

Claims Committee Meeting Minutes

ACTION ITEM

New Contract

Contract Amendment

Other Committee Minutes

CONSENT ITEM

Contract Amendment

Existing Contract Extension

Existing Contract Additional Spend

Previous Board Approval _____

Other _____

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

Move forward as Consent: This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Item Description	Claims Committee Meeting Minutes November 17, 2022
Purpose/Scope	Review of the November 17, 2022 Claims Committee Meeting Minutes to provide opportunity for corrections and historical accuracy.
Contract ID	N/A
Budgeted Item	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – N/A
Procurement Method	N/A
Contract Amount	N/A
Contract Terms	N/A
Committee Recommendation	Staff recommends the review and approval of the November 17, 2022 Claims Committee Meeting minutes.
Contacts	Jay Adams, Chief Claims Officer

CITIZENS PROPERTY INSURANCE CORPORATION

MINUTES OF THE CLAIMS COMMITTEE MEETING Thursday, November 17, 2022

The Claims Committee of Citizens Property Insurance Corporation (Citizens) convened on Thursday, November 17, 2022, at 1:00 p.m. Eastern.

The following members of the Claims Committee were present:

Scott Thomas, Chairman
Josh Becksmith
Jason Butts
Jon Palmquist
Jay Adams

1. Approval of Prior Meeting's Minutes (September 1, 2022)

A motion was made by Mr. Palmquist and seconded by Governor Butts to approve the September 1, 2022, minutes. All were in favor. Motion carried.

2. Strategic Update

Jay Adams: Thank you, Chairman, and Claims Committee members. Today I would like to spend a few minutes and talk about our Hurricane Ian response. And I would like to go ahead and go to the next slide, please. Hurricane Ian made landfall on September 28 at 3:05 p.m. at Cayo Costa, Florida as a category four hurricane with 150 mile an hour wind.

Next slide. Prior to the actual landfall, Citizens went into action probably a week or maybe 10 days earlier, and some of the things that we did prior to this landfall was we activated our catastrophe plan. And the reason that that is important is, that places the enterprise on notice. All departments that have catastrophe coordinators, they attended calls and were really in the state of readiness. We held calls with those folks every day up to landfall and post a few days, and that way if there were any issues or concerns they were raised up and addressed prior to this landfall. We also had to put our call centers on notice for First Notice of Loss, and I will talk a little bit more about that as we get into the presentation. And then of course, our Independent Adjuster firms. So, from a Citizens' perspective, the majority of our response comes from Independent Adjuster resources with Citizens oversight over those adjusters. We also went under our binding restriction on September 25. We did some pre-storm press releases, and that was to advise our policyholders of what to do, how to contact Citizens and really to contact us first. We also did some e-mail communications to the policyholders that we believed were going to be in the direct path of this event.

Next slide, please. Now I will talk a little bit about how we responded, and how we break our response into multiple disciplines or teams. Our first team is the Managed Claim model non-catastrophe team. And to say this in another way, really this is our daily working group. We have these folks out there every day handling our non-catastrophe claims. What we did is as the first claims came in and we were continuing to build up our response we allowed those individuals to go ahead and take claims. They made contact, they set up inspections and they settled those claims, and that got us really

moving out of the gate. The first part of our catastrophe response was deploying Desk Adjuster teams. Now, these teams are all Independent Adjusters as well, and ultimately they become the Resolution team. So as we are waiting for the claims to come in they act as a call center, and they are there to answer any questions that the consumer or policyholder might have. They also handle all of the field inspections that come back. They will make contact with the insured, explain the settlement. They will handle supplements and reopens as we move further out into the response.

The next team we set up was our Fast-track team. And again, these are Independent Adjusters, and they are really handling these claims by phone. They are our lowest severity claims. And the type of claims that go through there are claims such as maybe a few shingles off of your roof. You might have a fence or a section of fence down in the yard. They're able to handle those with estimating software and adjust those by the phone.

The next group is our Litigation adjusters. We have these folks deployed at all times. We have almost 400 of those working today, and what we decided to do is allow those folks to work catastrophe hours. They worked four extra hours at the end of their day and then they worked the weekends. And really what they did is they worked as a closing team. So as the Desk Adjuster made contact with the insured there is a lot of trailing documents, paperwork, checks when appropriate, that has to be cut. And the Desk Adjuster folks are not as familiar with our systems as the litigation folks were. So, we allowed them to go in and actually close those claims, send that trailing document, checks, and so forth. And to be honest with you, they were the saving grace for our event, because without them we would not be where we are with the closings.

Next slide, please. Our Cat Field Adjuster team. So, these are the actual Independent Adjusters that go out into the field and they do the actual inspection. They go to the home, they will make contact with the insured, they inspect the loss, they scope the damages, and they prepare an estimate. They then send that back to the Desk Adjuster and then the Desk Adjuster resolves it as I said earlier.

We created three specialty teams. One for Sanibel and again, these are mainly Independent Adjusters. And the reason we did that is, Sanibel specifically had some significant storm surge, and they had the blunt of the 150-mile an hour wind. We wanted to make sure that all of those claims were being really led under a central leadership group so that all of those claims were treated and handled the same.

Under our Mobile Home Specialty team we created a team here of Independent Adjusters, and a mobile home in the state of Florida is set up a little bit like a motor vehicle, in that it has a title, and the DMV requires us when these mobile homes are totaled to process the title for destruction, and we are also responsible for destroying or removing that mobile home from the premises. We set up a team to specially handle those.

And then our Large Loss group are made up of Independent Adjusters and staff, and the idea here is any claim that had storm surge or any type of structural damage went into this group, and the primary result of the claims that ended up there were from the Fort Myers area. So, the two hardest hit areas really had a specialty team of adjusters, and again, the idea is we wanted to create consistency in the claims handling and consistency in how we looked at surge and wind and those types of things.

Next slide, please. So, every catastrophe we try to find and deploy as much technology as possible. Every year there seems to be less and less available Independent Adjuster resource that are able to do what we are asking them to do from a Claims' response perspective. So, what we try to do is look at technology to increase the productivity or number of claims that can be handled by an adjuster, and to also increase the cycle time or how quickly we can close those claims. The faster we get claims closed, the more capacity there is for those adjusters in the field.

So, what we did is we partnered with our GIC vendor who provides aerial images and they provided a post event aerial imagery file for us. They flew the storm as soon as the clouds moved out and they could get aerial imagery. And what we did is in the specialized teams for Sanibel and for Large Loss, what they did is they went and identified those claims that were slabs, meaning the house was actually gone. And we started adjusting those claims early on because there was some pretty significant time delays before we could get into Sanibel or Fort Myers. So, we tried to work those most severe claims first. We also partnered with the GIC on a new damage assessment tool that they provided for this catastrophe season. And the way that tool worked is, it looked at the pre-event imagery they had and compared it against the post imagery and through artificial intelligence, it created a damage assessment percentage. We again took those that had the highest percentage for damage, assigned those into those structural teams, Large Loss, and we attempted to adjust as much of that as we could by phone as well. One of the things that we tend to miss out when we are aerial imagery only is sometimes it lacks dimensions or footprint information needed to write an estimate. So, what we did is we leveraged public web sites such as county building information and real estate sites to make sure that we could fill in those gaps and write appropriate estimates at the desk.

Next slide. This is a representation of the Independent Adjuster resources that we had deployed, and really all I want to point out here is at the height of our deployment we had 1,829 Independent Adjusters engaged in the overall response.

Next slide, please. These Hurricane Ian metrics here are as of October 24, and I want to provide some updates to some of these numbers effective today. We have received 54,879 Ian claims. We have closed 26,245 of those claims, and we have a total incurred loss of \$1.14 billion so far today.

I also wanted to provide a quick update on Nicole. When we produced this information Nicole had not hit. Nicole made landfall on November 10. It made the landfall at 3:00 a.m. south of Vero Beach as a category one with 75-mile per hour winds. We have received around 1,700 claims to date. We have closed 30 of those claims and we have a total incurred loss for this event so far at \$14.2 million.

Next slide, please. In most all of the hurricane events that we have in Florida the Governor will issue an Emergency Order and he did so for this event, and he did it through two separate orders. The first one was 22-218 and then 22-219. And the first order really was limited to a few counties and then the second order included the entire state of Florida. In transparency to our Claims Committee and for the Board, we indicated that if we went into any emergency contracting we would bring this back to the Committee and to the Board, and we did emergency contract with independent adjusting services, and you see the five or six companies that are listed. Greg Rowe will be talking about an action item that sums this up in a financial cost a little later today. The reason we did the independent adjusting services was the current contracts we had, we were unable to get deployments quick enough and to get the right resources that we needed out on the ground and in these Desk Adjuster roles. These particular carriers we have a history with. Some of them had contracts with Citizens in the past, and some of them have gotten emergency contracts in the past. So, we were very happy that they contacted us. We deployed these resources which really helped get things moving in the right direction. As I mentioned a little earlier, we do have a contract currently today with the GIC. They do provide us aerial imagery, and we did expand their services under the contract to pick up that new damage assessment tool that I spoke about earlier.

Next slide, please. I wanted to point out some of the things that we did out in the field from a deployment perspective. So, we have these claims service vehicles that you see here in these photos, and these are command centers really for my claims leadership team. And what we do from those vehicles is we can move them to the areas where the most devastation is. We have those Independent Field Adjusters come here. We do training with them, we do ride along with them. We can coach them. We also validate whether or not they're being effective in the adjusting of their claims, and it also creates a hot spot. And what I mean by that is, in most of these events power and cellular service are compromised. When we set these sites up, we have the ability to broadcast a hot spot for being able to get an internet connection. And our Field Adjusters have to have that internet connection to receive new claims and to upload the claims that they have already worked.

Next slide, please. We also did a lot of things on behalf of the consumer, and here is an example of our CRC which is our Catastrophe Response Center, and what we do is we put those out in areas again where there may be power outages and we really try to target those to areas with the most damage. And the idea here is these are set up with Citizens' volunteers. They go out there and I believe they were out there for 14 days straight, and it is 100 percent geared to the consumer. They can come and turn in a

claim at this point. We can issue advanced additional living expenses and other things from that site and help them with their claim process. So, in this response we did put out two of our CRCs. One in Port Charlotte and one in Fort Myers. We increased our First Notice of Loss call center support efforts, and then we made some outbound calling campaigns, and we will dive just a little deeper into those things.

Next slide, please. In our CRC deployment this is a list of the actual locations we were at. The Home Depo location in the Fort Myers Beach location is what we called a pop up, and we didn't pull the vehicle that you see there to those locations. We just went out there with a tent and the right Citizens volunteer personnel to be able to assist policyholders. You can see that we serviced 2,430 policyholders. We were able to issue 1,337 checks for a little bit over \$4 million of additional living expenses.

Next slide, please. This is just some photos from those deployment locations and some of the people that were there, and I really just want to point out that we had ELT members attend these. We had Board members come to these. CFO Patronis also attended at least the one in Fort Myers. Next slide, please. Again, just a few more pictures representing the folks that are there.

Next slide. We had some policyholder testimonials, and really this is just some positive feedback we received from some of our customers that we actually were able to serve at those sites.

Next slide. So, our First Notice of Loss call center we had one of these vendors turned on obviously at all times to take our normal claims volume. Due to the size of Hurricane Ian, we went ahead and turned on five additional contracted call centers, and we are able to train over 2,400 customer service representatives to help our customers. We were able to receive 125,000 calls, and the most astounding thing here is the average wait time for those customers was 18 seconds. And really what this call center does is, they assist our policyholders by taking first notices of loss. In the early days of the storm, they helped connect the customer with the adjuster or at least the adjuster call group that I talked about earlier, and they also identified where our CRC locations were.

Next slide, please. We conducted an outbound calling campaign for our policyholders in Lee County. The reason we did that is we did not feel that we were getting the claims volume that we felt we should have in that area, as we used some technology that we have to post the storm track over top of our policies in force. And when we did that, we generated about 10,000 customers that we thought should have some type of catastrophe damage that had not reported their claim. So, the call center attempted outbound calls on 10,000. They were able to make contact on a little over 3,300 and we took 155 new claims associated to that outbound calling campaign. As you can imagine, we got lots of positive feedback from the customers we were able to talk to. I don't believe there was probably a lot of carriers out there doing this type of work.

Next slide, please. And now I really want to just end this up with we did some additional policyholder outreach before the storm, and we did some things after the storm. In some of the pre-storm communications we were doing e-mails in advance to our agents and the policyholders, and the idea here again was we were really trying to get those folks to call Citizens first and giving them the information they needed to contact us. We reached out to our legislative partners in the areas where the storm was, making sure that they had the assistance they needed. We used the media to do pre-storm press releases and we also had some radio messaging on the Florida public radio emergency network. We continued to leverage our social media and we were sending out messaging there, trying to give tips for preparation, weather updates, and again, how to contact Citizens. And of course, our website was continually being updated with the information as it became available.

Next slide. So, after the storm we continued to do some communications. We sent e-mails to agents and policyholders. We sent out over 20,000 policyholder text messages, and again, to check on them and to give them information on how to contact Citizens. We continued to work with the legislative partners. We held some office hours with those folks and we did some of those pop ups in those areas. And again, that was a tent type setup that we had, but we still had the same capabilities to service the policyholder as if we had the full CRC out there. We continued to use the media to advise the public about where these CRC locations were. We did the same thing with our social media and again used the external website to provide the most up-to-date information. Next slide, please. Chairman, that would conclude my update for Hurricane Ian. I will be glad to take any questions.

Chairman Thomas: Thank you, Jay. I will open the floor up to members of the Committee for any questions.

Governor Butts: Jay, good afternoon, this is Jason Butts. Just curious, the new GIC tool on the damage assessment using the AI and the estimates provided. What was your team able to take a look at and how accurate was that tool, and does that look like promising technology for the future as well?

Jay Adams: Thank you, Governor Butts. So, what we did with the tool is we looked at those damage estimates that were the highest, and we were constantly focused on trying to help the folks that probably had some type of either total loss or constructive total loss first, because we knew those folks probably needed additional living expenses. They may need some advance on contents and other things, you know, to get their life back together. So, was it pretty accurate? Yes, it was very accurate, and we found that it provided a lot of information on a very quick basis. Our plan is to continue to work with the GIC over the non-cat season that is about to come up December between now and next year, and see if we can integrate some ability that we can generate that information at the claim level. So, we were really working from reports and then manually moving claims around. What we would like to do is get this information included somehow with

the claim assignment so that we can push those claims to the right team really from a systematic perspective, but there has been a lot of momentum in this AI field, and I believe that with time it is just going to get better and better.

Governor Butts: Thank you.

Jay Adams: You are welcome.

Chairman Thomas: Hey Jay. Looking back at the metrics chart. What is the column or the row for total incurred? Where does that number come from? Back on page 8.

Jay Adams: Yes, Sir. So total incurred means that that is the amount paid, plus any amount reserved on all claims. So, for example you see that we have, we have about 50 percent of our claims have closed, and we have contacted primarily everybody. When we make contact with a policyholder, we assess and kind of triage what kind of damage they may have. At that point in time we try to put a reserve on the claim. We may not know exactly how accurate that is until we send a field inspector out, but what that is doing is, we believe that that is an accurate estimate based on what we discussed with the policyholder. So, indemnity paid is just what it says. So those are checks that have actually left. The expenses are the pieces that go with experts and the Independent Adjuster cost associated with this storm, and then the total incurred is really a summation of all three of those things, reserves, paid losses, ALE.

Chairman Thomas: So, the indemnity expense are included within the total incurred number and in essence is the difference is what we have on reserves?

Jay Adams: Yes, Sir.

Chairman Thomas: All right. Anything else from folks on the Committee?

Jon Palmquist: No, not from here. Jay, nice job.

Jay Adams: Yes, thank you. And I would just like to close and say that, you know, so many people at Citizens were engaged in this response and, you know, I thank them. We would not be where we are without everybody that has been involved in this, and it is not just the Claims response, it really is truly an enterprise response. Almost all of our ELT members in some ways, somehow were engaged and involved in the storm, and the teams within their organizations were involved as well at some level, especially early on. So, I would just like to thank everybody that was involved.

Chairman Thomas: Jay, I would echo that. I really thank everybody. It is a very impressive response. Very proactive on our part. You know, it is kind of a funny thing. I wish our customers weren't out customers, I don't want to insure them, I want them in the private market, but if there are our customers, I want to make sure they get the best

service they can from us and you guys sure have done a good job with that and I appreciate it and everyone involved should be commended. Thank you much.

Jay Adams: Thank you very much.

3. Non-Litigation Claims Update

Craig Sakraida: I am going to give an update briefly on the non-litigated claims which keep on moving even during a catastrophe. So next slide, please. And I want to touch base on catastrophe planning because really it is what we are. We are a cat company, right? So what happens really is even if we are in the middle of responding to a cat like Hurricane Ian and Hurricane Nicole, we really have to start planning for 2023. So, we are starting to do that after Thanksgiving. Usually in December we start meeting with our business unit partners and going through the planning season for 2023, and we take the information. We have a postmortem after the event, and we sit down with all the major players. As Jay mentioned, it is an enterprise-wide response. So, we sit down with the major players and talk to them and say, hey, what went right, what went wrong, what can we improve, and really focus in on allowing any testing or anything that we need to do for 2023, getting that lined up so that we can even make it a better response next year. So, you know, that is really what we are going to start doing here in the next probably three weeks, usually the first week of December is when we start that. So, I just wanted to let all of the Committee members know that it really, catastrophe planning never stops. We just have to make sure we engage and keep improving the process as technology changes.

Next slide, please. I wanted to touch briefly on Commercial, because as you know our PIF count is increasing, but it is increasing significantly in the Commercial book of business which as you can see from 2019 to 2022, we have increased our PIF by over three percent, but our indemnity exposure has increased by 130 percent and a lot of that is due to writings of A-rated buildings which are buildings that are insured for more than \$10 million. So those are huge exposures for us.

Next slide, please. The claims trends to the PIF increase, as you can see when we look at the end of the chart, there was a huge spike after Hurricane Ian naturally. We had a blip there with Tropical Depression One back on June 1, but the claims on a non-cat basis really continue to come in pretty fast.

Next slide, please. Non-weather water trends. If you look at this chart there was a little bit of a dip in September, not much. With Hurricane Ian coming in and into October it was off a little bit, but not more than about five percent from our normal numbers.

Next slide, please. Our non-litigated claims data, the new claims reported have increased 43 percent from September of last year, exclusive of Hurricane Ian. Our new non-weather water claims reports have increased 38 percent from that same time frame. We offer our emergency water restoration services. That acceptance rate has increased

13 percent, and our Managed Repair Program has seen a little bit of a decrease from three percent from 2021, but some of that is due to the increased PIF count that we have coming in. So as you can see, the claims keep coming in and we have to keep the non-litigated, the daily stuff working just as much as we do the catastrophe response.

Next slide. Mr. Chairman and committee members, that is what I have to update on non-litigated claims. I will gladly entertain any questions or comments.

Chairman Thomas: Perfect, Craig, I appreciate the good report and I will open it up to the Committee for any questions if there are any.

Josh Becksmith: Can you go back to slide number four, if you don't mind, which I think was your non-weather water trends, and kind of walk us through a little bit more on that, on what we are relating on this? Obviously, this is prior to Ian is what I think I heard you say. What is this, what is this correlating?

Craig Sakraida: Okay, yes, Sir. If you could put the next slide, please. Okay, the non-weather water trend. What we were trying to do is show some degree of correlation to our PIF count as opposed to our claim count. So, they don't always fall in line. I can't say that as we increased by 100,000 policies that we are going to directly get another 500 non-weather water claims a month. So that is really what this slide is trying to show as you see the PIF increase to just a little over a million on this slide, and then you see the orange line, you can see that everything starts, there are valleys and there are peaks, but you also see that it continually is increasing along with that. So, it is really hard to show a direct correlation. One of the prior Committee members wanted us to show that. I think it added some value. I will gladly take any feedback or something else that you want to see there.

Josh Becksmith: No, I appreciate it. Thanks for clarifying.

Craig Sakraida: Thank you.

Chairman Thomas: Anything else? All right, Craig, appreciate it. Good work and good report, thank you much.

4. Litigated Claims Update

Elaina Paskalakis: Good afternoon, everyone. Thank you, Chairman. Before I get into my overview, I just want to point out that the time frame for my overview is January through September of this year, so obviously it doesn't extend into capturing Ian and Nicole, but moreover, and I guess more importantly, we have not yet had any new lawsuits out of Ian or Nicole, and all of that is really a function of the NOI process, right, with the statute that went into effect requiring that after the claim is adjusted that an insured if they have a dispute have to file that dispute, give us the notice of intent that they might seek litigation. So, with all of that built in, it is not surprising that we don't have

any lan lawsuits yet. Typically, the way it has worked historically prior to SB 76, we would see cat lawsuits come in much quicker than other causes of loss. We would even see them within 30 days of the First Notice of Loss, but we don't see that now and that is not how it is set up now. So, I just wanted to point that out before I get into this overview. I do expect maybe the next time we speak that we will have some lan lawsuits in and probably some Nicole as well, but the NOI process has been working so well for us lately. I don't expect to see the volume and the speed with which we have historically seen the cat lawsuits come in.

So, with that through September of this year, we have received 9,378 new lawsuits. That is an average of a little over 1,000 a month. That does reflect a 19 percent increase in new incoming lawsuits as compared to the same time period last year. And I think every time we have spoken probably over the last few meetings it has always been the story of increases upon increases as we see with the incoming litigation.

In terms of our pending volume, our pending volume is now a little over 20,300 lawsuits, and that is a 25 percent increase as compared to last year. And if I may, I just want to explain kind of the difference. If we are only getting 19 percent more lawsuits, why do we have 25 percent more in pending? And that is due to the lingering effects of the pandemic response by the state court system. As we know for almost two years, not that the state court system completely shut down, but it really did contract in terms of hearings that were going forward and particularly trials. So, what we are experiencing a continued bottleneck of cases as the state court system, which is overwhelmed, is trying to work those through. So, that is why we see our pending volume out pacing our incoming volume at this point because once they're in that system, and in particular if we deem cases for trial and that is after many reviews and we deem we have done everything correctly, we don't owe anything else, our resolution is typically trial, but there are so few trials happening compared to the number of trials set, and I honestly expect that to go on for at least months if not years in the future, just due to the volume. With that said we are looking for ways to decrease that pending volume and resolve cases as we can. We are trying to get creative with that, but we do not want to go back on what our litigation approach is, if we don't owe money, we are just not going to pay out to make things go away, right. There are certain times that if we have done everything correctly, we feel good about that adjustment of the claim, we have done everything right by our insured per our policy, we will take that to trial for a resolution.

In terms of the origin of lawsuits, the tri-county area does continue to be the highest area for the origin of lawsuits. It is at 77 percent. Now, that is down eight percent as to this time last year, and that is because we continue to see other areas of the state increase their litigation volume, in particular what we call the central west area, which is the Tampa and surrounding counties, surrounding area, they're up to almost 13 percent of the volume of new litigation.

We also track for the lawsuits, those lawsuits where an insured was represented at the First Notice of Loss when they first reported the claim. That is at 38 percent which is down 18 percent compared to 2021. So, we are starting to see that more and more insureds, not exponentially increasing, but certainly increasingly more insureds that eventually go into a lawsuit are not represented when they initially report the claim.

Additionally, we track the number and the percentage of lawsuits where we received the lawsuit but we have never been informed of a dispute prior to that lawsuit. Now, before the statutory changes with the notice of intent scheme going in, that number was very high. Now it is down to 11 percent. That is a 63 percent decrease as compared to 2021. That is 100 percent expected because of the NOI statute. And again, we expect that to continue to decrease and ideally down to zero, because all of our policies now are certainly under the statute and the application of the statute for NOI. So we continue, we expect that to continue to go down and eventually that should hover right around, you know, one percent, zero percent, something like that.

In terms of timing of lawsuits, we have received 29 percent of our new lawsuits within six months of the First Notice of Loss. That is a 12 percent decrease. So, we are starting to see obviously, you know, between the time of reporting the claim and then eventually filing a lawsuit, that is extending. That again, expected in absence of recent hurricanes and of course this, this data doesn't deal with Ian or Nicole, we expect to see that, and also I believe that is the effect of the NOI statute.

In terms of our causes of loss, so what we have seen through September of this year, new catastrophe lawsuits decreased by 10 percent and they represent about 40 percent of all of our new lawsuits coming in through September. They do remain the leading cause of loss in terms of our pending with 48 percent of our pending lawsuits, that is due, primarily due, to Irma and also to Eta. We had quite a few lawsuits due to Tropical Storm Eta.

AOB lawsuits have increased by 100 percent as compared to 2021, and they represent 47 percent of our new incoming lawsuits and 36 percent of our pending which is also up by 67 percent. And I want to explain that because we have had statutory changes over the years, and why are we getting this influx of AOB lawsuits. That is because these lawsuits are rising out of AOB agreements that predated the statutory changes. So, we are not getting, it is not like new AOBs that are coming through. It is all of these because of the way that the statute applies as to the date of the agreement itself. All of these lawsuits or the vast majority predate those statutory changes. So, that is why we are not seeing the effect of the statutes on these lawsuits, and this has been our trend for quite some time now.

Non weather water represents about 19 percent of our new incoming lawsuits. That is down by four percent, and they represent 21 percent of our pending lawsuits which is up by about nine percent.

In conclusion, I just want to say the main things that we are dealing with are the continued bottleneck of lawsuits in the court system created by the pandemic and kind of the lingering effects there. It does have a direct impact on our ability to bring cases to resolution, and the state court system does remain overwhelmed. So, as we are looking towards solutions, hopefully we can find better solutions to resolve these quicker, but we are somewhat delayed because of what is going on in the court system. We are actually trying cases. The courts are up and running and trying cases. It is just the amount and the number of cases set for trial that has really increased, and you know, the state court system is not only dealing with property cases, but also across the board. We continue to see also the climbing AOB litigation despite the statutory changes. And you know, we have not seen the impacts yet of the two recent storms.

And then lastly, I just wanted to bring your attention to the recovery results which can be found at tab six. In terms of gross recovery from January through September of this year, we have a little over \$3.4 million that has been recovered, and that also includes a little over \$193,000 that have been refunded to the policyholder, and that is for deductible refunds for subrogation cases. So, with that, that concludes my presentation. I would be happy to address any questions.

Chairman Thomas: Elaina, thank you very much. I will open it up to the Committee for any questions you may have.

Jon Palmquist: Mr. Chairman, I have a question.

Chairman Thomas: Go right ahead.

Jon Palmquist: Elaina, nicely done, thank you. There is a lot of talk about Ian being a heavy water event. I mean, clearly a wind event, but across the rest of the state heavy water damages that we have seen. As we know, flood claims are not covered. And as you are also aware following '04 and '05, there is a lot of litigation in Florida, Louisiana, et cetera, about the wind versus flood claims and exclusions. And it got pretty extensive and nasty. Have you all prepared for these anticipated suits that, you know, the advertising is already going on. Have you prepared for that? And then secondly, are you going to try to track that going forward so the next time we will hear what kind of finding we are getting out of that?

Elaina Paskalakis: Yes, absolutely. In fact, we have already had strategy meetings where we partnered, not only Litigation, but front-end claims as well. We of course include our in-house legal counsel, I and we have already strategized and planned out our approach to that and what our approach will be not only on the front end, but also in litigation and I see that Jay may have—

Jon Palmquist: I am not asking you give away your playbook, but you know it is coming and are prepared.

Elaina Paskalakis: Yes, we do.

Jay Adams: When I talked earlier about having specialty teams set up, I mentioned that Sanibel and the Large Loss teams were handling exclusively all of the claims that contain surge versus wind, and we did that purposely, especially to deal with the exact topic that you bring forward. And what I will tell you that we have found thus far in the hardest hit areas, the insurance to value hasn't been completely accurate on some of the claims, which means that when you start writing the covered damages you get a constructive total loss, and under the value policy law here in Florida, that means we have to tender the limit of insurance. So, you know, we are seeing some claims that move through that process where we are going to be paying the limits just based on the fact that the amount of damage versus the coverage A limits has placed it into a constructive total loss.

Jon Palmquist: Thank you.

Jay Adams: Thank you.

Jon Palmquist: Will you be tracking that then in some manner?

Jay Adams: So, we are definitely going to be tracking, you know, any of these that move into litigation. And what we have done is back during Hurricane Irma we created a surge flag that we put on any of the claims that have surge damage. So, any of those that find their way to litigation, yes, we will be able to associate that to that flag.

Jon Palmquist: Okay, great, thanks.

Jay Adams: You are welcome.

Chairman Thomas: Thanks. Okay, Jason, Josh, are you good?

Governor Butts: Mr. Chair, I have a quick question. I believe, Elaina, you said that we were doing about 1,000 lawsuits per month?

Elaina Paskalakis: Right.

Governor Butts: Which was a 19 percent increase, I think you had stated over last year? How does that relate or correlate to the percentage to policies in force, meaning if we have doubled our PIF count over the last year, are we seeing an increase in that percentage of policyholders?

Elaina Paskalakis: Yes. So, we have been tracking that and comparing that. I don't have a chart for you today, but we have seen as the PIF has risen, you know, the claims rise and then after that comes the litigation.

Governor Butts: Are they filing claims in the same amount as they were when we had 500,000 policies as they are at 1.1 million policies?

Elaina Paskalakis: I will have to defer to Jay on that, but I can say this, we don't have the same correlation between PIF and lit now because of the NOI statute and the effectiveness of that process. So, in the past there was almost, you know, you could almost directly track PIF and lit. Because of that intervention of that NOI process that gives us the ability to resolve a dispute pre-lit, we are not seeing it in the same percentages, and you know, tracking as closely as it used to, but I see that Jay has something to say as well to add to this.

Jay Adams: Thank you, Elaina, you answered that perfectly.

Elaina Paskalakis: Great.

Chairman Thomas: Are we actually seeing a decrease or are we just seeing a lag now? In other words, is the NOI process, I know we are still early in it, but are we largely just seeing that it is delaying the same inevitable result, or are we seeing actual productive upside from it that claims are going away?

Elaina Paskalakis: An actual productive upside. I think Jay will probably add some detail to this, but there are a good percentage of disputed claims that are resolved prior to the need for litigation. It's been effective. Jay, I don't know if you have any details to add.

Jay Adams: Yes, I would like to add some. Senate Bill 76 for that Notice of Intent statute has made a significant impact for us, because as Elaina alluded to, in the past we had no idea that a plaintiff attorney was in disagreement with whatever the settlement. The policyholder generally or the third-party accepted that and never said anything, and the next thing that happened was a suit was filed. They never came back and said, hey, we have an estimate for a different amount. Through this NOI process we have set up discreet teams specifically to handle just the Notice of Intent, and about 25 percent of all the Notices of Intent involve scope and pricing, and if we are unable to resolve that with the plaintiff attorney, we are moving them into the appraisal process. Once they go into appraisal, that is binding by our contract. Those are now eliminated from the litigation track. They are resolved and closed. So, we are also working, and in February we will have a new endorsement where we will be working through the Department of Administrative Hearings, and those claims that have coverage issues, we plan on being able to move some of those into that arena, and the idea there is, it compresses significantly the time frame associated with the litigation. We pend claims

today in litigation a little over 400 days. In this DOAH process we are striving to meet a 100-day time frame for turning that lawsuit around, and what the advantage there is, the policyholder doesn't have to extend themselves through the protracted litigation process. It happens much quicker. They get a resolution and then they get their money so that they can go ahead and make those repairs instead of, you know, waiting out a year and-a-half.

Josh Becksmith: Great, that is really good to hear, because it seems the NOI process is so important to avoid the problems that we had which is a significant incentive for plaintiff lawyers to just get the thing in suit immediately so that the claim actually became the vehicle for them to earn attorney fees versus attorney fees in order to pursue the claim. So, I am glad to hear that. We are already seeing that sort of substantive change and working of the statute.

Chairman Thomas: All right. Anything else? Thank you, Elaina, very much for the good work and the good report.

Elaina Paskalakis: Thank you.

5. Vendor Update

Chairman Thomas: Greg, you have got a vendor update. I know we have got a lot of Action Items here, so let's see how efficiently we can get through that since we are 50 minutes into this meeting already.

Greg Rowe: Absolutely. I appreciate that, Mr. Chairman. Like you said, we have five items to bring to the Committee. So, I will absolutely get through those as quickly as I can and provide the information that I think is pertinent to this group and answer any questions I can.

The first Action Item for the Committee today is for our Claims Print Management Hardware and Software. And this software is provided by a vendor by the name of Quadiant, and basically what that does is, it is an automated solution for mail insertions. So anytime we need to send out an indemnity check or an expense check it collates the supporting documents, packages, puts it into an envelope, seals and meters it, and allows us to get the checks to our policyholders and vendors as quickly as possible. So, we are under contract with them, under State Term contract until January 19, 2024, but in the Spring of this year Citizens approached Quadiant. We advised them that we are moving to the cloud at the end of 2023 from a server migration and advised them of some potential work that they would need to do on their end. So, they reviewed what changes would need to be made and associated fees and actually came back to us and offered what they call their "Why Wait" program. And this program entitles Citizens to upgrade to the necessary software and hardware needed to move to the cloud prior to the end of our existing contract. So, to take advantage of this, and this is out there on their website, we need to sign a new lease with them now that would go into effect

January 2024, and basically what they're doing is if we do that they will go ahead and upgrade everything they need to do on their end from an existing hardware and software standpoint. So, we are ready to migrate to the cloud at the end of 2023. And if we do that, the other added benefit for Citizens is upon contract renewal which will begin January 20, 2024, our monthly cost will be decreased by \$1,139. So, we see that as a win/win situation. So, what we are asking for now is just the ability to approve a new four-year contract with Quadient that won't actually begin until January 20, 2024, so they can begin that cloud migration now. So it is a little confusing, but I will pause there, Mr. Chairman, for any questions.

Chairman Thomas: Thanks, Greg. Any questions? Not as confusing as you thought, Greg.

Greg Rowe: That is always a good thing.

Chairman Thomas: It is no different when your cable company says, hey, so go ahead and renew now and we will give you free HBO basically. Do we need to act on this? Do we prefer that you actually read the action item to us or can I just entertain a motion to approve?

Greg Rowe: I have not read them for the past two meetings.

Chairman Thomas: Okay. Unless anyone needs, it is in our materials here, but unless anyone needs to hear it, I would entertain a motion to approve the Claims Print Management Hardware and Software action item.

A motion was made by Jon Palmquist and seconded by Governor Becksmith to recommend the Board of Governors: a) Authorize the Claims Print Management Hardware & Software lease with Quadient Leasing USA Inc. for a term of four (4) years, for an amount not to exceed \$377,000, as set forth in this Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item. All were in favor. Motion carried.

Greg Rowe: Okay, so the next action item I have is for our Commercial Adjusting Services, and this contract obviously just provides us with Independent Adjusters who are qualified to handle both non-catastrophe and catastrophe Commercial claims. So, our existing contracts today, they have been in place since 2015. We have four vendors and those are set to expire April 22, 2023, and we have exercised all of our renewal options. So we issued an RFP and the evaluation team received 34 proposals, and on November 3 they recommended four vendors for contract. Today we are seeking approval for those contracts, which would be for an initial three-year term with two, one year renewal options. So again, I will pause for any questions on that.

Chairman Thomas: And Greg just to confirm, these were the top four ranked vendors. We are not stepping out of line here from the RFP process.

Greg Rowe: The highest scored vendors ranked one through four.

Josh Becksmith: Mr. Chairman, I got a question real quick on that. Just out of curiosity on, Jay made a comment before earlier, and I might have miss understood a little but when we were talking about how we had to enact, obviously with Ian coming through and the potential catastrophe out there, we had to get a bunch more Independent Adjusters. He made a comment, it kind of stuck, that the ones we had contracted with didn't have the bandwidth to be able to support. Therefore, we had to go out of out of what we are used to dealing with, and contract with some Independent Adjusters. I am curious just not knowing who was contracted prior versus where we just went through an RFP process. Was any of that taken into account that we have, that we make sure we have got these adjusting firms that can take on the necessity of these claims as opposed to having to go external, especially with people we don't normally work with?

Greg Rowe: Absolutely. So, during the public meeting the evaluation team spoke specifically about the PIF count for Commercial which is substantially lower than our residential and not growing near as fast, and they really wanted to ensure that, you know, four vendors would get adequate amount of work. So, they're going to remain loyal and provide all of the services that we need, both for non-cat and cat, which is why they trimmed it really from 34 to four, and even with this event for Ian and prior events, we have not had to emergency contract in the Commercial space. There seem to be an ample number of adjusters, at least as of now, for us to handle our book of business. So it absolutely was taken into account, but for Commercial, like I said, we have have been good since 2015, with who we have had on board.

Josh Becksmith: Perfect, thank you.

Greg Rowe: You are welcome.

Chairman Thomas: Anything else? All right. I will entertain a motion to approve the Action Item for the Commercial Adjusting Services, the contract for the four vendors.

A motion was made by Jon Palmquist and seconded by Governor Becksmith to recommend the Board of Governors: a) Authorize Commercial Adjusting Services contracts with the four (4) vendors specified in this Action Item, for an initial term of four (4) years, with two (2) one-year renewal options, for an amount not to exceed forty million (\$40 million), as set forth in this Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item. All were in favor. Motion carried.

Greg Rowe: This is another one where we have a contract expiration. So, for Appraisal and Alternative Dispute Resolution Services contract, we currently have 12 vendors, and again they provide us appraisers for non-cat and cat claims. And as I said those 12 vendors' contract expires on April 8, 2023. As Elaina spoke to and Jay, these are highly strategic in nature due to SB 76 as it really gives us an opportunity to address those NOIs in the appraisal process instead of them going straight to Elaina's shop. So, it is definitely a strategic contract that a lot of emphasis is being put on now and in the future. So, after we issued the RFP the evaluation team received 47 proposals, and on October 19 of this year they recommended to award primary contracts for eight vendors and then a contingency contract for four vendors. So, today we are seeking approval from the Committee on these contracts which would be for an initial four-year term with three, one year renewal options. So, any questions on that, Mr. Chairman?

Chairman Thomas: Anything from the Committee?

Governor Butts: Mr. Chair, I am sorry, I just want to follow up on Governor Becksmith's comment. Are any of the contracting firms that potentially had an issue during Ian part of this new renewal that were part of it, but yet the decision had been made prior to our interactions with them from Ian. I was not tracking on that, I apologize.

Greg Rowe: Yes, it is a great question. What I believe Jay was referring to was two things, one, the amount and the right skill level. Relative to our contracts, every firm has what they call minimum commitment. They tell us, hey, I can provide you this many adjusters, and when we looked through all the various contracts for catastrophe, I am looking at them now, for catastrophe, they were at 196 percent of their committed numbers. Another one, we had two tiers of catastrophe adjusters, another firm or another group of firms, they were 131 percent above and beyond their committed capacity. Fast Track, they were 148 percent above their committed capacity. So, it was not necessarily that they could not supply us with what they had told us they could, it was the need was out there so great, and then some of the adjusters that we did get just were not good enough. So, we needed a lot of adjusters, particularly for this type of event with a cat four. The damages were much larger than some of the other events we have seen in the past. So, I think what you are getting at is, did any firms non perform and are we awarding them with a new contract now? So, we don't have any firm as of today that we have any issues within terms of providing the number of resources under their contractual obligation. I don't know if that answered your question?

Governor Butts: That answers my question, thank you.

Greg Rowe: Okay.

Chairman Thomas: Yes, I mean, Greg, I know now we are talking back now about the adjusting thing. We in our internal operations don't really budget for catastrophic events because they are by definition, hopefully by definition rare. So, I mean, I would assume

that our vendors, like adjusters kind of work on that premises, too. They don't have the capacity, but they generate and prepare and staff for catastrophe of what is expected and when there are catastrophic events there are, well, other externalities that come into play.

Greg Rowe: You are absolutely right. And one of the other pieces that Citizens made the decision not to do because we didn't need to, when Irma hit because there were a lot of adjusters that were handling other events throughout the country, Citizens did make the decision to change our contracted rates to make sure we could get all the adjusters needed. For this event, we chose not to, right. We did not want to disrupt the marketplace anymore. There were other carriers out there that are certainly under financial distress based on all the factors we are talking about today. So, we did not increase our contracted rates at all. We left them as they were. With that, we did get everyone we needed to, but we did not raise our rates with that. So, I think that was certainly a part of it, too. Adjusters are hired guns. They're going to go where the money is. And so that is certainly a huge piece of it as well. Maybe not a huge piece, it is a factor in needing to go out with some of the emergency contracts as well.

Chairman Thomas: Okay, perfect, thanks. Returning then, if there any questions on the Appraisal and ADR services which is, you know, we had a little bit of discussion about the utility of this and the whole notice of intent stage. Any questions on that action item? And if there aren't any, I will entertain a motion to approve the action item to contract with the 12 vendors for Appraisal and Alternative Dispute Resolution Services as specified in the agenda.

A motion was made by Governor Butts and seconded by Mr. Palmquist to recommend the Board of Governors: a) Authorize Appraisal and ADR Services contracts with twelve vendors as provided in Attachment A, for a term of four (4) years, with three (3) additional one-year renewals, for an amount not to exceed \$74,200,000, as set forth in this Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item. All were in favor. Motion carried.

Chairman Thomas: And Greg, that will bring us then to, well, we have got a couple of Consent Items. Do we need to go over these? We have a couple of Consent Items. Any questions about the Claims Legal and the additional contract spend? I think all which are sort of fait accompli, but I don't want to cut anybody's discussion off. If you want to run through those real fast just to explain in the event anyone has a reason, for example, maybe want to pull it and discuss separately before the Board or anything.

Greg Rowe: Absolutely. I can run through them really quickly. So, the first of the two consent items as you said is for Claims Legal Services spend. So if you recall in the December 15, 2021 Board meeting when these contracts were presented, the Board approved the overall spend for Claims Legal Services, but did request that we provide

regular updates on litigation to discuss where we are at. That is what Elaina really did today in terms of where we are at and what are some of the challenges are. So, at the July 13, 2022 Board of Governors meeting they did approve an additional \$50 million through the Consent Item, bringing a total Board approved amount to \$100 million. And as of October 1, just a month and-a-half ago, Citizens has incurred approximately \$60 million in spend under the approved Claims Legal Services contract, and we are forecasting that this number will exceed the hundred million dollars that has been authorized. So, we are coming back at this point for the Claims Committee to take to the Board if you approve for an additional \$50,000, excuse me, \$50 million in authority under the claims legal services contract.

Chairman Thomas: Yes, you said thousand a couple of times and I thought, well, things are going really well.

Greg Rowe: If I said thousand, I will make sure it is on the record, every time I said thousand it should be million. I am sorry about that.

Chairman Thomas: Josh, Jason, I can't remember if you guys were on the Board when this came up before, but it really is just a recording idea here, that we are well within the overall approved number, but there was concern that as we get towards the end of the cycle the Board was being surprised a little bit by this. So, some of the members of the Board wanted us to come back on a more regular basis to give what I call proforma approval for this so that the Board is advised of what our spend is as we go along.

Josh Becksmith: No, and I appreciate the brief synopsis. So we are asking for another \$50 million to run through March of 2023?

Greg Rowe: That is right, but it is all well within what amount has already been budgeted. It is just how often we go back to the Board to kind of release the spigot out of what is already in the bucket so to speak.

Josh Becksmith: Yes, thank you for clarifying.

Chairman Thomas: All right, is there anything else that we need to do on that, right, Greg?

Greg Rowe: Correct. The committee approves it and takes it to the Board, that is what we are looking for today.

Chairman Thomas: Okay. Well, I didn't know if we need to vote. It is on my consent agenda. Do we need a motion on it or no?

Barbara Walkers: No, we don't need a motion on it, Chairman.

Chairman Thomas: Okay. If anyone on the Committee wants to pull it for a separate discussion and vote, we can do that, but otherwise, it will go to the Board as is. And the same for the last item Greg has which is the additional spend for Hurricane Ian. Greg, just a quick summary on that.

Greg Rowe: Yes, so last one, and what we really wanted to do with this one for the Claims organization is to put together everything that we really went forward with due to Ian into a single Consent Item to try to make sure everyone had awareness and transparency as to what we were doing. And it is really focused on three areas. One is additional spend under our existing 39 Adjusting Services contracts. Second would be an additional spend for the six IA firms that we contracted through emergency procurement, and then the last thing is for additional spend for our Aerial Imagery Damage Assessment tool which was procured via emergency contract as well. So, I will just walk through these very quickly, each one, to make sure there is no questions for each one.

For our existing Adjusting Services contract, the Board approved a total of \$343,900,000 across all 39 contracts. And as of October 14, we have spent \$247,500,249, leaving us with just over \$96 million in remaining spend. So a lot of that was chewed up basically in advance of Ian and because of Ian. And as we said, in the weeks following landfall, we contracted six independent adjusting firms via emergency contracts to assist with that volume that we spoke to earlier. And we did so again with the stipulation that they perform services at the exact same rates as our existing vendors. We didn't want them getting paid more than our folks that were already under contract. So as of October 26, Citizens has paid an estimated \$437,000 and it is \$437,000 on this one for real, and we still have a lot of those adjusters handling work for us as we speak. So that number will certainly continue to increase. So based on the receive claim volume as well as the volume that we think we will continue to receive on Ian, months and months down the road, we have calculated that we need an additional \$136,356,575 across the 39 existing contracts, which would also include the six emergency procured contracts as well, because those folks can do work for us, for Ian at this time as long as we need them to specific to that event.

And then we also spoke to the claims assessment damage tool that we contracted from Vexcel, and for that particular contract we went with a one year contract at \$720,000, and when this goes to the Board we anticipate the spend will be just over \$534,000. So that there is a little bit left there, but that is a one-year contract as well. So overall for this consent item due to Hurricane Ian, we are requesting the \$136,356,575 additional spend for the Adjusting Services contracts including the six IA contracts emergency procured, and then \$720,000 for the Vexcel damage assessment tool contract, and we will certainly provide updates moving forward on any spend variances or anything associated to Ian. It is a little bit of a moving target, but that is where we stand today and I will pause there for any questions.

Chairman Thomas: Greg, just to make sure I understand. While this is additional spend it's additional spend we sort of expect the way we run our business. Although we are in the catastrophic loss business of sorts because of the uncertainty as to when catastrophic losses may or will occur, we don't in our annual budget and operations we don't really account for this sort of loss. We pay for it. It is over and above, it is additional spend that we incur when we have a catastrophes like this.

Greg Rowe: That is 100 percent correct and we can't project out, you know, now we can project a little bit better, but we can't always project policy in force increases as well. So, it is a marriage of those two. Increase PIF count and cat for sure, but the cat is certainly the bigger number that is an unknown.

Chairman Thomas: Okay, all right. Again, as we did with the other, if anyone has questions about it or wants to pull it for separate discussion or vote, I am happy to entertain that, but otherwise, I think it will just move on to the Board for the beginning of next month.

Governor Becksmith: Just for clarification real quick. Is Vexcel the same thing as the GIC we were talking about earlier, Greg?

Greg Rowe: Correct. It is the damage assessment tool through the GIC, correct.

Governor Becksmith: Okay.

Greg Rowe: Yes.

Chairman Thomas: All right, Greg, I think that is it. Appreciate it. Thanks for getting through those for us and that, I think that is all we have that is on the agenda.

6. Addendums

(For information only)

7. New business

Chairman Thomas: We always have our new business slot if there is anything anyone wishes to bring up or address, I am happy to let them do it. Happy to discuss any general questions as we come off of Ian and whatever the other storm was that we just had right here in my area or anything in particular anybody on the Committee has that they want to make sure Jay addresses or thinks worthwhile to bring to the Board's attention in December. In short of any of that I will also entertain a motion to adjourn.

Governor Butts: Mr. Chairman, I just have a quick comment before we go. I will try to be respectful of time. I know we are kind of pushing it there, but I had the opportunity as Jay mentioned to go down to the catastrophe center. I know a couple of the other

Governors had gone by as well, but I was very impressed with Jay and his team and Jeremy Pope. And I think to Mr. Adams' point, the entire organization, they were professional, they were empathetic, and I was very impressed with, with the way Citizens showed up and responded to our folks. To your point, it would be great if we didn't have anybody visit any of those centers, but I think for the people that were there it was a first-class operation and very impressive. I really like today in the report, the calls going out, to be made, I think taking that initiative starts to shift the mindset potentially of how customers perceive insurance companies, and I think it was a very smart move to try to avoid this litigation problem that we have, and I hope that programs like this continue to shift the way people look at insurance. So again, I just wanted to give Jay credit. I know he has spent an incredible amount of time. I saw a YouTube video of him in a hotel answering questions to the public. He is a great representative of this organization, and again, thank you for giving me a minute to just address that.

Chairman Thomas: Perfect. Appreciate it very much and here here. Amen to all that. Thanks everybody for your time. Really appreciate everyone's effort and look forward to following up I guess in a couple of weeks in Orlando. Take care.

A motion was made by Governor Becksmith to adjourn and seconded by Jon Palmquist. All were in favor. Motion carried.