ **our** ~~a similar catastrophic event~~ **operations, any of which could have an**

adverse effect on our business, financial condition, operating results, cash flows, and prospects . Cybersecurity incidents are increasing in frequency and evolving in nature and include, but are not limited to, installation of malicious software, ransomware, viruses, phishing attacks, denial of service or other attacks, breach by intentional or negligent conduct on the part of employees or other internal sources, unauthorized access to data and other electronic security breaches. Concerns about security increase when ~~we transmit~~ information (including personal data) **is transmitted** electronically ~~. Electronic~~ **, as is the case with both our technology platform and our other information technology systems, as such** transmissions can be subject to attack, interception, loss or corruption. In addition, computer viruses and malware can be distributed and spread rapidly over the internet and could infiltrate our systems or those of our buyers, sellers, and third- party service providers **. Further, outside parties may attempt to fraudulently induce our employees, partners or third- party service providers to disclose sensitive information in order to gain access to our systems** . Infiltration of our systems or those of our partners and third- party service providers could ~~in the future~~ lead to disruptions in systems, accidental or unauthorized access to or disclosure, loss, destruction, disablement or encryption of, use or misuse of or modification of confidential or otherwise protected information (including personal data) and the corruption of data. ~~Any damage~~ **These risks may increase as we continue to grow and collect, process, store, and transmit increasingly large amounts of data. Although we are not aware of any material information security breaches to date, we have detected common types of attempts to attack** ~~or~~ **our** ~~failure~~ **information systems and data. If we or any of our partners or third- party service providers experience security breaches** that ~~causes~~ - **cause** ~~an interruption~~ **interruptions** ~~in~~ **to the services we provide,** ~~our~~ - **or** ~~operations~~ **the loss or unauthorized disclosure or use of confidential information, it could cause partners or consumers to lose confidence and trust in us and our services, terminate data integrations with us, or stop using our platform or websites entirely, which** could have an adverse effect on our business, financial condition, operating results, cash flows, and prospects. ~~In addition, our operations are dependent upon our ability to protect the computer systems and network infrastructure utilized by us against damage from cybersecurity attacks by sophisticated third parties with substantial computing resources and capabilities and other disruptive problems caused by the internet or other users. Such disruptions would jeopardize the security of information stored in and transmitted through our computer systems and network infrastructure, which may result in significant liability and damage our reputation.~~ We take efforts to protect our systems and data, including establishing ~~internal~~ **cybersecurity policies and** processes **, performing risk assessments to aid in the identification and mitigation of threats,** and implementing technological measures designed to provide multiple layers of security ~~, and contract with third- party service providers to take similar steps~~ . However, it is difficult or impossible to defend against every risk being posed by changing technologies as well as criminals' intent on committing cyber- crime, and these efforts may not be successful in preventing, detecting, or stopping attacks. The ~~increasing~~ sophistication and resources of cyber criminals and other ~~non- state~~ threat actors ~~and~~ **continue to** ~~increased~~ - **increase** ~~actions by nation~~ **, and the techniques they use to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, often are not recognized until launched against a target, and often originate from less regulated and remote areas around the world. As a result, we may be unable to proactively implement adequate preventative measures, to react in a timely manner to any cyber** - **attacks or other** ~~state actors make keeping up with new threats difficult and could result in a breach of~~ security **incidents, or to successfully implement remediation efforts** . Controls employed by our information technology department and our partners and third- party service providers, including cloud vendors, could prove inadequate. **We also have employees and contractors located outside of the United States, which may subject us to greater risk of cyberattacks.** A breach of our security that results in unauthorized access to our data could expose us to a disruption or challenges relating to our daily operations, as well as to data loss, litigation, damages, fines and penalties, significant increases in compliance costs and reputational damage, any of which could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. **We** ~~To the extent our systems~~ rely on ~~our partners or~~ third- party service providers ~~, through either a connection to, or an~~ **and technologies to operate critical business systems to process sensitive information in a variety of contexts, including cloud- based infrastructure, data center facilities, encryption and authentication technology, employee communications, and other functions, and we also have data** ~~integration~~ **integrations** with **certain** ~~, those third- parties~~ **partners** ~~' systems~~ , **both of which may increase** the risk of cybersecurity attacks and loss, corruption, or unauthorized publication of our information or the confidential information of consumers and employees ~~may increase~~ . Third- party risks may include insufficient security measures, data location uncertainty, and the possibility of data storage in inappropriate jurisdictions where laws or security measures may be inadequate. Although we generally have agreements relating to cybersecurity and data privacy in place with our partners and third- party service providers, they are limited in nature and we cannot assure you that such agreements will prevent the accidental or unauthorized access to or disclosure, loss, destruction, disablement or encryption of, use or misuse of or modification of data (including personal data) or enable us to obtain adequate or any reimbursement from our partners or third- party service providers in the event we should suffer any such incidents. Any or all of the issues above could adversely affect our ability to attract new partners and continue our relationship with existing partners, cause our partners to cancel their contracts with us or subject us to governmental or third- party lawsuits, investigations, regulatory fines or other actions or liability, thereby harming our business, financial condition, operating results, cash flows, and prospects. Any accidental or unauthorized access to or disclosure, loss, destruction, disablement or encryption of, use or misuse of or modification of data, cybersecurity breach or other security incident that we or our partners could experience or the perception that one has occurred or may occur, could harm our reputation, reduce the demand for our ~~products and~~ services and disrupt **our** normal business operations. In addition, it may require us to spend material resources to investigate or correct the breach and to prevent future security breaches and incidents, expose us to uninsured liability, increase our risk of regulatory scrutiny, expose us to legal liabilities, including litigation, regulatory enforcement, indemnity obligations or damages for contract breach, and cause us to incur significant costs, any of which could materially adversely affect our business, financial condition, and results of operations. Moreover, there could be public announcements regarding any such incidents and any steps we take to respond to or remediate such incidents, and if securities analysts or investors perceive these announcements to be negative, it could have a substantial adverse effect on the price of our Class A common stock ~~. These risks may increase as we continue to grow and collect, process, store, and transmit increasingly large amounts of data. Although we are not aware of any material information security breaches to date, we have detected common types of attempts to attack our information systems and data~~ . We collect, process, store, share, disclose, transfer, and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and brand or negatively affect our ability to retain partners and harm our business, financial condition, operating results, cash flows, and prospects. The operation of our platform involves the collection, processing, storage and transmission of consumers' information, including personal information, and security breaches could expose us to a risk of loss or exposure of this information, which could result in potential liability, investigations, regulatory fines, litigation, and remediation costs, as well as reputational harm, all of which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. For example, unauthorized parties could steal consumer names, email addresses, physical addresses, phone numbers, and other information, which we collect when providing our services. Any failure or perceived failure by us to comply with our privacy policies, our privacy- related obligations to consumers or other third parties, or our privacy- related legal obligations, or any compromise of security that results in the unauthorized release or transfer of sensitive information, which could include personally identifiable information or other user data, may result in governmental investigations, enforcement actions, regulatory fines, litigation, and public statements against us by consumer advocacy groups or others, and could cause consumers and partners to lose trust in us, all of which could be costly and have an adverse effect on our business, financial condition, operating results, cash flows, and prospects. Regulatory agencies or business partners may institute more stringent data protection requirements or certifications than those which we are currently subject to and, if we cannot comply with those standards in a timely manner, we may lose the ability to maintain our platform. Moreover, if third parties that we work with violate applicable laws or our policies, such violations also may put consumer or partner information at risk and could in turn harm our reputation, business, financial condition, operating results, cash flows, and prospects. There can be no assurance that any security measures that we or our third- party service providers have implemented will be effective against current or future security threats. While we have developed systems and processes to protect the integrity, confidentiality, and security of our and our partners' data, our security measures or those of our third- party service providers could fail and result in unauthorized access to or disclosure, modification, misuse, loss or destruction of such data. In addition, we may be unable to halt the operations of third- party websites that aggregate or misappropriate our data, and such activity could harm our business, financial condition, operating results, cash flows, and prospects ~~or~~ at all.Although alternative data center providers could host our platform on a substantially similar basis to AWS,transitioning the cloud infrastructure currently hosted by AWS to alternative providers could potentially be disruptive and we could incur significant one- time costs as well as increased operating costs.If we are unable to renew our agreement with AWS on commercially reasonable terms,our agreement with AWS is prematurely terminated,or we add additional infrastructure providers,we may experience costs or downtime in connection with the transfer to,or the addition of,new data center providers.If AWS or other infrastructure providers increase the costs of their services,our business,financial condition,operating results,cash flows,and prospects could be materially and adversely affected **.** Our proprietary predictive modeling tools and ~~artificial intelligence~~ **machine learning** algorithms may not operate properly or as we expect them to, which could detrimentally impact our buyers' advertising campaigns. Moreover, our proprietary predictive modeling tools and ~~artificial intelligence~~ **machine learning** algorithms may lead to unintentional bias and discrimination. We use proprietary predictive modeling tools and ~~artificial intelligence~~ **machine learning** algorithms in our product offerings. The data that we gather from interactions with consumers is evaluated and curated by proprietary predictive modeling tools and ~~artificial intelligence~~ **machine learning** algorithms. The continuous development, maintenance, and operation of our ~~back- end~~ data analytics ~~engine~~ **infrastructure** is expensive and complex, and may involve unforeseen difficulties, including material performance problems, undetected defects or errors. We may encounter technical obstacles, and it is possible that we may discover additional problems that prevent our proprietary predictive modeling tools and ~~artificial intelligence~~ **machine learning** algorithms from operating properly. If our data analytics do not function reliably, this could negatively impact either the bidding experience for buyers on our platform or our ability to filter bids as part of the bid screening process or accurately predict a consumer' s buying behavior. Any of these situations could result in buyers' dissatisfaction with us, which could cause our buyers to stop using our platform or prevent prospective buyers from using our platform. Additionally, our proprietary predictive modeling tools and ~~artificial intelligence~~ **machine learning** algorithms may lead to unintentional bias and discrimination, which could subject us to legal or regulatory liability as well as reputational harm. Any of these eventualities could result in a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. If the way cookies are used or shared, or if the use or transfer of cookies is restricted by third parties outside of our control or becomes subject to unfavorable legislation or regulation, our ability to develop and provide certain products or services could be affected. Small text files (referred to as " cookies ") placed on internet browsers by certain websites are used to gather data regarding a user' s web browsing activity. For example, cookie data allows us to collect data about the websites and webpages that users may visit or to identify users on other websites who have previously visited our partners' websites. This information helps us to recognize prior users and to gather accurate conversion data from our partners. The availability of cookie data may be limited by numerous potential factors, including general trends among internet users to refuse to accept cookies on their web browsers, web browsers blocking third- party cookies by default or otherwise transitioning away from using cookies, other laws or regulations limiting the transferability or use of information gathered using cookies, or the refusal of providers of such information to provide it to us or to provide it to us on favorable terms. If we are not able to obtain this information on the terms we anticipate, our product offerings may be affected, which may cause a reduction in revenue or a reduction in revenue growth. Our use of " open source " software could adversely affect our ability to protect our proprietary software and subject us to possible litigation. Some of our services and technologies incorporate software licensed under so- called " open source " licenses. In addition to risks related to general license requirements, usage of " open source " software can lead to greater risks than use of third- party commercial software, as " open source " licensors generally do not provide warranties or controls on origin of the software or other contractual protections regarding infringement claims or code quality, as it is generally freely accessible, usable, and modifiable, and is made available to the general public on an " as- is " basis under the terms of a non- negotiable license. Additionally, " open source " licenses frequently require that source code subject to the license be made available to the public, and often require that modifications or derivative works to " open source " software continue to be licensed under " open source " licenses. Certain " open source " licenses mandate that proprietary software, when combined in specific ways with " open source " software, become subject to the " open source " license. From time to time, companies that incorporate open source software into their platforms have faced claims challenging the use of open source software and / or compliance with open source license terms. We could be subject to suits by parties claiming ownership of what we believe to be open source software, or claiming non- compliance with open source licensing terms. Some open source licenses require users who distribute software containing open source to make available source code for modifications or derivative works we create based upon the type of open source software we use, or grant other licenses to our intellectual property, which in some circumstances could include valuable proprietary code of the user. While we monitor our use of open source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open source agreement, such use could inadvertently occur, in part because open source license terms are often ambiguous. The terms of many open source licenses have not been interpreted by U. S. or foreign courts, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to provide our platform. If we are held to have breached or failed to fully comply with all the terms and conditions of an open source software license, or if an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations, could be subject to significant damages, enjoined from the operation of our platform or other liability, or be required to seek costly licenses from third parties to continue providing our platform on terms that are not economically feasible, to re- engineer our platform, to discontinue or delay the provision of our platform if re- engineering could not be accomplished on a timely basis, or to make generally available, in source code form, our proprietary code, any of which would adversely affect our business, financial condition, operating results, cash flows, and prospects, and could help our competitors develop platforms that are similar to or better than ours. Risks related to laws and regulation Our business is subject to a variety of laws and regulations, both in the U. S. and internationally, many of which are evolving. We are subject to a wide variety of laws and regulations. Laws, regulations, and standards governing issues such as internet communications, advertising, e- commerce, worker classification, employment, payments, worker confidentiality obligations, intellectual property, consumer protection, taxation, privacy, antitrust and data security are often complex and subject to varying interpretations, in many cases due to their lack of specificity and, as a result, their application in practice may change or develop over time through judicial decisions or as new guidance or interpretations are provided by regulatory and governing bodies, such as federal and state administrative agencies. Many of these laws were adopted prior to the advent of the internet, mobile and related technologies and, as a result, do not contemplate or address the unique issues of the internet, mobile and related technologies. Other laws and regulations may be adopted in response to internet, mobile and related technologies. New and existing laws and regulations (or changes in interpretation of existing laws and regulations) may also be adopted, implemented, or interpreted to apply to us and other online platforms. As our platform' s scope expands, regulatory agencies or courts may claim that we, or our users, are subject to additional requirements or that we are prohibited from conducting our business in or with certain verticals or jurisdictions. It is also possible that certain provisions in agreements with our buyers, sellers, and service providers may be found to be unenforceable or not compliant with applicable law. Recent financial, political, and other events may increase the level of regulatory scrutiny on larger companies and technology companies in general. The effects of recently imposed and proposed governmental antitrust actions are uncertain because of the dynamic nature of such actions. Scrutiny and regulation of the technology industry may increase, which could require us to devote significant legal and other resources to addressing such scrutiny and regulation. The growth and development of the technology industry in general may prompt calls for greater enforcement of U. S. and / or state antitrust laws, which may impose additional burdens on companies such as ours. Regulatory agencies may also enact new laws or promulgate new regulations that are adverse to our business, or they may view matters or interpret laws and regulations differently than they have in the past or in a manner adverse to our business. Such regulatory scrutiny or action may create different or conflicting obligations on us from one jurisdiction to another. On February 21, 2023, we received a civil investigative demand from the Federal Trade Commission (FTC) regarding compliance with the FTC Act and the Telemarketing Sales Rule, as they relate to the advertising, marketing, promotion, offering for sale, or sale of healthcare- related products, the collection, sale, transfer or provision to third parties of consumer data, telemarketing practices, and / or consumer privacy or data security. We **are** ~~intend to cooperate~~ **cooperating** with the FTC. If, as a result of the FTC' s request, proceedings are initiated and we are found to have violated one or more applicable laws, we may be subject to monetary penalties and / or required to change one or more of our related business practices, any of which could have a material adverse effect on our business, results of operations or financial condition. Laws and regulations regulating insurance activities are complex and could negatively affect us and / or our supply and demand partners, which could in turn have a material and adverse effect on our business, may reduce our profitability and potentially limit our growth. The insurance industry in the U. S. is heavily regulated. The insurance regulatory framework addresses, among other things: granting licenses to companies and agents to transact particular business activities; and regulating trade, marketing, compensation, and claims practices. In 2021, we became licensed to sell health insurance policies in all 50 U. S. states and the District of Columbia, which has subjected us to laws and regulations applicable to insurance brokers and to the authority of the insurance regulators in those jurisdictions. In addition, Medicare providers and their brokers and marketing partners are subject to the regulations governing the marketing and sale of Medicare Advantage and Medicare Supplement plans, which are administered by the Centers for Medicare and Medicaid Services (CMS), have materially changed the rules regarding how such policies are marketed, and may materially restrict our ability to sell Consumer Referrals to certain buyers in the future. The cost of compliance with such regulations or any non- compliance could impose material costs on us and our partners and negatively affect our or their business, marketing practices, and budgets, any of which could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. Furthermore, the laws and regulations governing the sale of insurance may change in ways that adversely impact our business or those of our insurance partners. For example, CMS has recently ~~proposed~~ **made** significant changes in the regulations regarding how Medicare plans may be marketed and sold **, and may make additional changes in the future** . **In addition, CMS has recently proposed changes in the regulations regarding the compensation of Medicare brokers and the maximum duration of short- term, limited- duration health insurance plans,** These or other changes **have impacted and** could **in the future** impact the manner in which we or our partners are permitted to conduct business, which could negatively affect our and / or their marketing practices, budgets, and overall level of business with us, which could adversely impact our business, financial condition, operating results, cash flows, and prospects. Changes and developments in the regulation of the healthcare industry could adversely affect our business, financial condition, operating results, cash flows, and prospects. The U. S. healthcare industry is subject to an evolving regulatory regime at both the federal and state levels. In recent years, there have been multiple reform efforts made within the healthcare industry in an effort to curtail healthcare costs. For example, the Patient Protection and Affordable Care Act of 2010 (the " PPACA ") and related regulatory reforms have materially changed the regulation of health insurance. While it is difficult to determine the impact of potential reforms on our future business, it is possible that such changes in industry regulation could result in reduced demand for our platform. Our insurance partners may react to existing or future reforms, or general regulatory uncertainty, by reducing their reliance on our platform. Developments of this type could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. Healthcare laws and regulations are rapidly evolving and may change significantly in the future, impacting the coverage and plan designs that are or will be provided by certain insurance carriers. Health reform efforts and measures may expand the role of government- sponsored coverage, including single payer or " Medicare- for- All " proposals, which could have far- reaching implications for the insurance industry if enacted. We are unable to predict the full impact of healthcare reform initiatives on our operations in light of the uncertainty regarding the terms and timing of any provisions enacted and the impact of any of those provisions on various healthcare and insurance industry participants. In particular, because our platform helps connect consumers to websites and other distribution channels where they can shop for insurance policies from a panel of insurance carriers, the expansion of government- sponsored coverage through " Medicare- for- All " or the implementation of a single payer system may adversely impact our business, financial condition, operating results, cash flows, and prospects. Changes in laws or regulations relating to privacy, data protection or the protection or transfer of personal data could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. We are subject to a variety of federal, state, local, and international laws, directives, and regulations, as well as contractual obligations, relating to privacy and the collection, protection, use, retention, security, disclosure, transfer, and other processing of personal information and other data, including the California Online Privacy Protection Act, the California Consumer Privacy Act (the " CCPA "), the California Privacy Rights Act (the " CPRA ") and other state privacy laws, the Personal Information Protection and Electronic Documents Act, the Controlling the Assault of Non- Solicited Pornography and Marketing Act (the " CAN- SPAM Act "), Canada' s Anti- Spam Law, the Telephone Consumer Protection Act of 1991 (the " TCPA "), the U. S. Federal Health Insurance Portability and Accountability Act of 1996 (" HIPAA "), Section 5 (c) of the Federal Trade Commission Act, the **FTC' s Telemarketing Sales Rule (the " TSR "), the** EU' s General Data Protection Regulation, supplemented by national laws (such as, in the United Kingdom, the Data Protection Act 2018) and further implemented through binding guidance from the European Data Protection Board. These laws, rules and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation and changes in enforcement, and may be inconsistent from one jurisdiction to another. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. Although we endeavor to comply with our published policies and documentation and ensure their compliance with current laws, rules and regulations, we may at times fail to do so or be alleged to have failed to do so. The publication of our privacy policy and other documentation that provide promises and assurances about privacy and security can subject us to potential state and federal action in the U. S. if they are found to be deceptive, unfair, or misrepresentative of our actual practices. Any failure by us or other parties with whom we do business to comply with this documentation or with federal, state, local or international regulations could result in proceedings against us by governmental entities, private parties or others. In many jurisdictions, enforcement actions and consequences for non- compliance are rising. In the U. S., these include enforcement actions in response to rules and regulations promulgated under the authority of federal agencies and state attorneys general and legislatures and consumer protection agencies. A number of federal and state laws and regulations relating to privacy affect and apply to the insurance industry specifically, including those imposed by the New York Department of Financial Services. In addition, privacy advocates and industry groups have proposed and may propose new and different self- regulatory standards that either legally or contractually apply to us. If we fail to follow these security standards even if no customer information is compromised, we may incur significant fines or experience a significant increase in costs. Internationally, virtually every jurisdiction in which we operate has established its own data security and privacy legal framework with which we or our customers must comply, including, but not limited to the EU. Complying with these regulations may cause us to incur substantial operational costs or require us to change our business practices. Despite our efforts, we may not be successful in our efforts to achieve compliance either due to internal or external factors such as resource allocation limitations or a lack of vendor cooperation. Non- compliance could result in proceedings against us by governmental entities, customers, data subjects or others. We may also experience difficulty retaining or obtaining new European or multi- national customers due to the legal requirements, compliance cost, potential risk exposure, and uncertainty for these entities, and we may experience significantly increased liability with respect to these customers pursuant to the terms set forth in our engagements with them. Domestic laws in this area are also complex and developing rapidly. Many state legislatures have adopted or are currently considering legislation that regulates how businesses operate online, including measures relating to privacy, data security, and data breaches. Laws in all 50 states require businesses to provide notice to customers whose personally identifiable information has been disclosed as a result of a data breach. The laws are not consistent, and compliance in the event of a widespread data breach is costly. States are also frequently amending existing laws, requiring attention to frequently changing regulatory requirements. For example, the CCPA, among other things, requires new disclosures to California consumers and affords such consumers new abilities to access and delete their personal information, opt- out of certain sales of personal information and receive detailed information about how their personal information is used. The CCPA provides for fines of up to $ 7, 500 per violation, as well as a private right of action for data breaches that is expected to increase the frequency of data breach litigation. While the CCPA has already been amended multiple times, it is unclear how this legislation will be further modified or how it will be interpreted. The effects of this legislation potentially are far- reaching, however, and may require us to modify our data processing practices and policies and incur substantial compliance- related costs and expenses. Additionally, the CPRA, which became effective in most material respects on January 1, 2023, modifies the CCPA significantly, including by expanding consumers' rights with respect to certain sensitive personal information and creating a new state agency to oversee implementation and enforcement efforts, which may result in further uncertainty and require us to incur additional costs and expenses in an effort to comply. The CCPA, CPRA and other changes in laws or regulations relating to privacy, data protection and information security, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer or disclosure, could greatly increase the cost of providing our offerings, require significant changes to our operations or even prevent us from providing certain offerings in jurisdictions in which we currently operate and in which we may operate in the future. Further, as we continue to expand our platform offerings and user base, we may become subject to additional privacy- related laws and regulations. For example, the collection and storage of healthcare data by health insurance carriers subject them to compliance requirements under HIPAA. HIPAA and its implementing regulations contain substantial restrictions and requirements regarding the use, collection, security, storage, and disclosure of individuals' protected health information. In 2009, HIPAA was amended by the HITECH Act to impose certain of HIPAA' s privacy and security requirements directly upon business associates of covered entities. Health insurance carriers are covered entities under HIPAA. In the event we are deemed to be a business associate of such carriers, we may be bound by compliance obligations under HIPAA, including security breach notification obligations, and subject to increased liability as a possible liable party. In such instance, if we knowingly breach the HITECH Act' s requirements, we could be exposed to criminal liability. A breach of our safeguards and processes could expose us to civil penalties up to $ 1. 5 million for identical incidences and the possibility of civil litigation. Additionally, we have incurred, and may continue to incur, significant expenses in an effort to comply with privacy, data protection and information security standards and protocols imposed by law, regulation, industry standards or contractual obligations. Despite our efforts to comply with applicable laws, regulations and other obligations relating to privacy, data protection, and information security, it is possible that our practices, offerings or platform could be inconsistent with, or fail or be alleged to fail to meet all requirements of, such laws, regulations or obligations. Our failure, or the failure by our third- party providers or partners, to comply with applicable laws or regulations or any other obligations relating to privacy, data protection or information security, or any compromise of security that results in unauthorized access to, or use or release of personally identifiable information or other data, or the perception that any of the foregoing types of failure or compromise has occurred, could damage our reputation, discourage new and existing partners from using our platform, delay planned uses, and disclosures of data or result in fines or proceedings by governmental agencies and private claims and litigation, any of which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. Even if not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. Our and our partners' communications with potential and existing consumers are subject to laws regulating telephone and email marketing practices. We and our partners make telephone calls and send emails and text messages to potential and existing consumers **, which are subject to various state** ~~. The U. S. regulates marketing by telephone~~ and **federal** ~~email and the~~ laws ~~and regulations~~ - **regulating** ~~governing the use of emails and telephone calls for marketing~~ **telemarketing communications (including SMS** ~~purposes continue to evolve, and changes in technology, the industry or consumer preferences may lead to the adoption of additional laws or regulations or changes in interpretation of existing laws or regulations. New laws or regulations, or changes to the manner in which existing laws and regulations are interpreted or enforced, may further restrict our~~ - **or text messaging), including** ~~and our partners' ability to contact potential and existing consumers by phone and email and could render us and them~~ - **the TCPA and TSR** ~~unable to communicate with consumers in a cost- effective fashion~~. The TCPA prohibits companies from making telemarketing calls **using an automated telephone dialing system (ATDS) or artificial or prerecorded voice technology (collectively, " robocalls "), or** to numbers listed in the Federal Do- Not- Call Registry **,** and imposes other obligations and limitations on making phone calls and sending text messages to consumers **, in either case without the prior consent of the consumer. The TSR prohibits robocalls unless the caller has obtained prior express written consent directly from the consumer following clear and conspicuous disclosure** . The CAN- SPAM Act regulates commercial email messages and specifies penalties for the transmission of commercial email messages that do not comply with certain requirements, such as providing an opt- out mechanism for stopping future emails from senders. ~~We and~~ **Failure of** our partners

~~are required~~ to comply with these and similar laws, rules and regulations **may subject us to claims by regulatory authorities and / or private plaintiffs** . However, because our **Supply** ~~partners~~ **Partners** may ~~provide~~ **acquire** ~~consumer~~ **Consumer** ~~information~~ **Referrals from third- party suppliers, and our Demand Partners may resell Consumer Referrals** to third- party advertisers **,** with whom we do not have ~~a~~ direct contractual ~~relationship~~ **relationships** , we may not be able to monitor ~~the~~ **their** compliance activity **effectively** ~~of such third- party advertisers~~ . **Our** ~~Failure~~ **failure** to comply with obligations and restrictions related to telephone, text message, and email marketing **, or similar failures by our Supply Partners or Demand Partners (or third parties with whom they work),** could subject us and them to lawsuits, fines, statutory damages, consent decrees, injunctions, adverse publicity, and other losses that could harm, directly or indirectly, **our business, financial condition, operating results, cash flows, and prospects. The laws and regulations governing the use of emails and telephone calls for marketing purposes continue to evolve, and changes in technology, the industry, regulatory priorities or consumer preferences may lead to the adoption of additional laws or regulations or changes in the manner in which existing laws and regulations are interpreted or enforced, which could have a material adverse effect on our business. For example, in 2023 the FTC started taking a new position (in public statements and enforcement actions) that consent to receive robocalls under the TSR must be received directly from the consumer, rather than through a third party such as a lead generator. In addition, in December 2023, the FCC adopted new rules which, among other things, amend the consent requirements of the TCPA to require that prior express written consent to receive robocalls made for telemarketing purposes may only be given to one caller at a time, and that such robocalls be " logically and topically associated " with the interaction that prompted the consent. The new rules will be effective starting January 27, 2025, and will further restrict our and our partners' ability to contact potential and existing consumers by phone and text, as well as subject us and our partners to increased costs, technological compliance challenges and additional legal risks, including potential liabilities or claims relating to compliance. This may have an adverse impact on the demand for leads and calls by Demand Partners and the ability of Supply Partners to generate such leads on a cost- effective basis. A reduction in the volume of leads and calls supplied to our marketplaces, or a reduction in the ability of our owned and operated lead generation websites to generate such leads and calls profitably, could harm our business, financial condition, operating results, cash flows, and prospects. In addition, the new rules could increase the risk of claims made against us or our partners by private plaintiffs alleging violations of the TCPA, which could have a material and adverse effect on** our business, financial condition, operating results, cash flows, and prospects. Risks related to being a public company Our operating results or other operating metrics may fluctuate significantly on a quarterly and annual basis and may not meet expectations of research analysts, which could cause the trading price of our Class A common stock to decline. Our quarterly operating results and other operating metrics have fluctuated in the past and may in the future fluctuate as a result of a number of factors, many of which are outside of our control and may be difficult to predict. Period to period variability or unpredictability of our results could result in our failure to meet our expectations or those of any analysts that cover us or investors with respect to revenue or other operating results for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our Class A common stock could fall substantially, and we could face litigation, including securities class actions. In addition, if one or more analysts covering our business downgrade their evaluations of our Class A common stock or the stock of other companies in our industry, the price of our Class A common stock could decline. If one or more analysts cease to cover our Class A common stock, we could lose visibility in the market for our Class A common stock, which in turn could cause our stock price to decline. Our quarterly results, including the levels of our revenue, our operating expenses and other costs, and our operating metrics, may fluctuate significantly in the future, and period- to- period comparisons of our results may not be meaningful. Accordingly, the results of any one period should not be relied upon as an indication of our future performance. In addition, our quarterly results may not fully reflect the underlying performance of our business. Factors that may cause fluctuations in our quarterly results include, but are not limited to: • the timing of cyclical changes in market conditions in the P & C insurance and health insurance industries, and in the levels of customer acquisition spending by our demand partners; • the mix of Transaction Value in a given period from Open Marketplace and Private Marketplace transactions; • our ability to attract new supply and demand partners and retain our existing supply and demand partners, and to expand our business with these partners; • the timing and level of market acceptance of new platform capabilities introduced by us and our competitors; • the amount and timing of operating expenses and other costs related to the maintenance and expansion of our business, infrastructure and operations; • the amount and timing of operating expenses and other costs associated with assessing or entering new vertical markets; • the amount and timing of operating expenses and other costs related to the development or acquisition of businesses, technologies or intellectual property rights; • the timing and impact of security breaches, service outages or other performance problems with our technology infrastructure and software solutions; • the timing and costs associated with legal or regulatory actions or compliance with new regulations; • changes in the competitive dynamics of our industry, including consolidation among competitors, strategic partners or customers; • loss of our executive officers or other key employees; and • general economic and market conditions. In addition to other factors that cause our results of operations to fluctuate, our results are also subject to significant seasonal **and cyclical** fluctuation. **Our** ~~In our~~ P & C insurance vertical ~~, revenue and results in~~ **is typically characterized by seasonal weakness during** our fourth ~~fiscal~~ quarter ~~are typically weaker than in our first three fiscal quarters~~ due to ~~lower supply of Consumer Referrals on a cost- effective basis during the holiday period and~~ lower customer acquisition budgets from **buyers and lower** ~~some demand partners. In our first fiscal quarter, this trend generally reverses with greater~~ supply of Consumer Referrals ~~and often new~~ **during the holiday period. During our first quarter, our P & C insurance vertical typically exhibits seasonal strength as** customer acquisition budgets **from** ~~at the beginning of the year for~~ our **buyers and Consumer Referral volume from** ~~partners with fiscal years ending December 31. In~~ our **sellers both increase sequentially. Our** health insurance vertical ~~, revenue and results~~ **typically experiences seasonal strength during the fourth quarter due to a material increase** in ~~our second~~ **Consumer Referrals** and

~~third fiscal~~ **a related increase in customer acquisition budgets in connection with the Medicare annual enrollment period, which generally runs from October 15 to December 7 each year, and the under- 65 health insurance open enrollment period, which generally runs from November 1 through December 15 in many states, with the last ending on January 31st of the following year. Customer acquisition spending in our health insurance vertical is typically lower during the other** quarters ~~are typically weaker than~~ **of the year because most consumers enroll** in **these plans** ~~our first and last fiscal quarters~~ during ~~which~~ the **annual and** open enrollment periods ~~for health insurance and annual enrollment for Medicare drive a material increase in consumer search volume for health insurance and Medicare products and a related increase in demand partner customer acquisition budgets~~. Fluctuations in quarterly results may negatively impact the value of our Class A common stock, regardless of whether they impact or reflect the overall performance of our business. If our quarterly results fall below the expectations of investors or any securities analysts who follow our stock, or below any guidance we may provide, the price of our common stock could decline substantially. We are required to make significant estimates and assumptions in the preparation of our financial statements. These estimates and assumptions may not be accurate and are subject to change. The preparation of our consolidated financial statements in conformity with GAAP requires our management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of our consolidated financial statements, and the reported amounts of income and expense during the reporting periods. If our underlying estimates and assumptions prove to be incorrect or if events occur that require us to revise our previous estimates or assumptions, our business, financial condition, operating results, cash flows, and prospects may be materially and adversely affected. The obligations associated with being a public company require significant resources and management attention, which has increased and will increase our costs of operations and may divert focus from our business operations. As a public company, we are subject to the reporting requirements of the Exchange Act, and the Sarbanes- Oxley Act, the listing requirements of the NYSE and other applicable securities rules and regulations. Compliance with these rules and regulations will continue to increase our legal and financial compliance costs, make some activities more difficult, time- consuming or costly and increase demand on our systems and resources. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we take may not be sufficient to satisfy our obligations as a public company. In addition, these rules and regulations increase our legal and financial compliance costs and make some activities more time- consuming and costly. Furthermore, the need to maintain the corporate infrastructure demanded of a public company may divert management' s attention from implementing our growth strategy, which could prevent us from successfully implementing our strategic initiatives and growing our business. These additional obligations could have a material adverse effect on our business, financial condition and results of operations. Risks related to internal control on financial reporting As a public company, we are required to establish and maintain effective internal control over financial reporting in order to comply with Section 404 of the Sarbanes- Oxley Act. Our internal control over financial reporting may not be determined to be effective, or our independent registered public accountants may issue an adverse opinion on these controls, all of which may adversely affect investor confidence in us and, as a result, the value of our Class A common stock. On an annual basis, we are required by Section 404 of the Sarbanes- Oxley Act to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. The process of designing, implementing and maintaining internal controls over financial reporting required to comply with this requirement is time- consuming, costly and complicated. If during the evaluation and testing process we identify one or more material weaknesses in our internal control over financial reporting, or we are unable to remediate any material weakness, our management will be unable to assert that our internal control over financial reporting is effective. In addition, if we fail to establish and maintain the adequacy of our internal control over financial reporting, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes- Oxley Act. Our independent registered public accounting firm is required to formally attest to the effectiveness of our internal control over financial reporting on an annual basis, and may issue a report that is adverse in the event it is not satisfied with the level at which our internal controls over financial reporting are documented, designed, operating or reviewed. Any failure to maintain effective disclosure controls and procedures and internal controls over financial reporting could materially and adversely affect our business, results of operations and financial condition and could cause a decline in the trading price of our common stock. We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are not able to implement the requirements of Section 404 of the Sarbanes- Oxley Act in a timely manner or with adequate compliance, our independent registered public accounting firm may issue an adverse opinion due to ineffective internal controls over financial reporting, and we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. As a result, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs in improving our internal control over financial reporting, including the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows. We may identify material weaknesses in the future or otherwise fail to maintain an effective internal control over financial reporting and may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. ~~In connection with the preparation of our consolidated financial statements, we identified and disclosed in our Annual Report on Form 10- K for the year ended December 31, 2020 a material weakness in our internal control over financial reporting. The material weakness we identified related to the accounting for equity- based compensation arrangements. Specifically, we did not design and maintain effective controls to ensure that the applicable guidance and accounting policies were appropriately applied to equity- based compensation arrangements and were~~

~~properly reflected in our consolidated financial statements. The material weakness resulted in misstatements to Members' Equity and Equity- based compensation which resulted in the restatement of our audited consolidated financial statements for the years ended December 31, 2019 and 2018. Additionally, this control deficiency could result in a misstatement to the aforementioned accounts and disclosures that would result in a material misstatement of our consolidated financial statements that would not be prevented or detected, and accordingly, we determined this control deficiency constituted a material weakness. We implemented new internal controls to address this material weakness, and remediated the control deficiency that led to the material weakness as of December 31, 2021.~~ We cannot assure you that the measures we have taken to date, and actions we may take in the future, will be sufficient to avoid potential future material weaknesses. If we identify any ~~additional~~ material weaknesses in the future and are unable to successfully remediate any future material weaknesses in our internal control over financial reporting, the accuracy and timing of our financial reporting may be adversely affected, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting, and our share price may decline as a result. Risks related to our Class A common stock The market price of our Class A common stock may be subject to substantial fluctuations, which may make it difficult for you to sell your shares at the volume, price and times desired. The market price of our Class A common stock has been highly volatile, which may make it difficult for you to sell your shares at the volume, prices and times desired. Shares of technology companies have historically experienced levels of volatility that can exceed the overall market. Since shares of our Class A common stock were initially sold in the IPO in October 2020 at a price of $ 19. 00 per share, the low and high closing sales prices of our Class A common stock ranged from $ ~~7~~ **5** . ~~87~~ **36** to $ 64. 11 per share, respectively, through December 31, ~~2022~~ **2023** . Some specific factors that may have a significant effect on the market price of our Class A common stock include: • actual or anticipated fluctuations in our operating results or those of our competitors; • actual or anticipated changes in the growth rate of the online insurance / digital advertising market or the growth rate of our businesses or those of companies that investors deem comparable to us; • changes in economic or business conditions; • changes in governmental regulation; and • publication of research reports about us, our competitors or our industry, or changes in, or failure to meet, estimates made by securities analysts or ratings agencies of our financial and operating performance, or lack of research reports by industry analysts or ceasing of analyst coverage. This volatility may be increased due to the limited trading volume in our Class A common stock. Our Class A common stock is traded on the NYSE, and despite certain increases of trading volume from time to time, there have been periods when our Class A common stock could be considered thinly- traded, meaning that the number of persons interested in purchasing or selling our Class A common stock at or near the current market price at any given time may be relatively small. This increases the potential for increases in the level of buying or selling interest to have a greater impact on the market price of our Class A common stock. In addition, the lack of a robust resale market may require a stockholder who desires to sell a large number of shares of our Class A common stock to sell the shares in increments over time to mitigate any adverse impact of the sales on the market price of our stock. Our issuance of additional capital stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise would dilute all other stockholders. In the future, we may issue additional stock, including as grants of equity awards to employees, directors and consultants under our equity incentive plans, to raise capital through equity financings or to acquire or make investments in companies, products or technologies for which we may issue equity securities to pay for such acquisition or investment. Any such issuances of additional capital stock may cause stockholders to experience significant dilution of their ownership interests and the per share value of our Class A common stock to decline. We do not intend to pay dividends in the foreseeable future. The declaration and amount of any future dividends to holders of our Class A common stock is at the discretion of our Board of Directors in accordance with applicable law and after taking into account various factors, including our financial condition, operating results, current and anticipated cash needs, cash flows, impact on our effective tax rate, indebtedness, contractual obligations, legal requirements, and other factors that our Board of Directors deems relevant. In addition, the Amended Credit Agreement contains restrictions on our ability to pay dividends, subject to certain exceptions. Accordingly, we do not expect to pay dividends in the foreseeable future. As a result, capital appreciation, if any, of our Class A common stock will be your sole source of gain for the foreseeable future. Sales of a substantial number of shares of our Class A common stock by our pre- IPO stockholders in the public market, or the perception that such sales may occur, could cause the price of our Class A common stock to fall. The market price of our Class A common stock could decline as a result of sales of a large number of shares of our Class A common stock by our pre- IPO stockholders, including shares issuable upon the exchange of Class B- 1 units (together with an equal number of shares of our Class B common stock). The perception in the public market that our pre- IPO stockholders might sell shares of Class A common stock could also depress our market price. As of December 31, ~~2022~~ **2023** , ~~43~~ **47** . ~~7~~ **4** million Class A- 1 units and 18. ~~9~~ **1** million Class B- 1 units were outstanding. Each Class B- 1 unit, together with one share of our Class B common stock, is exchangeable for one share of Class A common stock (or, at our election, cash of an equivalent value). Substantially all of such shares may be resold at any time, subject in certain cases to compliance with Rule 144 under the Securities Act. In ~~addition, in~~ November 2021, pursuant to a registration rights agreement with certain of our existing investors, including White Mountains, Insignia, and the Senior Executives, we registered **certain** ~~34. 9 million~~ of their shares of our Class A common stock, including those delivered in exchange for Class B- 1 units, for resale **, of which 34. 3 million shares remained registered and available for sale as of November 30, 2023** . These sales, or the possibility that these sales may occur, may also make it more difficult for us to raise additional capital in the future by selling shares of our Class A common stock or other equity securities at a time and price that we deem appropriate. Certain provisions in our amended and restated certificate of incorporation, our amended and restated bylaws, our stockholders' agreement and of Delaware law may prevent or delay an acquisition of MediaAlpha, Inc., which could decrease the trading price of our Class A common stock. Our amended and restated certificate of incorporation, amended and restated bylaws and stockholders' agreement contain, and Delaware law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the bidder and to encourage prospective acquirers to negotiate with our Board of Directors rather than to attempt a hostile takeover. Among other things, these provisions: • divide our Board of Directors into three staggered classes of directors that are each elected to three- year terms; • provide the Board of Directors with the sole ability to fill a vacancy created by the expansion of the Board of Directors; • prohibit stockholder action by written consent after the date on which White Mountains, Insignia, and the Founders cease to collectively own at least a majority in voting power of shares of our common stock; • authorize the issuance of " blank check " preferred stock that could be issued by our Board of Directors to increase the number of outstanding shares of capital stock, making a takeover more difficult and expensive; • prohibit cumulative voting in the election of directors, which could otherwise allow holders of a lesser number of shares to elect director candidates; • 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, the Chief Executive Officer or, so long as White Mountains, Insignia, and the Founders collectively own at least a majority in voting power of shares of our common stock, any such stockholder, subject to certain limitations; • require advance notice to be given by stockholders for any stockholder proposals or director nominees; • after the date on which White Mountains, Insignia, and the Founders cease to collectively own at least a majority in voting power of shares of our common stock, require the affirmative vote of holders of at least 75 % of the voting power of our outstanding shares of common stock to amend certain provisions of our amended and restated certificate of incorporation and any provision of our amended and restated bylaws; • after the date on which White Mountains, Insignia, and the Founders cease to collectively own at least a majority in voting power of shares of our common stock, require the affirmative vote of holders of at least 75 % of the voting power of our outstanding shares of common stock to remove directors and only for cause; • provide that each of White Mountains, Insignia and the Founders are entitled to (i) nominate two directors to the Board of Directors for so long as such stockholder owns at least 12. 5 % of our issued and outstanding shares of common stock as of the closing of our IPO and (ii) nominate one director to the Board of Directors for so long as such stockholder owns less than 12. 5 % but at least 5 % of our issued and outstanding shares of common stock as of the closing of our IPO; • provide that White Mountains, Insignia and the Founders agree to vote for each other' s board nominees pursuant to the terms of the stockholders' agreement; and • require the prior written consent of a majority in interest of White Mountains, Insignia and the Founders for any change in the size of the Board of Directors and to engage in change in control transactions, for so long as such stockholders collectively own at least a majority of the issued and outstanding shares of common stock. In addition, Section 203 of the General Corporate Law of the State of Delaware (the " DGCL ") may affect the ability of an " interested stockholder " to engage in certain business combinations, for a period of three years following the time that the stockholder becomes an " interested stockholder. " We elected in our amended and restated certificate of incorporation not to be subject to Section 203 of the DGCL. Nevertheless, our amended and restated certificate of incorporation contains provisions that have the same effect as Section 203 of the DGCL, except that they provide that each of White Mountains, Insignia, and the Founders and their respective affiliates and transferees are not be deemed to be " interested stockholders, " and accordingly will not be subject to such restrictions. These and other provisions could have the effect of discouraging, delaying or preventing a transaction involving a change in control of our company or could make it more difficult for you and other stockholders to elect directors of your choosing or to cause us to take other corporate actions that you desire. Our amended and restated certificate of incorporation and stockholders' agreement contain provisions renouncing our interest and expectation to participate in certain corporate governance opportunities identified by or presented to certain of our existing investors. Each of White Mountains, Insignia, and the Founders and their respective affiliates may engage in activities similar to ours or lines of business or have an interest in the same areas of corporate opportunities as we do. Our amended and restated certificate of incorporation and stockholders' agreement provide that such stockholders and their respective affiliates will not have any duty to refrain from (1) engaging, directly or indirectly, in the same or similar business activities or lines of business as us, including those business activities or lines of business deemed to be competing with us, or (2) doing business with any of our clients, customers or vendors. In the event that White Mountains, Insignia or the Founders or any of their respective affiliates acquires knowledge of a potential business opportunity which may be a corporate opportunity for us, they will have no duty to communicate or offer such corporate opportunity to us. Our amended and restated certificate of incorporation and stockholders' agreement also provide that, to the fullest extent permitted by law, none of such stockholders or their respective affiliates will be liable to us, for breach of any fiduciary duty or otherwise, by reason of the fact that any such stockholder or any of its affiliates directs such corporate opportunity to another person, or otherwise does not communicate information regarding such corporate opportunity to us, and we will waive and renounce any claim that such business opportunity constituted a corporate opportunity that should have been presented to us. These potential conflicts of interest could have a material and adverse effect on our business, financial condition, operating results, cash flows and prospects if attractive business opportunities are allocated by White Mountains, Insignia or the Founders to themselves or their respective affiliates instead of to us. Our amended and restated certificate of incorporation contains exclusive forum provisions that may discourage lawsuits against us and our directors and officers. Our amended and restated certificate of incorporation provides that unless the Board of Directors otherwise determines, the state courts in the State of Delaware or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware, are the sole and exclusive forum for any derivative action or proceeding brought on behalf of us, any action asserting a claim of breach of a fiduciary duty owed by any of our directors or officers to us or our stockholders, any action asserting a claim against us or any of our directors or officers arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or amended and restated bylaws, or any action asserting a claim against us or any of our directors or officers governed by the internal affairs doctrine under Delaware law. In addition, our amended and restated certificate of incorporation provides that the federal district courts of the United States are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act but that the forum selection provision will not apply to claims brought to enforce a duty or liability created by the Securities Exchange Act of 1934, as amended (the " Exchange Act "). While the Delaware Supreme Court has upheld provisions of the certificates of incorporation of other Delaware corporations that are similar to this forum provision, and other state and Federal courts have upheld the enforceability of such forum provisions, a court of another state could decide that such provisions are not enforceable under the laws of that state. These exclusive forum provisions may limit the ability of our stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with us or our directors or officers, which may discourage such lawsuits against us and our directors and officers. Alternatively, if a court were to find one or more of these exclusive forum provisions inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, we may incur additional costs associated with resolving such matters in other jurisdictions or forums, which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. For example, under the Securities Act, federal courts have concurrent jurisdiction over all suits brought to enforce any duty or liability created by the Securities Act, and investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Any person or entity purchasing or otherwise acquiring any interest in our Class A common stock shall be deemed to have notice of and consented to this exclusive forum provision, but will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. Our amended and restated bylaws provide that, if a claiming party brings certain actions against us and is not successful on the merits, then it will be obligated to pay our litigation costs, which could have the effect of discouraging litigation, including claims brought by our stockholders. Our amended and restated bylaws provide that, except to the extent prohibited by the DGCL, and unless our Board of Directors otherwise approves, in the event that any claiming party (a) initiates, asserts, joins, offers substantial assistance to or has a direct financial interest in a covered proceeding and (b) such claiming party does not obtain a judgment on the merits that substantially achieves, in substance and amount, the full remedy sought by such claiming party, then each such claiming party will be obligated to reimburse us and any applicable director, officer or other employee for all fees, costs, and expenses of every kind and description (including, but not limited to, all attorneys' fees and other litigation expenses) that we or any such director, officer or other employee actually incurs in connection with the covered proceeding. While application of this standard will necessarily need to take into account the particular facts, circumstances, and equities of any particular claim, we would expect a claiming party to be required to prevail on the merits on substantially all of the claims asserted in the complaint and, as a result, receive substantially the full remedy that it was seeking (including, if applicable, any equitable remedy) in order to avoid responsibility for reimbursing such fees, costs, and expenses. Any person or entity purchasing or otherwise acquiring any interest in the shares of our capital stock will be deemed to have notice of and consented to this provision. This provision could have the effect of discouraging litigation against us, including claims brought by our stockholders and including claims that are partially (but not wholly) successful on the merits. However, it is currently unclear whether the Delaware legislature will take action to eliminate or limit the ability of stock corporations to implement provisions such as this, or whether Delaware courts will enforce in full a provision such as this for a Delaware stock corporation. If the Delaware legislature takes action to limit or eliminate our ability to include this provision in our amended and restated bylaws or a court were to find this provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Different interests among our investors or between our investors and us, including with respect to related party transactions, could prevent us from achieving our business goals. For the foreseeable future, we expect that a majority of our Board of Directors will include directors who are affiliated with White Mountains, Insignia, and the Founders. Certain of our pre- IPO stockholders could have business interests that conflict with those of the other investors, which may make it difficult for us to pursue strategic initiatives that require consensus among our owners. Our relationship with our pre- IPO stockholders could create conflicts of interest among our investors, or between our investors and us, in a number of areas relating to our past and ongoing relationships. In addition, our pre- IPO stockholders may have different tax positions from us which could influence their decisions regarding whether and when to dispose of assets, whether and when to incur new or refinance existing indebtedness, especially in light of the existence of the tax receivables agreement, and whether and when we should terminate the tax receivables agreement and accelerate our obligations thereunder. In addition, the structuring of future transactions may take into consideration these pre- IPO stockholders' tax or other considerations even where no similar benefit would accrue to us. Except as set forth in the tax receivables agreement and the stockholders' agreement, there are no formal dispute resolution procedures in place to resolve conflicts between us and our pre- IPO stockholders or among our pre- IPO stockholders. We may not be able to resolve any potential conflicts between us and any pre- IPO stockholders and, even if we do, the resolution may be less favorable to us than if we were negotiating with an unaffiliated party. 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 such pre- IPO stockholders, even if such events are in the best interests of minority stockholders. Furthermore, this concentration of voting power may have a negative impact on the price of our Class A common stock. Pursuant to the stockholders' agreement, certain of our actions will generally require prior written consent of a majority in interest of White Mountains, Insignia, and the Founders, for so long as such stockholders continue to own at least a majority of the issued and outstanding shares of common stock. Each of White Mountains, Insignia, and the Founders is also entitled to nominate one or two directors to the Board of Directors for so long as such stockholder owns at least 12. 5 %, in the case of two directors, or less than 12. 5 % but at least 5 %, in the case of one director, of our issued and outstanding shares of common stock as of the closing of our IPO. Section 203 of the DGCL may affect the ability of an " interested stockholder " to engage in certain business combinations, for a period of three years following the time that the stockholder becomes an " interested stockholder. " We elected in our amended and restated certificate of incorporation not to be subject to Section 203 of the DGCL. Nevertheless, our amended and restated certificate of incorporation contains provisions that have the same effect as Section 203 of the DGCL, except that they provide that each of White Mountains, Insignia, and the

Founders and their respective affiliates and transferees are not deemed to be “ interested stockholders, ” and accordingly are not subject to such restrictions. In addition, because Insignia and the Founders hold their economic interest in our business indirectly through QLH, but not through MediaAlpha, Inc., these existing owners may have conflicting interests with holders of shares of our Class A common stock. We are a “ controlled company ” within the meaning of the NYSE rules and, as a result, we qualify for exemptions from certain corporate governance requirements. Our stockholders do not have the same protections afforded to stockholders of companies that are subject to such requirements. Certain of our pre- IPO stockholders that are a party to the stockholders’ agreement own a majority of the voting power of our outstanding common stock. Accordingly, we are considered a “ controlled company ” under the NYSE rules. Under these rules, a “ controlled company ” may elect not to comply with certain corporate governance requirements, including the requirements that, within one year of the date of listing of our Class A common stock: • we have a board that is composed of a majority of “ independent directors ” as defined under the NYSE rules; and • we have a compensation committee and a nominating and corporate governance committee that is composed of independent directors. We intend to continue to take advantage of certain of these exemptions for so long as we continue to qualify as a “ controlled company. ” Accordingly, during such time our stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements. Risks related to our structure We are a holding company and our only material asset is our indirect interest in QLH and, accordingly, we are dependent upon distributions from QLH to pay taxes and other expenses. We are a holding company and have no material assets other than our indirect ownership of Class A- 1 units. We have no independent means of generating revenue, all of which is generated by QLH’ s subsidiary, QuoteLab, LLC. QLH is treated as a partnership for U. S. federal income tax purposes and, as such, is not itself subject to U. S. federal income tax. Instead, its taxable income is allocated to its members, including us. Accordingly, we incur income taxes on our allocable share of any such income. In addition, we will continue to incur expenses related to our operations. We intend (a) to continue to cause QuoteLab, LLC to make cash distributions to its sole member, QLH, and (b) in turn to continue to cause QLH to make pro rata cash distributions, or tax distributions, to its members, including us, to (i) fund our U. S. federal, state and local tax obligations in respect of our allocable share of QLH’ s taxable income and (ii) cover our obligations under the tax receivables agreement. In certain cases, QLH may also make tax distributions for a fiscal quarter to another member in respect of its pre- exchange allocable share of QLH’ s taxable income for such fiscal quarter relating to Class B- 1 Units (if any) transferred to us by such member (pursuant to the exchange agreement) before the applicable tax distribution date. To the extent that we need funds to pay our tax or other liabilities or to fund our operations, and QLH or QuoteLab, LLC is restricted from making distributions to us under applicable agreements, laws or regulations or does not have sufficient cash to make these distributions, we may have to borrow funds to meet these obligations and operate our business, and our business, financial condition, operating results, cash flows, and prospects could be materially and adversely affected. To the extent that we are unable to make payments under the tax receivables agreement for any reason, such payments will be deferred and will accrue interest until paid. We are required to pay Insignia, the Senior Executives, and White Mountains for certain tax benefits we may claim in the future. In connection with the IPO, the Secondary Offering, and in our ordinary course of business we purchased or exchanged Class B- 1 units from certain unitholders. Also, in the future, Class B- 1 units may be exchanged, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock (or, at our election, cash of an equivalent value). Our initial purchase of units in the IPO, the Pre- IPO Leveraged Distribution and other actual or deemed distributions by QLH to its members, and the post- IPO exchanges of Class B- 1 units may result in increases in our share of the tax basis of the assets of QLH. In connection with the IPO, we entered into the tax receivables agreement with Insignia, the Senior Executives, and White Mountains related to the tax basis step- up of the assets of QLH and certain net operating losses of Intermediate Holdco. Pursuant to the tax receivables agreement, we are required to pay Insignia and the Senior Executives 85 % of the amount of the cash savings, if any, in U. S. federal, state and local income tax that we realize (or are deemed to realize) as a result of these possible increases in tax basis as well as certain other tax benefits attributable to payments under the tax receivables agreement itself. The tax receivables agreement also requires us to pay White Mountains 85 % of the amount of the cash savings, if any, in U. S. federal, state and local income tax that we realize (or are deemed to realize) as a result of the utilization of the net operating losses of Intermediate Holdco attributable to periods prior to our IPO and the deduction of any imputed interest attributable to our payment obligations under the tax receivables agreement. We currently estimate that the amount of any such net operating losses is immaterial. The payments that we may make under the tax receivables agreement could be substantial. Assuming no material changes in relevant tax law and based on our current operating plan and other assumptions, if all of the Class B- 1 units were acquired by us in taxable transactions at December 31, ~~2022~~ **2023** for a price of $ ~~9~~ **11** . ~~95~~ **15** (which is the last reported sale price of our Class A common stock as of December 31, ~~2022~~ **2023** on the NYSE) per Class B- 1 unit, we estimate that the amount that we would be required to pay under the tax receivables agreement could be approximately $ ~~157~~ **160** million. The actual amount we will be required to pay under the tax receivables agreement may be materially greater than this hypothetical amount as potential future payments will vary depending on a number of factors, including the timing of the exchanges, the price of our Class A common stock at the time of the exchanges, the amount, character, and timing of our income and the tax rates then applicable. Payments under the tax receivables agreement are not conditioned on Insignia’ s, the Senior Executives’, or White Mountains’ continued ownership of any of our equity. Based on our recent history of pre- tax losses, the Company does not believe it will generate sufficient future taxable income to utilize the related tax benefits in the foreseeable future and therefore will not be required to make any payments under the tax receivable agreement ~~, except as it relates to payments related to 2021 tax year payable during Q1 2023~~ . We will not be reimbursed for any payments made to Insignia, the Senior Executives, or White Mountains under the tax receivables agreement in the event that any tax benefits are disallowed. As a result, we could make payments under the tax receivables agreement in excess of our cash tax savings that we ultimately realize. We might not determine whether we have effectively made such excess cash payments for a number of years following the time of such payments. We may not be able to realize all or a portion of the tax benefits that are currently expected to result from our purchase (through Intermediate Holdco) of Class B- 1 units from certain unitholders in connection with the IPO, the Pre- IPO Leveraged Distribution and other actual or deemed distributions by QLH to its members, post- IPO exchanges of Class B- 1 units, the utilization of pre- IPO net operating losses of Intermediate Holdco, and payments made under the tax receivables agreement. Our ability to realize the tax benefits that we currently expect to be available as a result of (i) the increases in tax basis created by our purchase (through Intermediate Holdco) of Class B- 1 units from certain unitholders in connection with the IPO, or by any post- IPO exchanges of Class B- 1 units, in each case, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock (or, at our election, cash of an equivalent value), (ii) the Pre- IPO Leveraged Distribution and other actual or deemed distributions by QLH to its members that result in tax basis adjustments to the assets of QLH, (iii) payments made pursuant to the tax receivables agreement, (iv) our ability to utilize the pre- IPO net operating losses of Intermediate Holdco, and (v) our ability to utilize the interest deductions imputed under the tax receivables agreement all depend on a number of assumptions, including that we earn sufficient taxable income each year during the period over which the deductions arising from such basis increases and payments are available and that there are no adverse changes in applicable law or regulations. If our actual taxable income is insufficient or there are adverse changes in applicable law or regulations, we may be unable to realize all or a portion of these expected benefits and our cash flows and stockholders’ equity could be negatively affected. In certain cases, payments by us under the tax receivables agreement may be accelerated or significantly exceed the tax benefits we realize in respect of the tax attributes subject to the tax receivables agreement. The tax receivables agreement provides that upon certain changes of control, or if, at any time, we elect an early termination of the tax receivables agreement or are in material breach of our obligations under the tax receivables agreement, we will be required to make immediate payments to the tax receivables agreement’ s counterparties equal to the present value of the anticipated future tax benefits. Such payments would be based on certain valuation assumptions and deemed events set forth in the tax receivables agreement, including the assumption that we have sufficient taxable income to fully use such tax benefits. The benefits would be payable even though, in certain circumstances, no Class B- 1 units have actually been exchanged and no net operating losses are actually used at the time of the accelerated payments. Accordingly, payments under the tax receivables agreement may be made years in advance of the actual realization, if any, of the anticipated tax benefits and may be significantly greater than the benefits we eventually realize. In these situations, our obligations under the tax receivables agreement could have a substantial negative impact on our liquidity. We may not be able to finance our obligations under the tax receivables agreement and any indebtedness we incur may limit our subsidiaries’ ability to make distributions to us to pay these obligations. In addition, our obligations under the tax receivables agreement could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control that could be in the best interests of holders of our Class A common stock.