IN THE DISTRICT COURT OF COMANCHE COUNTY
STATE OF OKLAHOMA

NEIL and LACY WEST,

Plaintiffs,

v.

CASE NO. CJ-2025-135

STATE FARM FIRE AND CASUALTY COMPANY and NANCY HOLCOMB INS. AGENCY, INC.,

Defendants.

PLAINTIFFS' RESPONSE TO STATE FARM'S IMPROPER NOTICE OF MOTION TO CONSOLIDATE THE DEPOSITIONS IN THIS CASE WITH A CASE PENDING IN ANOTHER COUNTY & COUNTER MOTION FOR RULE 4 ORDER THAT <u>THIS CASE IS NOT TO BE CONSOLIDATED WITH ANY OTHER CASE</u>

COME NOW the Plaintiffs, by and through their counsel of record, Whitten Burrage, and respectfully request that the Court issue an order that this case and the discovery and depositions herein is not to be consolidated with any other action. Plaintiffs are willing to have oral arguments if this Court prefers, but in the alternative, Plaintiffs request a ruling on the briefs under District Court Rule 4(h). 12 O.S. Chapter 2, Rule 4(h) ("Motions may be decided by the court without a hearing, and where this is done, the court shall notify the parties of its ruling in writing by mail or email.").

PROCEDURAL HISTORY & FACTUAL BACKGROUND

On December 4, 2025, Plaintiff moved for an appointment of a special discovery master in three cases pending in front of Judge Dishman in Oklahoma County and made a secondary request to consolidate those cases solely for judicial economy of the special discovery master (*Adair v. State Farm*, CJ-2023-6121; *Pruitt v. State Farm*, CJ-2024-7828; and *Cox v. State Farm*, CJ-2024-7630). *See e.g.* 12/4/2025 Adair Mot. for Special Disc. Master.

On January 9, 2026, the parties appeared in front of Judge Dishman on Plaintiff's Motion for Appointment of Special Discovery Master in those three cases pending in front of Judge Dishman against State Farm at similar stages of discovery wherein Plaintiff made clear that consolidation of the three cases at issue was not the main request, as "plaintiffs are willing to bear the burden of three separate special discovery masters if this Court is not inclined to consolidate." *See* Ex. 33, *Adair* 1/9/2026 Hrg. Trns. at 12:6-8. Judge Dishman decided, "I'm not going to consolidate, and the reason I'm not going to consolidate is because I think there are too many differences when you name the individual agents as a defendant. All those situations are going to be factually different." Ex. 33, *Adair* 1/9/2026 Hrg. Trns. at 31:7-11.

Ironically, the last time Plaintiff's counsel moved for consolidation prior to the request to consolidate for only discovery purposes in cases pending in front of the same Judge (Judge Dishman) was in CJ-2020-4453, wherein State Farm filed a Response to Plaintiffs' Motion for Consolidation on January 16, 2024 with the following arguments to prevent consolidation in front of Judge Timmons:

> Consolidation should be denied because **Plaintiffs have not met – and cannot meet – the burden placed on them to demonstrate that: (1) consolidation will benefit judicial economy without causing delay, undue expense, prejudice, or confusion; and (2) sufficient common questions of law or fact exist, particularly as to the agents sued in each case.**
>
> Consolidation of the cases urged herein is not permitted because the issues are neither identical issues as required by Local Rule 9 nor common as required by 12 O.S. § 2018. But the Court need not even get to that substantive prong of the analysis, because Plaintiffs are not simply asking the Court to combine the causes of action against State Farm, but nine separate causes of action against the agent Defendants arising from entirely different and unique facts. Further, the cases are of varying ages and in different litigation postures governed by different discovery orders. **The disparity among the cases both factually and procedurally negates any perceived efficiency and reveals the delay, confusion, and prejudice to the**

individual agent Defendants, State Farm, and the judicial system that will result.

For example, *Nida*, arises from a hail claim made more than four years ago and has been on file since September 2020, while Fletcher still has pending motions to dismiss with answers not yet due. Likewise, in *Nida, Hosier*, and *Kyger*, extensive institutional discovery has already occurred, while initial discovery requests have not even been served in *Fletcher*. As to most of the others, they are in varying stages of non-"native" document production made subject to protective orders entered by the judges in those cases with greater protections than have been ordered in the cases before this Court. **Each of the cases where discovery has taken place have different discovery rulings by different judges that would need to be addressed one by one and reconciled in a consolidation by this Court that would take extensive motion practice as well as hearings. Given the different procedural postures of these cases and Plaintiffs' unexplained delay in moving for consolidation, granting Plaintiffs' Motion would be prejudicial to the Defendants, delay efficient and prompt adjudication of cases that does not benefit any party, and benefits only Plaintiffs' Counsel.**

Critically, these cases include not just State Farm, but nine individual agents who had no part in the claim determination for which State Farm is sued. **The agents are instead sued under negligent procurement and fraud theories, the outcomes of which will turn entirely on what each Plaintiff said to his or her respective agent and what his or her agent said to each Plaintiff. Indeed, the agent issues veer entirely into policy issuance and underwriting questions and are not at all about the claim handling for which Plaintiffs pursue institutional discovery from State Farm.**

As to the claims against State Farm, the Consolidation Cases involve nine different disputes about whether nine different houses were damaged by nine different weather events and to what degree. **All nine have different dates of loss, ranging from October 6, 2019, in Nida to October 14, 2021, in Kelly, implicating differences in training and claim handling procedures. The nine properties are located across seven towns, nearly half of which are not even in Oklahoma county.** As to Plaintiffs theme that State Farm enforced a scheme for denying hail claims, the hail determinations in Christy, Kelly, and Fletcher were made by third-party inspectors not trained by State Farm or bound by its operational guidelines, and McDow involved an external claims resource adjuster who was also not trained by State Farm. **In addition to the third-party inspectors, more than 20 different State Farm adjusters were involved, meaning training material produced in**

> **one case may not be relevant to another. Further, there were 13 different contractors.** Fletcher and Christy involve rental policies rather than homeowner policies. Because the facts specific to each claim vary, the claim decisions also vary: only one claim was denied; State Farm made payments in four cases; and in three cases, although damage was identified, payments were not made because the estimated cost of repairs fell below the total deductible and depreciation.

See Ex. 34, 1/16/2024 *Nida* SF Resp. to Mot. to Cons. (without exhibits) (emphasis added). Despite State Farm strongly objecting to consolidation of identical matters two years ago, State Farm now says the same is proper, without distinguishing any of its previous arguments. For the same reasons above, the cases pending against State Farm in front of different judges are not proper to consolidate.

On January 23, 2026, State Farm moved for consolidation of all the State Farm Oklahoma County District Court cases pending in front of various judges in various different stages of litigation. *See* Ex. 35, 1/23/2026 *Adair* SF Mot. to Cons. OK County Cases (without exhibits). Plaintiffs submitted their response and objection to such request, because consolidation is not proper and the local county rule requirement of identical issues is clearly missing from these cases. *See* Ex. 36, 2/10/2026 Pls' Obj. & Resp. to SF's Con. Mot (without exhibits). *See also* Oklahoma County R. 9. Thereafter, the parties received the following email from Judge Dishman's bailiff:

> Judge has reviewed the Motion to Consolidate and below is his response.
>
> Counsel,
>
> **Defendant State Farm's Partial Motion to Consolidate for Corporate Discovery Purposes Only is denied, with respect to written discovery.** While the Court is sympathetic to Defendant's arguments and understands how such consolidation may create efficiencies for Defendant, **the Court is concerned that an order of partial consolidation may make things more difficult for the Court, and create future, unnecessary litigation over what is (or isn't) "corporate discovery."** The Court also is in agreement with the reasoning of the Attorney General's objection to the motion. My intention is for the discovery master to handle discovery issues to the greatest extent possible, without the Court's intervention.

> That said, the Court is open to limitations being placed on the length or number of depositions of corporate officers. Please work together to come to an agreement on this issue. **If not, please file a motion.**
>
> If you have any question about my ruling, please set us for a quick status conference at your convenience.

See Ex. 37, 5/21/2026 Dishman Email Order. State Farm did not ask for a status conference with Judge Dishman until over two months later and after losing several Motions to Quash in Oklahoma County and Comanche County. *See* Ex. 38, 7/31/2026 Rother Email. *See also e.g.* 10/24/2025 SF *Hursh* MTQ Ress, 10/25/2025 SF *Hursh* MTQ Welsh, 10/27/2025 SF *Hursh* MTQ Manduca, 11/03/2025 SF *Hursh* MTQ Herbert, 1/7/2026 SF *West* MTQ Manduca; 6/11/2026 SF *West* MTQ Ress, Herbert, Moss, and Welsh. *See also.* Ex. 39, *Hursh* 12/31/2025 JE; Ex. 40, *West* 7/24/2026 Order.

Six (6) business days later, State Farm filed a Motion to Consolidate the depositions in only two cases, the *Hursh* Matter and this matter, both pending in different counties. *See* e.g. West SF Con. Mot. This case is set for trial on November 2, 2026. The *Hursh* Matter's case number is CJ-2025-2626 and is pending in front of Judge Palumbo in Oklahoma County and is set for trial December 7, 2026. In response to State Farm's request for a status conference in front of Judge Dishman, Plaintiffs objected to such conference, and provided, in relevant part:

> We respectfully object to a status conference. **We have communicated with State Farm that in our view, the court welcomed a status conference if the parties were unable to come to an agreement on the length or number of depositions in the State Farm cases pending in front of Judge Dishman and after State Farm files a new Motion on this.**
>
> ...
>
> **We would ask that the Court post-pone a status conference until State Farm files a Motion and Plaintiffs are able to respond on the merits in writing. We also believe the Court would benefit from seeing the parties' position in writing before making a ruling on the new request to consolidate.**

See Ex. 38, 8/10/2026 Burrage Email (emphasis added). Thereafter, Judge Dishman set a status conference for August 20, 2026 at 2:30 PM. Importantly, the "corporate discovery" State Farm seeks to get another bite at consolidating is not even pending in front Judge Dishman, but is now pending in front of Judge Sheperd. *See* Ex. 41, West SF Con. Mot (without exhibits). Furthermore, there is no request to take any of the State Farm executives in any of the cases pending currently against State Farm in front of Judge Dishman.

To use Judge Dishman's email order to somehow argue that a case in Comanche County which State Farm never even asked Judge Dishman to consolidate solely to take depositions away from this Court is improper and unprecedented. Those making the rules for this Court chose to allow consolidation only if the issues are "**identical**." Oklahoma County R. 9. Consolidation limited to Oklahoma County does not meet the requirement of identical issues. Furthermore, because of State Farm's attempts to rob this Court and Judge Palumbo of the ability to control their dockets and orders in the two most advanced cases set for trial, Plaintiffs are filing a Motion in both in this case and the Hursh Matter for an Order removing these cases from any future consolidation order.

ARGUMENTS AND AUTHORITIES

Why does State Farm now seek this extraordinary and unprecedented consolidation of two cases proceeding against two different agent defendants across two different counties? The answer is simple: they do not like the discovery orders issued by those judges (specifically this Court and Judge Palumbo) presiding over the cases they now seek to consolidate. Indeed, State Farm's plea to judicial economy is self-servingly ironic given that the original request to consolidate was limited to Oklahoma County but now, after such request was denied, State Farm attempts to loop this case pending in Comanche County that is well-developed and distinct, with distinct discovery orders.

Additionally, State Farm only seeks to consolidate depositions after losings Motions to Quash such depositions, showing the request to consolidate is not made in good faith. *See e.g.* 10/24/2025 SF *Hursh* MTQ Ress, 10/25/2025 SF *Hursh* MTQ Welsh, 10/27/2025 SF *Hursh* MTQ Manduca, 11/03/2025 SF *Hursh* MTQ Herbert, 1/7/2026 SF *West* MTQ Manduca; 6/11/2026 SF *West* MTQ Ress, Herbert, Moss, and Welsh. *See also*. Ex. 39, *Hursh* 12/31/2025 JE; Ex. 40, *West* 7/24/2026 Order. Furthermore, State Farm has sought to avoid its discovery obligations in these cases by asking the Oklahoma Supreme Court to intervene. However, even after arguing that Judge Palumbo exceeded her jurisdiction by granting Plaintiffs' First Motion and ordering certain executives to be produced (which State Farm seeks to consolidate), the Oklahoma Supreme Court unanimously denied accepting State Farm's request to accept mandamus. *See* Ex. 42, Palumbo Writ Denied Order.

In the Hursh Matter, Judge Palumbo has stated on the record at the August 4, 2026 hearing: "State Farm, nobody can adequately prepare for depositions because you have not complied with discovery … State Farm has had every opportunity to come in and march in a live witness to tell me and explain why they cannot comply, and they don't … **I will be attending Nicole Manduca's deposition. She is welcome to do it here in my courtroom or in my jury deliberation room, or I will be attending it by Zoom**." *See* Ex. 43, 8/4/2026 *Hursh* Trns. at 11:9-11; 12:11-13; 14:2-3 (emphasis added).

Judge Palumbo ordered the executive depositions take place in on the following dates in her August 4, 2026 minute order: Wensley Herbert on August 20, 2026; Scott Welsh on August 27, 2026; Kathy Ress on August 28, 2026; and ordered the corporate representative depositions to take place in her courtroom for Nicole Manduca and Wayne Stewart (State Farm's chosen designees) between September 1-3 and 9-11. *See* Ex. 44, Hursh 8/4/2026 Minute Order.

After this hearing, the parties worked together to secure deposing Wensley Herbert on August 26, 2026; Scott Welsh on August 27, 2026; Kathy Ress on August 28, 2026 in Bloomington, Illinois and have booked flights, hotels, and court reporters. The parties are working on securing availability for the corporate designees to take place in Judge Palumbo's courtroom on September 17 and September 18, however, counsel for State Farm stated they were unavailable and only provided two dates for these depositions to take place.

The cases where the plaintiffs are represented by the undersigned attorneys are facially inappropriate for consolidation across different counties for at least five reasons: they (1) are factually distinct from each other; (2) arise from various and dissimilar dates of loss with different sizes of hail (3) the consolidation on "corporate discovery" would cause massive confusion because the individual agents get "corporate scheme" training; (4) arise from various and different State Farm agencies with different underwriting guidelines in effect based on different dates of procurement and renewal; and (5) are at dramatically different stages of litigation. State Farm seeks another bite at the apple to consolidate all Oklahoma County cases to Judge Dishman and to consolidate the depositions Judge Palumbo ordered with Comanche County depositions to forum shop in cases where they lost orders to quash these depositions. *See e.g.* Ex. 39, *Hursh* 12/31/2025 JE; Ex. 40, *West* 7/24/2026 Order.

Granting the requested relief will encourage every insurance company defendant in Oklahoma to seek consolidation whenever an unfavorable discovery ruling occurs in any individual case. Not only is consolidation in Oklahoma County improper but State Farm is seeking to use this Court's order to support its request for a multi-county consolidation, which is deeply improper. For the reasons below, the relief sought by State Farm should be denied.

STANDARD

Oklahoma law requires a common question of law or fact for consolidation, and due to the differences in discovery sets issued, as well as differences in case needs and nuisances in facts, does not support State Farm's request for consolidation. The absence of a "common question of law or fact" also negates consolidation. 12 O.S. § 2018(C). Indeed, those making the rules for this Court chose to allow consolidation only if the issues are "**identical**." Oklahoma County R. 9. The questions of law and fact in these cases are neither identical nor common enough to satisfy the prerequisite for consolidation. Furthermore, the Oklahoma Supreme Court has not ever implanted the statutory authority for multicounty consolidation pursuant to 20 O.S § 81 (2004), nor has it promulgated rules under the statute.[1]

This is especially true considering State Farm in January of 2024 stated that nearly identical State Farm cases were not proper to consolidate because of the "different procedural postures of these cases and Plaintiffs' unexplained delay in moving for consolidation, granting Plaintiffs' Motion would be prejudicial to the Defendants, delay efficient and prompt adjudication of cases that does not benefit any party, and benefits only Plaintiffs' Counsel." *See* Ex. 34, 1/16/2024 SF Resp. to Mot. to Consolidate at p. 2. Almost two years later, this remains true: State Farm's unexcused delay in moving to consolidate only after receiving orders it objects with is not proper and does not benefit any party. Plaintiffs, as the mater of the complaint and the burden of proof, strongly object to the consolidation of these matters. Plaintiffs' counsel has never had State Farm cases become

[1] *See* 20 O.S. § 81(A), (H) ("At the discretion of the Supreme Court, the Court may create a Judicial Panel on Multidistrict Litigation ... The Supreme Court shall promulgate rules for the implementation of this section.").

consolidated at its objection. As such, Plaintiffs request this Court to deny State Farm's request for partial consolidation.

CASES ARE NOT AT SAME DISCOVERY POSTURE

The cases State Farm seeks to consolidate are not the same. State Farm couches its request at "corporate discovery" only but as the party with the burden of proof who issues discovery, the discovery requests Plaintiffs have issued on corporate discovery blends into individual discovery on the agent and individual discovery on the claim. For example, Plaintiffs are aware that State Farm provided corporate training after the scheme was implemented for agents to have "tougher conversations" with insureds when denying or underpaying claims and that is corporate discovery, as well as underwriting guidelines at State Farm changing from 2015 to 2020. While this discovery is aimed at State Farm's institutional training of its agents, the discovery responses will differ depending on when the agent began working at State Farm and when their training began. There is no clean way to sever "corporate discovery" from individual agent discovery.

For example, discovery produced in this case evidences an intentional scheme to reduce first party claims. *See* Ex. 1-31. *See also* Ex. 32, Sheperd Order De-Designating Exhibits. For example, Exhibit 1 pertains to an agent complaining to State Farm that, "Our claims processes need to be reviewed … as they are not working for the customer or the agent … Agents need to know who the appropriate leadership personnel are to make decisions. Right now – that is next to impossible. There appears to be zero accountability within the claims system." This exhibit also shows that Nicole Manduca was the Claim Manager on this claim, which caused the agent great chaos. *See* Ex. 1.

Additionally, Exhibit 2 shows that State Farm was focused on how they will "know the tactics are working" and these tactics were created in bad faith by State Farm leadership, including pillar leads Dana Jokerst, David Chikahisa, Eric Daly, and Nicole Manduca. *See* Ex. 2. Furthermore, State

Farm identified that "Full Roof Replacements is [State Farm's] biggest bucket of opportunity[.]" Ex. 3. Furthermore, Nicole Manduca stated that the biggest bucket means indemnity savings. Ex. 4 ("The hypothesis helped us see our biggest bucket of opportunity (indemnity spend)"). State Farm's 2020 Fire Weather Leadership Business Plan identified that the "greatest opportunity" as "accounting for 57% of Net Paid Indemnity." Ex. 5.

State Farm bragged about saving "$1.4B decrease in indemnity" in just one year of the Scheme. Ex. 6. In fact, when Manduca confirmed that the FME Wind/Hail tactics worked so well for State Farm that ratios of full roof replacements to partial roof repairs were cut more that half in the years following introductions to all States. When Manduca asked if State Farm's results showed they were getting better, Tom Moss at State Farm bragged that "each % point difference is about 5k claim, so if we didn't pay for 1% of claims that did not have damage and were not covered but would have been paid for before based on lack of skill/will, that is 5K claims at $15,769 avg severity for $78.8 million." Ex. 7. So State Farm estimated that each homeowner they deny a roof replacement, like the West family, State Farm saves $15K on average. When State Farm leadership was discussing the wind/hail dashboard they created to track the roof tactics they developed, Kathy Ress told Manduca that this was a "[s]ilver platter for you." Ex. 8.

When State Farm leadership was discussing certain tactics, such as management reviews, roof skills reviews, Art of the Conversation to have tougher conversations when denying claims, Manduca noted "expanding/broadening management review on higher hail/wind severity threshold nets us the most gain from now until the end of the year." Ex. 9. State Farm worked with Accenture Consulting Services to develop self-serving and false industry standards that State Farm was overpaying on wind and hail claims. Ex. 10. This same email thread shows State Farm tracking reduction of total roof replacements. Ex. 10.

Manduca bragged about the "playbook" they created with the wind and hail tactics created to reduce coverage. Ex. 11. Manduca and Scott Welsh discussed the "huddle" they would do with the "playbook" on tactics they created. Ex. 12. John Christensen told Moss in 2023, "I want to ensure they plays that worked in the past we are doing." Ex. 13. This evidences that contrary to State Farm's claims, State Farm leadership in 2023 was doubling down on the tactics that saved State Farm $1.4 billion in 2021. Ex. 13, Ex. 6. Furthermore, John Christensen asked for "help on how we act immediately to improve our accuracy on wind/hail and the T[eam] M[anager] role" to "go back to what worked in the past to quickly make an impact." Ex. 13.

Jordan Coad emailed Manduca and other State Farm leadership about the Fix Profit Task Force ("Profit Task Force") and stated that the Profit Task Force was focused on "how we plan to continue to build on our momentum" and "continue focus on coverage for Water, Wind, and Hail." Ex. 14. Further down in the same chain, Jon Farney sent an email stating that State Farm was repurposing the Profit Task Force meeting to "discuss claims" and meet every Tuesday at 7 am. Ex. 14. Above this and in response to Farney, Michael Roper stated that some of the "Summary Observations" to discuss at the Profit Task Force Meeting on claims was that the "Property Damage C[losed] W[ithout] P[ayment] ratio was 39%, directly in line with estimates." Ex. 14. Roper also noted that the "tentative approach for Tuesday is to briefly cover the November trends at a high level before spending the majority of time focusing on Claims specific content." Ex. 14.

State Farm knew its tactics were implemented in bad faith, as evidenced by their leadership recommending that "any reference to 'targets' need replaced with 'selection'" Ex. 15. Manduca noted to State Farm leadership that the "Profit Task Force meetings are not anything we've typically been involved in, at least I don't think so." Ex. 16. This is likely because Oklahoma law has long established that an insurance company's claim center can never operate as a profit center, yet State

Farm knew that agents and consumers were complaining "State Farm is not writing accurate estimates as we are writing to repair roofs instead of replacing them." Ex. 17.

Corporate discovery against State Farm cannot be separated from the individual discovery against the captive agent in each of these cases. For example, on October 5, 2021, a captive State Farm agent named Tracy Haus emailed Jon Farney and other State Farm leadership about how the tactics State Farm created to reduce roof coverage was impacting her and the State Farm insureds she served:

> **The old slogan of "we pay what we owe, not a penny less, not a penny more" is not the case right now. We now pay really low and customers fight to get what we owe them in more and more cases. In my 20 years I have NEVER had to worry about the reputation of State Farm.** Even when we have raised rates and been uncompetitive, I always knew even if customers were paying more to be with us, we would come through at claim time! #ClaimTimeIsGameTime. I have heard for years now about Allstate's declining reputation when it comes to claims. I have taken so many of their customers all while paying more to be with us in most cases. **I know I am not the first to send an email about the issues we are having in claims, I certainly hope you are receiving A LOT of communication from agents letting you know what's happening to our company from the ground. I have been involved in many agent discussions, email groups etc. about fire claims problems, and specially Roofing issues. I had faith that you all were handling it and that you knew by word of sales leaders and claims team managers that are on the ground that its really bad.** But when I heard the slogan from a very reputable roofing company owner, "You are not in good hands and we are not your good neighbor' ...I was very upset. **That's the slogan around the country, not just here in Louisville. He sent me screen shot after screen shot of reputable companies that for years have loved working with us and now say we are just as bad as Allstate. And if we choose to ignore the contractors then we must listen to our clients. Calls have increased, almost every roofing claim we have the customer is unhappy, the process is laborious, and 8/10 times we end up paying what we should have in the beginning but end up with a mad customer and a tarnished reputation. My team is spending more and more time on claims and being pulled away from selling. For the last 6 months the roofing claim problems have grown.**
>
> ...
>
> **what is being done to look at and hopefully change the way Roofing claims are being handled?** This system is not only broken it is taking us down quicker than you can imagine. **Its gone from bad to worse in record time.** Word of mouth travels far and right now body shops to rental car companies to contractors are screaming from the rooftops and not saying nice things. Right now, our adjustors

(4 in Louisville) are not the problem they are the solution. Roofing contractors would say we have a great team. **Inspectors are being sent out to measure and photo roofs and hand out a very small estimate to REPAIR knowing that in a lot of cases it should be much more than that. They are afraid to get their hand slapped and are in the pockets of State Farm so they are low balling at best and almost NEVER replace a roof.**

Ex. 17. What did State Farm leadership do after receiving hundreds of complaints just like this? Doubled down on the tactics causing chaos on wind and hail claims across the country. Ex. 14.

State Farm had many discussions about the "larger than normal number of complains" about coverage declining at State Farm and noted "[t]he roof thing is a problem. We have not done ourselves a favor there and claims leadership needs to clearly communicate the philosophy change to agents." Ex. 18. State Farm leadership specifically provided "Wind and Hail Claim Handling" training in a presentation to "Agency Leadership" in 2021, evidencing that these captive agents know they are selling illusory coverage that will not provide the full replacement cost benefits they purport to sell. Ex. 19. In fact, leadership such as Manduca were involved in calling agents about complaints over roof claim handling specifically. Ex. 20. *See also* Ex. 21 ("I am saddened to share the impact that my agency is having over roof claims.").

Not only did State Farm leadership discuss claims specific content with agents, State Farm noted as early as 2020 that agents were distrustful of State Farm claim handling due to the massive changes in claim handling without any changes to the policy. Ex. 22 ("Our 2020 Fire Claims quality plans also ... disrupted expectations of our agents ... this created a distrust of agents in our claim handling."). State Farm noted that the agents want to learn more about "underwriting guidelines, new processes being implemented and existing processes that are important for agents and customers to understand." Ex. 22. State

Farm also noted planned to "schedule Wind/Hail Quality discussions with Agency leadership." Ex. 22.

State Farm noted in 2021 that their tactics to reduce coverage were "going well" and the "Art of the Conversation" they created to help agents explain reduction of coverage without any new exclusions to the policy. Ex. 23. State Farm also scheduled a call in 2020 with all Oklahoma captive State Farm agents to discuss "damaging hail that impacted Oklahoma on April 21-22, 2020." Ex. 24. Another tactic State Farm developed was using a hidden definition from Haag Engineering on what is damage on a roof, discussing water-shedding ability, but did not add this language to their policy, and this was implemented in Texas and Oklahoma first. Ex. 25. For example, State Farm's operational guidelines on Wind/Hail provides that "damage occurs to roof coverings when water shedding ability or the life expectancy of the material is reduced."[2] Ex. 26.

State Farm made the Haag Education Hail and Wind Assessment Video Series mandatory viewing and required "[a] yearly refresher of relevant portions from the HAAG Education Hail and Wind Assessment Video series .. [a] minimum of 2 hours of refresher training will be completed by each claim handler and T[eam] M[anager]." Ex. 27. They tracked the completion of Haag education video training of all their claim handlers through an internal software called "MyBlock." Ex. 28. Moss sent an email in 2022, noting that State Farm leadership had developed a "replace calculator" which was a "new tool" for State Farm to use, despite not telling insureds this was going to be implanted on their claims. State Farm required mandatory training from Haag engineers despite having an

[2] Haag brags on its website that "A longstanding definition of functional damage used by Haag is a reduction in the water-shedding capability or expected service life of the roofing material." https://haagglobal.com/articles/september-2019-blog-post/ (last visited August 21, 2026).

internal moratorium on the use of Haag engineers in Oklahoma based on previously revealed fraud with respect to these Haag reports.

State Farm noted "Prioritized Tactics" which included "Early Team Manager Involvement" and these tactics were started at the "Wind/Hail Kick Off in Dallas County, TX June 26, 2020" and then "Expansion to Texas December 7, 2020" and "Expansion to all States December 17, 2020." Ex. 30. It also discusses the "Wind/Hail Playbook" wherein State Farm discussed the key tactics to reduce claim payments on wind and hail claims, namely: (1) Roof Skills Review, (2) HAAG Refresher, (3) Wind Loss Overview, (4) Art of the Conversation, (5) T[eam] M[anager] reviews on roof replacement recommendations but no review of roof denials, (6) Weekly Monitoring & Surveying of roof replacement recommendations and overturns. Ex. 30. It also showed a reduction in claim payments being tracked from February 2021 to June 2021. Ex. 30. State Farm even developed charts to show a reduction in total roof replacement to partial roof with their manager review overturns. Ex. 30. State Farm even developed a "Hail Reconciliation Unit" to overturn total roof replacement recommendations and track those reductions in coverage. Ex. 31.

These select internal documents this Court required State Farm to produce, are only the tip of the iceberg of what was going on behind the curtain at State Farm. The individual agent defendants' depth of knowledge regarding these tactics, as well as obligations of disclosure to State Farm customer/insured is anticipated to vary greatly among the cases- thus creating complexity and confusion and instead of efficiency, which is what is required at law with any proposed consolidation.

As noted above, this case is set for trial on November 2, 2026. Furthermore, the dates of loss, dates of initial procurement, conversations with captive agents and adjusters, and individual insurance needs will differ from each named plaintiff. Some of these cases deal with a third-party adjuster hired by State Farm, others have State Farm adjusters handling the claim. These properties span across the State of Oklahoma, with causes of loss ranging from wind and hail to tornado or pipe burst damage actions. Oklahoma law is clear that separate claims which arise out of separate events, like these cases which arise from different dates of loss, are not proper to consolidate. *See State v. One Thousand Two Hundred Sixty-Seven Dollars*, 2006 OK 15, ¶ 16, 131 P.3d 116 ("There is here absolutely no showing of some predominant equitable consideration that demands a joint trial of the two separate claims to money which arose out of discrete events."). These cases do not deal with identical issues, as required by the local rule on consolidation. Oklahoma County R. 9. It is clear these cases do not all deal with common questions of fact or law, and are not proper to consolidate.

It is clear the parties need this Court's guidance because State Farm is seeking to avoid orders of this Court by trying again to consolidate the depositions in this case and the Hursh Matter. This far into litigation, with trial looming and specific orders on when and where these depositions are to take place will not occur if State Farm is able to forum shop its way out of this Court's orders.

CONCLUSION

For the reasons set forth above, Plaintiffs respectfully submit the above authority and requests this Court issue a formal Order stating the discovery and depositions herein are not to be consolidated with any other action in any county pending in the State of Oklahoma against State Farm and for further relief deemed just.

Respectfully submitted,

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-and-

Brad Burgess
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brad@burgess-hightower.com
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ATTORNEYS FOR PLAINTIFFS

CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of August, 2026, a true, correct, and exact copy of the foregoing document was emailed and/or mailed to the following persons:

Timila S. Rother
Paige A. Masters
Amanda M. Finch
CROWE & DUNLEVY, PC
Braniff Building
324 N. Robinson Ave., Suite 100
Oklahoma City, OK 73102
timila.rother@crowedunlevy.com
paige.masters@crowedunlevy.com
amanda.finch@crowedunlevy.com

-and-

Lance E. Leffel
GABLE GOTWALS
BOK Park Plaza
499 W. Sheridan Ave., Suite 2200
Oklahoma City, OK 73102
lleffel@gablelaw.com
ATTORNEYS FOR DEFENDANTS

Reggie Whitten

From:	Nicole Manduca [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=LOK2]
Sent:	8/19/2021 12:57:44 AM
To:	Gwen Hodgson [gwen.hodgson.lpb5@statefarm.com]
BCC:	Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Gwen Hodgson [gwen.hodgson.lpb5@statefarm.com]
Subject:	RE: 35-8445-5P5: Agent Complaint: Claim concern

Perfect – thank you.

From: Gwen Hodgson
Sent: Wednesday, August 18, 2021 5:52 PM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: 35-8445-5P5: Agent Complaint: Claim concern

Yes ma'am reviewed today and have on the calendar for next follow up Friday.

Sent with BlackBerry Work
(www.blackberry.com)

From: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Date: Wednesday, Aug 18, 2021, 6:57 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Subject: FW: 35-B445-5P5: Agent Complaint: Claim concern

Gwen – making sure this is on your radar for a response next Tuesday, 8/24.

From: Kathy Ress
Sent: Wednesday, August 11, 2021 7:28 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: 35-8445-5P5: Agent Complaint: Claim concern

Thanks Gwen. I'll calendar 2 weeks for an update.

From: Gwen Hodgson
Sent: Tuesday, August 10, 2021 7:28 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: 35-8445-5P5: Agent Complaint: Claim concern

EXHIBIT
1

Kathy,

Since our last response Eberl ECR VM Brandon Becker has made multiple contact attempts with the contractor and kept the insured and agent's office apprised of our efforts to ensure the similar products recommended by Jeld-Wen (Jeld-Wen W-2500 series (Standard) in Brilliant White) has been utilized to achieve a reasonably consistent appearance. ECR

VM Becker and I have reviewed the claim and are committed to daily follow up to drive the claim to conclusion. I will maintain an SM calendar to ensure continuing action occurs.

The contractor at this time has not responded with what Jeld-Wen products they have used in the documentation provided contending a reasonably consistent appearance cannot be achieved.
Our efforts to obtain this information will continue and we will keep the insured and agent's office up to date on all communication.

Please let me know if you have any questions or would like any additional information.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Saturday, August 7, 2021 9:39 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: 35-B445-5P5: Agent Complaint: Claim concern

Hi Gwen,

Would appreciate an update specific to resolution on Tuesday. I note we've left messages for the contractor and spoke to the insured, with a follow up date on Monday. A brief update on resolution with next steps and timeline is appreciate to ensure we monitor this claim to conclusion.

Thanks,

Kathy

From: Gwen Hodgson
Sent: Wednesday, August 4, 2021 8:08 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Kathy,

There was actually quite a bit of contact between August 2020 and July 2021 which I have captured below. There were definitely opportunities for follow up with the contractor, insured and agent throughout that timeframe. I have also updated the vendor name throughout the summary.

Please let me know if there is any additional clarity I can provide or follow up.

Thank you and have a great evening.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Wednesday, August 4, 2021 5:46 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Gwen,

Would you provide timeline when the service gaps occurred? What has our handling been in 2021, as appears no activity since Aug 2020 to July 2021. Trying to understand if these are recurring gaps or recent gaps with our Call to Action. When you update the summary please provide the name of the vendor.

A review of the claim file identified the following service gaps:

- Lack of verbal communication between State Farm Claims, the agent's office, and the insured. Status follow-ups to the insured after conversations with the contractor regarding sash and window replacement findings were needed. Follow up with agent's office to provide status and difficulty working with the contractor were needed.

Thanks!

Kathy

From: Gwen Hodgson
Sent: Wednesday, August 4, 2021 4:48 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Kathy,

Please find our response to the agent concerns:

Outline Customer/Agent Concern and Resolution with the Customer/Agent

- Contractor Feazel Inc. contacted State Farm and advised that the windows on the front and rear elevations of the Loeser's home have sustained damages. The original manufacturer of the windows is no longer in business and the contractor has advised that like kind and quality replacements do not exist. EBERL ECR Vendor Manager Brandon Becker had contacted the manufacturer that bought out the original window manufacturer and has determined the make and model of the windows to be replaced to provide for a uniform appearance. This was communicated to the Insured and Contractor.

- The original inspection of October 8, 2019 did not find damages to the windows and settlement was provided for the roof and gutters on the home. All repairs to the roof and gutters were completed and all RCB's were released per a certificate of completion dated November 7, 2019. On August 10, 2020 the contractor submitted photos of window damage. An additional inspection was completed on August 17, 2020 and no storm related damages were found to the windows. Additional communication with the contractor and insured disputing the determination on the windows throughout September 2020 resulted in the hiring of an engineer October 15, 2020 to evaluate the windows. The engineer inspection occurred November 10, 2020. The engineer's report, received December 3, 2020 identified six cosmetically damaged windows on the South and North elevations and replacement of the window sashes was recommended. The Engineer report provided manufacturer and installer information for the sashes. The State Farm estimate was updated to reflect 6 sash replacements per the Engineers report and evaluation of proper repair. These results were reviewed with the agent's office on December 7, 2020 and with the insured on December 9, 2020, due to the insured's availability.

On January 14, 2021 we received a contractor's estimate to replace all windows in the home due to unavailability of original or LKQ replacement. We contacted the contractor and left a message for the insured outlining the repair options and vendors identified within the engineer's report. On February 1st and February 9th we received calls from the contractor requesting status. We reiterated the repair options and vendors identified within the engineer's report and explained followed up with the insured again on February 9, 2020 to advise of same. The contractor submitted another follow up request on February 15, 2021, it was reviewed February 18, 2021 and while previous activity was referenced no additional action was taken to respond to this most recent request. The agent contacted HRU on February 19, 2021 and we reviewed our handling with him from the time the engineer was retained to current date. The contractor argued he would not warranty the repair or the quality of the work. After advising the contractor we owe to repair hail damage, he agreed to obtain quotes from the two companies identified within the engineer's report. The agent contacted HRU again on February 24, 2021 advising the contractor is telling the insured SF is difficult to get ahold of and is trying to make SF look bad. We reviewed our 2021 communications will the agent. On February 27, 2021 we received mail from the contractor indicating one vendor did not have NFRC certification, stating that is an Ohio code requirement. The contractor asked if we would like the insured to install windows that don't meet code. An email was sent to the agent and the insured that same day advising the documentation the contractor has provided addresses one of the companies referenced in the engineer's report but it does not appear availability from the other company has been researched. While awaiting additional information from the second company research of the code referenced by the contractor was conducted, including follow up with the Franklin County Building Department, that revealed that code applied to new construction only. We spoke with the insured on March 11, 2021 to advise of our findings related to the code issue. We had left a message for the contractor as well but at the insured's request we provided this information to the contractor in writing with a cc to the insured. On March 26, 2021 we reviewed correspondence from the contractor which once again indicated use of the recommended product did not meet code requirements. A response was emailed to the contractor again stating our research indicated that code applied to new construction only. The insured and agent were cc'd on that email.

On March 31, 2021 we received and email from the contractor disputing the applicability of the code, the was reviewed by a CNC ECR in WCCS Stewardship April 14, 2021. The prior activity was referenced in the file note but no action was taken to contact the contractor, insured or the agent. On April 16, 2021 the contractor called into HRU advising the window companies will not do the recommended repair and other window installers have also indicated they will not just replace the sashes. The contractor was asked to provide documentation as to why the sash repair was not possible. On April 20, 2021 the contractor sent in an email indicated the window manufacturer specifically states they do not attempt to match double hung dimensions and the contractor feels this would create a guaranteed mismatch. This email was reviewed on April 22, 2021, attempts to reach the contractor's office were unsuccessful and files notes indicate no voicemail option was available. The CS indicated a calendar was set for next day follow up but the next claim activity was not seen until a calendar review occurred on May 6, 2021. No action was taken at that time and the claim was reclosed in error. On May 14, 2021 the contractor called back in indicating the replacement sash would not match. The CS inquired as to whether the contractor was aware of what the replacement sash height would be to determine if there would be a matching issue. The contractor did not know that and advised he would proceed with repair of one window to see if it would match. The claim remained closed.
On June 24, 2021 the agent contacted HRU asking when we spoke to the insured last and requested a manager. That same day the agent was contacted by Eberl ECR VM Brandon Becker. The agent advised the sash repair would not provide a reasonably consistent appearance and the windows should be replaced. The contractor indicated one vendor would require a minimum purchase and the insured indicated when the second vendor came to the home they misidentified the windows as vinyl and stated they could not install the sashes. The agent requested Eberl ECR VM Becker review the file and join a conference call with the contractor and insured on June 28, 2021 to discuss the matter in more detail. During the call the contractor advised they received confirmation from the first vendor that they could not match double hung window sashes, Eberl ECR VM Becker was able to confirm this with the vendor and agreed to replace the six damaged windows. The contractor indicated the window glaze would likely not match the existing windows. The contractor then asked what window would be of like kind and quality. Eberl ECR VM Becker suggested Jeld-Wen as the manufacturer who bought out the original manufacturer but the insured and the contractor would need to research like kind and quality and appearance to go with the existing windows. The contractor expressed agreement and the conference ended. The SF estimate was revised and a supplemental payment for the window replacement was issued July 1, 2021. On July 8, 2021 Eberl ECR VM Becker spoke w/ the agent who advised the contractor and insured are stating the windows do not provide a reasonable appearance per OH code. Photos were requested for evaluation. On July 12, 2021 the agent and Eberl ECR VM Becker reviewed the photos which reflected an off white Jeld-Wen window with grid, next to the existing bright white non-grid window. Eberl ECR VM Becker contacted Jeld-Wen to find out if something similar to the original window was available in profile and color. The Jeld-Wen W-2500 series in Brilliant White was provided. Eberl ECR VM Becker sent an email to the insured contractor and agent on July 14, 2021 providing this information. The contractor then provided what appeared to be similar photographs of Jeld-Wen windows but are of a different profile and color to advise that a reasonably consistent appearance cannot be achieved.

- The agent's primary concern is the number of people involved in the handling of the claim. He felt it was confusing for the customer, conveyed a lack of authority and did not aid in moving the claim forward. He had very positive feedback on Eberl ECR VM Brandon Becker's intervention and involvement in the claim. SM Hodgson reviewed the agent's concerns and advised Eberl ECR VM Becker would shepherd the claim to conclusion. Eberl ECR VM Becker has made contact with the insured and the contractor and is actively working to confirm the recommended window has been used for replacement prior to reviewing for reasonably consistent appearance.

Identify Leadership Findings and Service Gaps with our handling

A review of the claim file identified the following service gaps:

- Inaccurate information advising the Ph must provide a written request for an engineer inspection by Auto Assist handlers, Pilot and Alacrity ECRs no longer in HRU delayed retention of the engineer through the month of September 2020. A HRU TM reviewed the file October 9, 2020 and approved the hiring of an engineer.

- Lack of verbal communication between State Farm Claims, the agent's office, and the insured. Status follow-ups to the insured after conversations with the contractor regarding sash and window replacement findings were needed. Follow up with agent's office to provide status and difficulty working with the contractor were needed.

- HRU representative in August 2021 advised the insured that we did not have the contractor's contact information on file which caused an unsatisfactory reaction from the insured. The contractor information was readily available in the file notes and documents on file.

Discuss Action Taken to Address Findings/Service Gaps and Prevent Future Occurrences

- This claim example was handled by multiple in-office, deployed, and proximity handlers, specific specialists will be provided feedback on their handling of the claim. Further, HRU leadership will review this topic in this week's huddle to cascade to all HRU handlers.

- The claim handler who failed to locate the contractor contact information has been provided feedback and coaching on investigating claims and review of claim files. The specialist's manager has been provided feedback to continue the development of the specialist.

Indicate any history of performance issues for involved claim handlers. If so, how are we addressing. If not, how are we addressing.

- No history of performance issues for the immediate claim handlers. This claim example is being reviewed with those handlers.

- HRU leadership will continue our Call to Action plan and communicate the need for prompt and accurate customer contacts through EOM activities and individualized coaching as necessary.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.[illegible]@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Tuesday, August 3, 2021 11:50 AM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Got a note from Wensley. We'll need you to call the agent first as comments he's been bounced around.

Ok good. I just talked to the agent. Please have Nicole call him first. He has background and has been bounced around a lot. He is heading on vacation so he said Cell is best. Here is the IM.
Keep me posted.,
Thanks
W

Thank you for the call. I am logging off. I have several other pre travel/vacation items to get to this afternoon. However, this claim remains a top priority for me - and seeing this gets the right level of attention and resolve. My cell: 614.769.1660. An unknown number calling will likely go straight to vm...but I will call whomever back. Welcome to initiate via text to me also. Thank you again for engaging.

From: Gwen Hodgson
Sent: Tuesday, August 3, 2021 11:46 AM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

We will take care of it, thank you.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Tuesday, August 3, 2021 11:43 AM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: Agent Complaint: Claim concern
Importance: High

Gwen,

Please see the executive complaint from the agent. Please have a leader reach out to the agent and customer to see what we need to resolve. I'd appreciate the summary in standard format by EOD Wed. It appears there has been some interaction with the agent.

Wensley is reaching out to the agent to let him know one of our leaders will be in contact in the next couple of hours.

Kathy

From: Kathy Ress
Sent: Tuesday, August 3, 2021 11:35 AM
To: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Subject: RE: Claim concern

This is actively being handling in HRU under CM Nicole Manduca with the contractor. Appears "matching" windows yet just a brief review. Will get a summary back on our handling.

From: Wensley J Herbert
Sent: Tuesday, August 3, 2021 11:30 AM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: FW: Claim concern
Importance: High

Can you please look this one up? I will call him and let him know we are reviewing it and someone will reach out
Thanks
W

From: Robert Yi
Sent: Tuesday, August 3, 2021 11:27 AM
To: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Cc: Beth Lamb <beth.lamb.amqr@statefarm.com>
Subject: FW: Claim concern
Importance: High

See Chris's request for an OVP to contact the agent. Beth is checking to see if we had a previous complaint on this claim. Beth will let you know.

Robert

From: Beth Lamb
Sent: Tuesday, August 3, 2021 11:22 AM
To: Robert Yi <robert.yi.caqa@statefarm.com>
Cc: Beth Lamb <beth.lamb.amqr@statefarm.com>

Subject: I: Claim concern
Importance: High

NI: Edward A Loeser
CL#: 35-B445-5P5
DOL: 9-01-2019 (Cat)
VPO: K Ress

From: Chris Schell
Sent: Tuesday, August 3, 2021 12:18:05 PM (UTC-05:00) Eastern Time (US & Canada)
To: Robert Yi
Subject: FW: Claim concern

I think Chad sent this in some time ago. Could we get an OVP to call him and work to get back on the rails? Thanks

---

From: Chad Harris
Sent: Tuesday, August 3, 2021 11:15 AM
To: Chris Schell <chris.schell.gxn0@statefarm.com>
Cc: Chad Harris <chad.harris.le0x@statefarm.com>
Subject: Claim concern
Importance: High

Hi Chris,

I hope my memo finds you well. I wish I was emailing you under different circumstances. I am emailing you because I know you (and more importantly, I believe you to be a person who cares)...and based on your current position, I believe this is information a person in your position needs to know.

Re: Homeowner Claim number: 35B4455P5 Date of Loss: 9.1.2019 (Hail CAT claim) Inspection date: 8.17.2020 (this claim has been on-going for almost one year)

- This should be a Department of Insurance Complaint (due to the delays in resolving this claim)
- Perhaps a customer complaint to the Mike Tipsord (due to our dysfunctional processes, delays and poor communication with the insured)
- The insured is beyond frustrated with SF claims; their processes, lack of communication and personnel. Based on what I've personally witnessed and experienced, the insured has every right to be frustrated.
- I have been pulled into this claim by the insured and the contractor. I have attempted to talk with multiple leadership personnel to no avail.
- We have people handling claims that are not SF employees (outside contractors)...who apparently lack the authority to make a decision or solve problems when they occur. Deployed vs. employed processes do not communicate well.
- Finding and identifying a leadership person to talk with...and have them make decisions is almost impossible (to date, it has been impossible)
- Yesterday 8/2/21, I once again reached out to claims leadership due to more errors...only to watch as it was passed down from one person to another and to another.

This is terribly embarrassing for State Farm...and me, as the local agent. Our claims processes need to be reviewed...as they are not working for the customer or the agent. JD Power customer claims satisfaction scores have been telling us –

what agents are experiencing with more and more regularity. Agents need to know who the appropriate leadership personnel are to make decisions. Right now – that is next to impossible. There appears to be zero accountability within the claims system. No ownership. No accountability. The team environment is failing us and the insured. People simply pass things down to a person who otherwise lacks the authority to make a decision...and the claim stalls, or a new person picks it up and the processes begins again...with no better result.

My ask: This claim needs leadership involvement (not passing it down, again). The leadership person needs to be someone with the authority to review the concerns and make a decision. I am also requesting to have a conversation with said claims leadership – as to avoid add'l mistakes. The claim file and notes appear to be incomplete.

My second ask: This claim should be put into the "process excellence" type file for process review. When we perform poorly – we should take the time to learn from our mistakes and improve our processes. This claim highlights all the current dysfunction within our SF claims operations and processes. Our insured deserves better service than what they are currently receiving from State Farm claims. This claim needs to be resolved without further delay.

Thank you for your time and attention to this matter.

P.S. I am leaving for vacation this afternoon. My cell is 614.769.1660. Thank you.

Respectfully,

Chad Harris, Agent

<< OLE Object: Picture (Device Independent Bitmap) >>
Chad Harris State Farm Agency
6151 Avery Rd. Ste A Dublin, Ohio 43016
P. 614.889.2778 | F. 614.212.4461
chad@chadharrisinsurance.com
www.chadharrisinsurance.com

NMLS # 2052343

2022 Fire & AWC Claims: Quality Pillar Strategy

StateFarm

Where we go, we grow. We are committed to achieving a culture of operational excellence where our actions lead to growing State Farm. Our excellence will be achieved as *#oneteam*. We are compelled by our customer-driven focus, with a contemporary leadership mindset that drives success today and positions us for tomorrow. Our team accelerates outcomes through innovative thinking and early adoption of technology. We build confidence in our ability and agility, and inspiring each other to continuously improve and have fun in our service to others.

Context

The State Farm mission is to help people manage the risks of everyday life, recover from the unexpected and realize their dreams. **State Farm will drive improvement in claim handling accuracy.** We will be the leader in claim handling accuracy while delivering a differentiated customer experience and competitive cost structure through our operation model transformation.

Purpose

What is the purpose of the Pillar Team?

Outcomes

- Execute on Quality Plans
- Enhance technical skills and align complexity of work to the skills
- Carry out Model Enhancement guidelines

Monitoring and measuring

How will we know the tactics are working?

- 85% All SM Surveys
- Fire Frequency Errors – Wind 6.1%, Hail 6.2%, Water 8.2%, Fire 7.7%
- XX% Auto Frequency Errors

Potential Obstacles

What barriers do you anticipate you'll need to overcome?

Key Players

- Claims Exec Sponsors
    - VPO Kathy Ress
    - VPO Tyrone Smith
- Pillar Leads
    - Dana Jokerst
    - David Chikahisa
    - Eric Daly
    - Nicole Manduca
- Pillar Workgroup
    - XX

EXHIBIT

2

2022 Fire & AWC Claims: Quality Pillar Strategy

StateFarm

Pillar Tactical Roadmap

- Date – Period of the month planned to execute the tactic
- Outcome – Input one of the three outcomes from the Pillar Outcomes above
- Tactic – Include high level name of the tactic
- Tactic Definition/Deliverable – Briefly define the tactic/deliverable being executed
- Milestone – Outline the expected result of the tactic and by when will the result occur (Result may be quantitative or qualitative)

QUARTER ONE				
JANUARY				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
FEBRUARY				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
MARCH				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
QUARTER TWO				
APRIL				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
MAY				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
JUNE				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
QUARTER THREE				
JULY				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
AUGUST				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone

2022 Fire & AWC Claims: Quality Pillar Strategy

State Farm

SEPTEMBER				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
QUARTER FOUR				
OCTOBER				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
NOVEMBER				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone
DECEMBER				
Date	Outcome	Tactic	Tactic Definition/Deliverable(s)	Milestone

[redacted]

2022 Fire & AWC Claims: Quality Pillar Strategy

StateFarm

APPENDIX

Communication Strategies and Key Messages

Claims Focus, Tactics & Measures

Strategic Priority	Focus	Tactics	How will we measure?
 **Strategic Priority #3: Drive improvement** in claim handling accuracy and operational expense.	✓ Reduce the volatility of our Claims loss trends and improve our error rates. ✓ Increase the focus on the internal drivers of our quality results. ✓ Effectively execute on budget goals and meet targets. ✓ Achieve and sustain productivity targets. ✓ Effectively manage absence rates.	1. Focus on quality claim handling practices to reduce error rates. 2. Execute on CRT modernized survey approach, including coaching to improved quality performance. 3. Build proficiency in use of virtual capabilities with quality results. 4. Build proficiency in use of CCC platform. Ensure capabilities are maximized by Estimatics and Total Loss associates following implementation. 5. Positively impact ECR expense trends by meeting productivity targets and leveraging available enterprise resources and virtual capabilities. 6. Manage DCCE through proactive claim handling, driving eligible files to CLC, reviewing litigation expenses, and use of matter screens. 7. Identify and address absence trends early.	✓ Reinspection Results ✓ Section Manager Survey Results ✓ Received to Closed Claim Ratio ✓ Reduced lead time (or additional productivity/SLO metrics we determine are needed) ✓ % of employees meeting or exceeding productivity goals ✓ Expense and Roadmap goals ✓ ECR Expense Trends ✓ DCCE Trends ✓ Absence Trends

From:	HOME SYS-MCT-LYNCARCH [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=A6FB63A0115C428C8D0BAD6604AE1C81]
Sent:	7/1/2020 6:31:03 PM
To:	Greg Robinson [greg.robinson.l420@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]
BCC:	greg.robinson.l420@statefarm.com; nicole.manduca.lok2@statefarm.com
Subject:	SendLyncArchivingDataToHadoop

Transcript for instant messaging (IM) session: Conversation between greg.robinson.l420@statefarm.com and nicole.manduca.lok2@statefarm.com

greg.robinson.l420@statefarm.com [2020-06-29 15:33:28 (UTC)]:
So they will provide a claim listing?
nicole.manduca.lok2@statefarm.com [2020-06-29 15:33:40 (UTC)]:
Yes
greg.robinson.l420@statefarm.com [2020-06-29 15:34:08 (UTC)]:
Just need to understand that second piece around the opportunity
nicole.manduca.lok2@statefarm.com [2020-06-29 15:34:46 (UTC)]:
Here's where my head goes.....
nicole.manduca.lok2@statefarm.com [2020-06-29 15:36:29 (UTC)]:
If in fact Full Roof Replacements is our biggest bucket of opportunity, we think our best option is to first focus on small hail/light wind. With that focus, we would best benefit by having an easy way to track small hail/light wind and correspond to FRR. This gets to the data point we need to automate. Right now, we will have to use 'key word' searches in ECS to match the hail size/wind speed with the Payment Code of TR, PRR, etc.
nicole.manduca.lok2@statefarm.com [2020-06-29 15:37:12 (UTC)]:
Can you hop on a call with me briefly after this wraps?

EXHIBIT
3

From: home.sys-mct-lyncarch.883c00@statefarm.com [home.sys-mct-lyncarch.883c00@statefarm.com]
Sent: 12/4/2020 7:20:55 PM
To: nicole.manduca.lok2@statefarm.com; dana.jokerst.pmhi@statefarm.com
Subject: SendLyncArchivingDataToHadoop

Transcript for instant messaging (IM) session: Conversation between nicole.manduca.lok2@statefarm.com and dana.jokerst.pmhi@statefarm.com

nicole.manduca.lok2@statefarm.com [2020-12-02 16:51:06 (UTC)]:
The hypothesis helped us see our biggest buckets of opportunity (indemnity spend)

dana.jokerst.pmhi@statefarm.com [2020-12-02 16:51:24 (UTC)]:
That is great

dana.jokerst.pmhi@statefarm.com [2020-12-02 16:51:41 (UTC)]:
So Accenture reps will be on the workshop calls?

nicole.manduca.lok2@statefarm.com [2020-12-02 16:53:04 (UTC)]:
I have to get my head around what that will look like for Water, but essentially our analysis found that we (SF) replaced roofs at a far higher percentage for small hail/light wind compared to industry average. For example, we replaced 85% on small hail compared to industry average of 8-10%, followed by 65% on light wind compared to industry average of about 5%. When we ran the dollars, that narrowed our focus of opportunity.

nicole.manduca.lok2@statefarm.com [2020-12-02 16:53:14 (UTC)]:
I believe they will just not sure when that begins.

dana.jokerst.pmhi@statefarm.com [2020-12-02 16:53:43 (UTC)]:
Wow! That is significant!

nicole.manduca.lok2@statefarm.com [2020-12-02 16:54:37 (UTC)]:
Indeed. That also supported our need for data integrity (updating participants, additional inspections) so we could track if particular contracting firms drove these outcomes and/or where our skill opportunities resided.

nicole.manduca.lok2@statefarm.com [2020-12-02 16:56:15 (UTC)]:
You'll be provided the indemnity spend in the buckets of opportunity - it'll stay at your level and higher. That's how you'll engage Wendy and the O's on how you prioritize your focus and guidelines. For example, one of your buckets may be a $50M opportunity if our Accuracy improves in that space.

dana.jokerst.pmhi@statefarm.com [2020-12-02 17:01:12 (UTC)]:
That's incredible

EXHIBIT

4

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

StateFarm

Where we go, we grow.

We are committed to achieving a culture of operational excellence where our actions lead to growing State Farm®. Our excellence will be achieved as #oneteam. We are compelled by our customer-driven focus, with a contemporary leadership mindset that drives success today and positions us for tomorrow. Our team accelerates outcomes through innovative thinking and early adoption of technology. We build confidence in our ability and agility, and inspiring each other to continuously improve and have fun in our service to others.

Accuracy* Drive improvement in claim handling accuracy.

Outcomes

- Improved Wind/Hail Trends
- A minimum of 80% on 100% Section Manager Surveys

Priorities

Year-over-year trends indicate Wind/Hail and Non-Weather Water perils provide the greatest opportunity to impact enterprise results, accounting for 57% of Net Paid Indemnity (NPI) and 70% of claim counts. Wind/Hail losses are 40% of NPI and 49% of claim counts, with Incurred Frequency up 1.2% YOY. Water losses account for 17% of NPI and 21% of claim counts, with Incurred Frequency down 4.9% YOY.

Wind/Hail Macro View of Quality Insights and Approach

EXHIBIT

5

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

StateFarm

Trends	Root Causes	Solution Tactics	Success Measures	Resource Needs
Enterprise (as of Dec 2019) Trends / Wind/Hail: Overall WPI – [illegible] WPI increase – [illegible] Overall Counts – [illegible] Paid Severity – [illegible] PPI [illegible] – [illegible] Incurred Frequency – [illegible] **2020 Five States of Focus Ranked Opportunity by Peril** Wind/Hail: TX, [illegible], [illegible], [illegible], [illegible] **Top Five States Enterprise Ranked Opportunity by Peril** Wind/Hail: TX, IL, GA, OH, PA	**Skills Set Gaps** • Investigation & Coverage Analysis ◦ Damage Identification • Estimate Writing ◦ Scoping & Documentation • Estimate Reconciliation **Leadership Gaps** • Consistent coaching to quality including CM to SM, SM to TM and TM to CH • Proactive use of monitoring tools • Accountability to outcomes	**Skills Set Tactics** Applies to leaders and claim handlers • MyBlock Performance Framework with Technical Skill Documentation • Upskill in Office and Deployed workforce on Xactimate • Modified settlement authority Wind/Hail • Haag Engineering Roofing Training • Total Roof Overturn Authority • Damage ID & Coverage Decision TM File Review and Coaching: 35 payments with Reason Code TR, FR or RR and 35 CWP to Paid status **Leadership Tactics** Applies to CM, SM and TM leaders • MyBlock Performance Framework Validation • Use [illegible] to monitor progress and [illegible] • Modified settlement authority • LCM Coaching Activities with focus on technical instruction Wind/Hail • Total Roof Overturn and 35 Payment Monitoring	• Estimate Differences • Average Reconciliation Payment • [illegible] Paid Severity • Wind/Hail ◦ Total Roof Overturn Rate	• Haag Engineering Training • Consulting Services • Claims Training Support • Reinspection Shared Services

Where we go, we grow. But first, where do I need to lead my teams to grow.

- 2019 SM Survey Results indicates our opportunities are:
    1. Investigation - Damage Identification
    2. Estimate Writing – Scoping & Documentation
    3. Estimate Reconciliation
- Consider the opportunities and results below in our Fire Weather claim handling

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

2019 SM Survey Results

		Investigation	Damage Evaluation	Resolution	Overall
STFW	Huffman	85%	92%	71%	72%
	Pitts	59%	88%	53%	59%
	Shorr	71%	89%	71%	77%
	Speckman	54%	82%	54%	57%
	Moore	82%	77%	64%	68%
FPU	Colbert	89%	53%	82%	74%
	McCardle	82%	87%	63%	76%
	Marabata	85%	90%	61%	71%
LLAU	Hedgcoe	86%	88%	47%	65%
	Mendoza	86%	88%	47%	64%
Deployed	Rauschenbach[illegible]	81%	75%	55%	69%
	Thoms	52%	91%	75%	61%
	Chihattas				
	Frampton/Ellerman	71%	59%	75%	71%
	Rantz	54%	64%	71%	60%
	Robinson	50%	65%	67%	60%
	Tessero	71%	59%	71%	70%
	Young	72%	70%	65%	74%
	Gardner				
	Betz	87%	75%	82%	71%
	Essen	75%	77%	77%	74%
	Galloway	85%	79%	84%	71%
	Mach	58%	72%	75%	74%
	Neal	67%	69%	69%	73%
	Pacific				

Investigation

Initial Contact	Diligent Investigation	Initial Loss of Use Established	Effective Mgmt of Loss of Use	Subrogation
59%	89%	13%	57%	67%
74%	60%	62%	62%	100%
60%	79%	100%	100%	75%
56%	89%	40%	86%	0%
35%	71%	45%	20%	40%
	67%			
	62%			
	87%			
50%	71%	57%	57%	50%
88%	71%	57%	57%	88%
59%	59%	0%		57%
84%	89%	0%		
87%	88%	100%	100%	
65%	61%	0%	0%	100%
64%	60%	0%		0%
71%	77%	0%	60%	0%
71%	72%	120%	30%	
30%	59%			0%
84%	40%	100%	100%	
77%	60%	100%	300%	
90%	40%			
53%	75%			

Damage Evaluation					Resolution		
Thorough Scope of Cov A Loss	Estimate	Thorough Scope of Cov B Loss	Personal Property Inventories Verified	PP Settlement Supported by Documentation	Estimate Reconciliation	Management Involvement	Active Handling and Resolution
71%	67%	45%	59%	79%	56%	74%	72%
50%	32%	62%	88%	57%	37%	39%	69%
82%	89%	80%	95%	79%	59%	64%	74%
58%	49%	89%	95%	82%	20%	50%	69%
65%	56%	81%	92%	70%	42%	52%	72%
79%	75%	100%	67%	67%	79%	81%	40%
84%	100%	67%	67%	100%	76%	77%	45%
92%	83%	83%	67%	80%	77%	79%	42%
82%	88%	54%			33%	38%	38%
82%	88%	54%			33%	38%	88%
54%	69%	0%		57%	44%	82%	55%
60%	85%	0%			56%	68%	64%
89%	81%	77%	71%	51%	32%	71%	82%
60%	62%	0%	0%	100%	88%	75%	75%
54%	66%	0%		0%	60%	62%	69%
71%	77%	0%	60%	0%	40%	71%	69%
75%	71%	100%	33%		42%	45%	71%
90%	49%	80%	93%	57%	33%	23%	72%
92%	47%	90%	93%	67%	22%	61%	79%
87%	59%	88%	89%	118%	37%	52%	77%
90%	52%	52%	81%	54%	50%	38%	71%
90%	55%	90%	98%	70%	75%	89%	82%

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

StateFarm

Strategy Execution Exercise

- Clear outcomes and common understanding
- Mutual commitment and cooperation
- Why, How, What execution

People

Tactic	Success Measure by Role	Frequency of Success Measure	EOM Coaching Activity by Role
Execute on 2020 Fire Property Claims Plan with excellence 1.30.20 2020 Fire Claims Quality Plan I • MyBlock5 • ORT Results • Total Roof Authority and Monitoring • Reconciliation Accuracy	MyBlock 5 VPO CM SM TM CH ORT Results VPO CM SM TM CH Total Roof Authority and Monitoring VPO CM SM TM CH Reconciliation Accuracy VPO CM SM TM CH	MyBlock 5 VPO CM SM TM CH ORT Results VPO CM SM TM CH Total Roof Authority and Monitoring VPO CM SM TM CH Reconciliation Accuracy VPO CM SM TM CH	MyBlock 5 VPO CM SM TM CH ORT Results VPO CM SM TM CH Total Roof Authority and Monitoring VPO CM SM TM CH Reconciliation Accuracy VPO CM SM TM CH
Conduct Hail Damage Identification training	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Assess & adjust settlement authority based on quality claim handling; IO focus on Ordinance & Law, Deployed focus on Damage ID and Documentation	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Refresh Coaching Activities with focus on technical instruction	VPO CM SM TM	VPO CM SM TM	VPO CM SM TM

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

StateFarm

	CH	CH	CH
Leaders maintain authority on overturns and monitor payment activity on CWP claims	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Upskill claims workforce on Xactimate	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Targeted use of XactAnalysis to coach to performance results	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

Process

Tactic	Success Measure by Role	Frequency of Success Measure	EOM Coaching Activity by Role
Align Deployed workforce to damage areas based on skills sets	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Implement IO Call Recording/Screen Capture to enable root cause identification	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Update Xactimate with Wind/Hail enhancements and use effectively	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Activate state model approach to Wind/Hail Peril in alignment with Claim Insights testing	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH

2020 Fire Weather Leadership Business Plan

Accuracy Tactical Plan

State Farm

Technology

Tactic	Success Measure by Role	Frequency of Success Measure	EOM Coaching Activity by Role
Address contractor phone activity into IO operations	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Explore real-time "Xactimate Estimate Check" prior to issuing settlement draft	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Discover opportunity for advanced weather data beyond atmospheric data, including Geospatial Intelligence Model Testing	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH
Test Claim Data Insights opportunities to prioritize new claims based on file markers, optimize timing of management review, and enhance inventory management for Wind/Hail claims	VPO CM SM TM CH	VPO CM SM TM CH	VPO CM SM TM CH

From:	Nicole Manduca [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=LOK2]
Sent:	1/16/2023 10:20:46 PM
To:	Tammy Higa-Seaver [tammy.higa-seaver.c7sy@statefarm.com]
BCC:	Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Tammy Higa-Seaver [tammy.higa-seaver.c7sy@statefarm.com]
Subject:	FW: Wind/Hail Peril Trends
Attachments:	Total Homeowners Wind Hal - December 2022.pdf; Wind Hail 5 year trends.pdf

We can talk through this in a touch point but thought you may find the information interesting to see the year-over-year comparisons. We started the Wind/Hail FME work the summer of 2020 (pilot in one count in DFW) then scaled December 2020. Volume down while severity up quite a bit. About a $1.4B decrease in indemnity from 2020 to 2021 (Wind Hail 5 year trends attachment).

I also received additional data this morning on our Total Roof to Partial Roof Replacement ratio. When we started this work, we were replacing roofs at a rate of 5.6 to every 1 we repaired. In 2021 we landed at 2.0 for every 1 and 2022 increased to 2.2 to every 1.

From: Terrie Lemon <terrie.lemon.hhi1@statefarm.com>
Sent: Friday, January 13, 2023 11:30 AM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: Wind/Hail Peril Trends

Hi Nicole,
Attached are some views of the Enterprise wind/hail results over the prior 5-year period.

Please let me know if you have any questions, or require additional information, or wish to see them in a different format.

Thank you
Terrie

Terrie Lemon, CPCU
Sr. Business Analyst
P&C Analytics - Claims
E-Mail | terrie.lemon.hhi1@statefarm.com

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This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message. Thank you for your cooperation.

EXHIBIT
6

From:	HOME SYS-MCT-LYNCARCH [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=A6FB63A0115C428C8D0BAD6604AE1CB1]
Sent:	11/19/2021 12:46:55 AM
To:	Tom Moss [tom.moss.c4sg@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]
BCC:	tom.moss.c4sg@statefarm.com; nicole.manduca.lok2@statefarm.com
Subject:	SendLyncArchivingDataToHadoop

Transcript for instant messaging (IM) session: Conversation between tom.moss.c4sg@statefarm.com and nicole.manduca.lok2@statefarm.com

tom.moss.c4sg@statefarm.com [2021-11-16 21:50:24 (UTC)]:
looks like we are off the hook today
nicole.manduca.lok2@statefarm.com [2021-11-16 21:51:05 (UTC)]:
We are - just traded notes w/ Dana and confirmed w/ KR that we'll cover in December call.
nicole.manduca.lok2@statefarm.com [2021-11-16 21:51:19 (UTC)]:
I think that time is better as we can show a 'year in review' for Water and Wind/Hail FME
tom.moss.c4sg@statefarm.com [2021-11-16 21:51:21 (UTC)]:
cool beans - we will have more info to share then
nicole.manduca.lok2@statefarm.com [2021-11-16 21:51:31 (UTC)]:
Yep
nicole.manduca.lok2@statefarm.com [2021-11-16 21:51:40 (UTC)]:
When did we introduce FED?
tom.moss.c4sg@statefarm.com [2021-11-16 21:51:44 (UTC)]:
do you have a minute to visit right after this call
tom.moss.c4sg@statefarm.com [2021-11-16 21:51:51 (UTC)]:
q3 2020
nicole.manduca.lok2@statefarm.com [2021-11-16 21:52:00 (UTC)]:
As long as it's before 4p C as have call w/ KR at that time
tom.moss.c4sg@statefarm.com [2021-11-16 21:52:19 (UTC)]:
she is very demanding of your time :)
nicole.manduca.lok2@statefarm.com [2021-11-16 21:52:34 (UTC)]:
Okay - would be interesting to see Q3-Q4 2020 Wind/Hail FED and compare to 2021. Concerned to see the larger % for Wind and Hail is flat.
nicole.manduca.lok2@statefarm.com [2021-11-16 21:53:29 (UTC)]:
I find all of that confusing when seeing the TR to PRR ratio .... feel similar on Severity trends. We have gotten better, right? Or am I just snowing myself
tom.moss.c4sg@statefarm.com [2021-11-16 21:53:57 (UTC)]:
we have definitely gotten better
nicole.manduca.lok2@statefarm.com [2021-11-16 21:54:12 (UTC)]:
But do the results (that matter) prove that? They have to right?
tom.moss.c4sg@statefarm.com [2021-11-16 21:56:13 (UTC)]:
one of the challenges in comparing q3/4 2020 to this year is that we switched where RIs make the finding for paying for an undamaged roof. It was under SC03 (scoping) in 2020. It is now in CA01 (coverage analysis).
tom.moss.c4sg@statefarm.com [2021-11-16 21:56:26 (UTC)]:
but yes, the results show it
tom.moss.c4sg@statefarm.com [2021-11-16 21:57:03 (UTC)]:
if we look at the reason code % of TR, PRR, and NR - the overall % shows improvement
nicole.manduca.lok2@statefarm.com [2021-11-16 21:57:03 (UTC)]:

EXHIBIT
7

Very good point

nicole.manduca.lok2@statefarm.com [2021-11-16 21:57:12 (UTC)]:

Also true

tom.moss.c4sg@statefarm.com [2021-11-16 21:59:55 (UTC)]:

each % point difference is about 5k claim, so if we didn't pay for 1% of claims that did not have damage and were not covered but would have been paid for before based on lack of skill/will, that is 5k claims at $15,769 avg severity or $78.8 million

nicole.manduca.lok2@statefarm.com [2021-11-16 22:04:13 (UTC)]:

Our call is pushed to 4:15 if you happen to be available

nicole.manduca.lok2@statefarm.com [2021-11-16 22:04:15 (UTC)]:

No worries if not

tom.moss.c4sg@statefarm.com [2021-11-16 22:11:08 (UTC)]:

So sorry, I stepped in to visit with Harris

tom.moss.c4sg@statefarm.com [2021-11-16 22:12:59 (UTC)]:

BTW, did Eric just tell me not to speak in the Dec meeting?

nicole.manduca.lok2@statefarm.com [2021-11-16 22:14:45 (UTC)]:

He may have - was it a joke?

tom.moss.c4sg@statefarm.com [2021-11-16 22:21:29 (UTC)]:

don

tom.moss.c4sg@statefarm.com [2021-11-16 22:21:35 (UTC)]:

don't think so

nicole.manduca.lok2@statefarm.com [2021-11-16 22:21:41 (UTC)]:

jerk move

tom.moss.c4sg@statefarm.com [2021-11-16 22:22:08 (UTC)]:

He's yelled at me a few times this year - doesn't like some of our direction but it's not his call

nicole.manduca.lok2@statefarm.com [2021-11-16 22:25:21 (UTC)]:

so not cool

tom.moss.c4sg@statefarm.com [2021-11-16 22:26:22 (UTC)]:

it's all good. I've worked with him for 13 years and if he doesn't get his way he bulls through things.

From: home.sys-mct-lyncarch.883c00@statefarm.com [home.sys-mct-lyncarch.883c00@statefarm.com]
Sent: 3/5/2021 10:48:16 PM
To: kathy.ress.he8j@statefarm.com; nicole.manduca.lok2@statefarm.com
Subject: SendLyncArchivingDataToHadoop

Transcript for instant messaging (IM) session: Conversation between kathy.ress.he8j@statefarm.com and nicole.manduca.lok2@statefarm.com

kathy.ress.he8j@statefarm.com [2021-03-03 20:21:27 (UTC)]:
Will you have W/Hdashboard ready for next month quality check in we could highlight in this call?
nicole.manduca.lok2@statefarm.com [2021-03-03 20:21:44 (UTC)]:
Would love to
kathy.ress.he8j@statefarm.com [2021-03-03 20:22:19 (UTC)]:
Very good. We're going to focus on Wind/Hail TX, IL and GA. and the FME dashboard
kathy.ress.he8j@statefarm.com [2021-03-03 20:22:23 (UTC)]:
Will that work for you?
nicole.manduca.lok2@statefarm.com [2021-03-03 20:23:04 (UTC)]:
I'm drooling :o3:o3:o3
kathy.ress.he8j@statefarm.com [2021-03-03 20:23:34 (UTC)]:
lol!
nicole.manduca.lok2@statefarm.com [2021-03-03 20:24:19 (UTC)]:
Passion project...I am so excited and optimistic (and I believe steeped in reality) that we WILL realize improvements in Wind/Hail trends in '21
kathy.ress.he8j@statefarm.com [2021-03-03 20:29:57 (UTC)]:
Silver platter for you.
nicole.manduca.lok2@statefarm.com [2021-03-03 20:30:11 (UTC)]:
:P
kathy.ress.he8j@statefarm.com [2021-03-03 20:30:19 (UTC)]:
lol...

EXHIBIT
8

From: home.sys-mct-lyncarch.883c00@statefarm.com [home.sys-mct-lyncarch.883c00@statefarm.com]
Sent: 9/28/2020 9:22:30 AM
To: wendy.mazza.c9s2@statefarm.com; nicole.manduca.lok2@statefarm.com
Subject: SendLyncArchivingDataToHadoop

Transcript for instant messaging (IM) session: Conversation between wendy.mazza.c9s2@statefarm.com and nicole.manduca.lok2@statefarm.com

wendy.mazza.c9s2@statefarm.com [2020-09-24 20:11:51 (UTC)]:
Are we still moving forward with having the Insight for accuweather and ISO info?
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:11:58 (UTC)]:
That might be a good call out for Fire.
nicole.manduca.lok2@statefarm.com [2020-09-24 20:12:18 (UTC)]:
Insight for ISO, yes. Potential Match Locator - however it is not in flight yet.
nicole.manduca.lok2@statefarm.com [2020-09-24 20:12:29 (UTC)]:
Additional approvals needed from P&C
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:12:37 (UTC)]:
Got it. Thanks
nicole.manduca.lok2@statefarm.com [2020-09-24 20:13:34 (UTC)]:
My understanding is ET is working on an ECS enhancement (not sure where it's prioritized) to pull in Accuweather data at FNOL. Again, not in flight.
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:14:17 (UTC)]:
But our work might help inform what the possibilities are with it, right?
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:14:29 (UTC)]:
What would you highlight as the "hot" topic for Fire?
nicole.manduca.lok2@statefarm.com [2020-09-24 20:14:33 (UTC)]:
Take that thought further for me...
nicole.manduca.lok2@statefarm.com [2020-09-24 20:15:04 (UTC)]:
I think expanding/broadening management review on higher hail/wind severity threshold nets us the most gain from now until the end of the year.
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:15:09 (UTC)]:
Since we are getting the acuweather data, and how we are using and its impact on claim outcomes. That will help push the ET work faster.
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:15:28 (UTC)]:
If it shows positive outcomes.
nicole.manduca.lok2@statefarm.com [2020-09-24 20:15:45 (UTC)]:
Agree. We are having some learnings around Accuweather in/outside of the model. It's a helpful data point but it's not the end-all.
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:15:54 (UTC)]:
Got it.
nicole.manduca.lok2@statefarm.com [2020-09-24 20:17:19 (UTC)]:
I think the Accuweather, Management Reviews and Roof Skills Review are the highlights. Art of the Conversation rounds it out in that with improved quality, inevitably we are engaging in tougher conversations. This training helps in having courteous and effective conversations when we are unable to extend coverage or only partial coverage.
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:17:56 (UTC)]:
(y)
nicole.manduca.lok2@statefarm.com [2020-09-24 20:22:46 (UTC)]:
I am now seeing that I likely was not supposed to be invited to this call. Good grief
wendy.mazza.c9s2@statefarm.com [2020-09-24 20:23:21 (UTC)]:
Youre good.

EXHIBIT
9

From: Nicole Manduca [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=LOK2]
Sent: 10/20/2021 6:19:26 PM
To: Tom Moss [tom.moss.c4sg@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]
BCC: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]
Subject: FW: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End
Attachments: image005.jpg; image006.png; image007.jpg; image008.jpg; TR_PRR_SS.PNG

Hi friends –

Sharing the updated graph with data back to April 2020. Are you needing me to assist with the following or is this what Tom is compiling?

Also, what is our YTD % Total Roofs overall and how does that compare to a year ago, 2 years ago? (Not sure if we have 2 years data) How do we compare today against this statement?

- *Baseline:* Analysis of 3-year data validated Full Roof Replacements were paid at 63% frequency for Severity 3 Wind and 90% frequency for Severity 3 Hail.
- *Industry Best:* Industry Best FRR on light wind and small hail averages a 5-10% frequency, therefore an internal quality improvement opportunity of 53-58% for light wind and 80-85% for small hail (Source: Accenture Consulting Services).

Nicole

From: Zach Olson
Sent: Wednesday, October 20, 2021 11:11 AM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Cc: Sean McCary <sean.mccary.nlzg@statefarm.com>
Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Yep, just pulled:

Zach Olson CPCU®, ChFC®, CLU®, FLMI®, MBA
Data Analyst – Advanced Analytics
Bloomington, IL
zach.olson.tnmu@statefarm.com

From: Nicole Manduca
Sent: Wednesday, October 20, 2021 1:10 PM
To: Zach Olson <zach.olson.tnmu@statefarm.com>
Cc: Sean McCary <sean.mccary.nlzg@statefarm.com>
Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

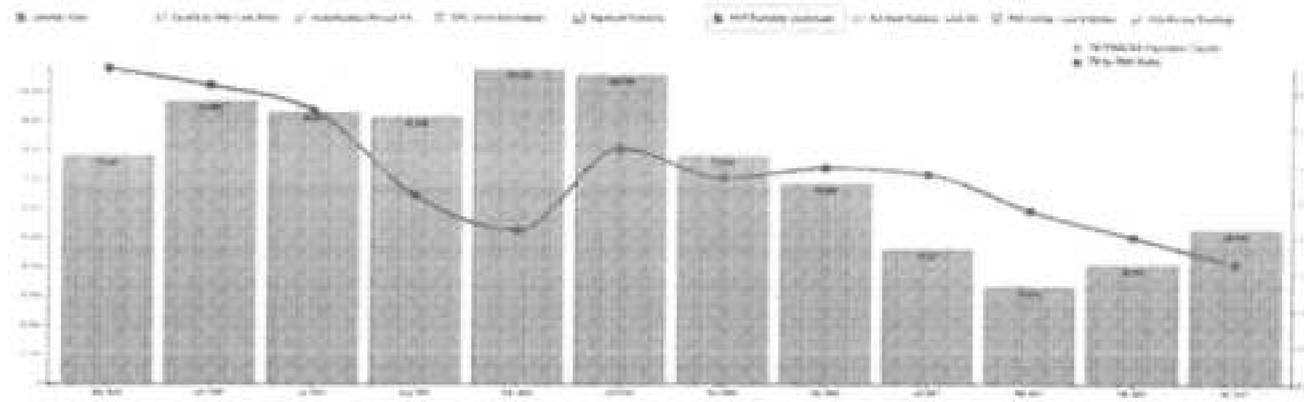
EXHIBIT
10

Hi Zach –

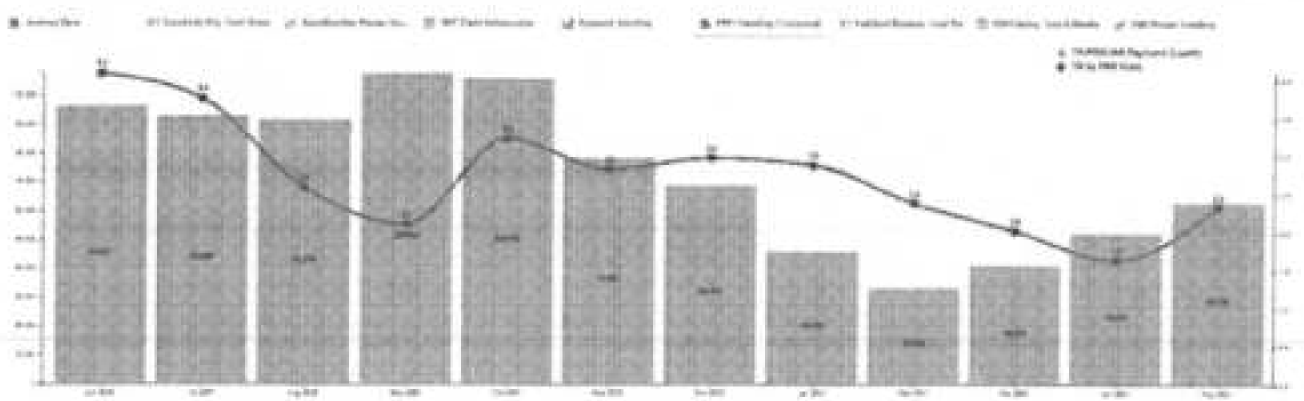
I went through my folder and located the results for May and June 2020 which are attached below. I cannot recall if we ever had a view back to April 2020 but know that is what Kathy is hoping for if it exists. If it does not, we will just need to update the visual to include May and June of 2020. Kathy originally requested our summary be due yesterday and then obviously we received the follow up – is it possible to receive an updated graphic by EOD today?

Wind-Hail Quality Focus - Enterprise

- Trend line represents the ratio of payments for Total Roofs (TR) to Partial Roof Replacements (PRR) Enterprise-wide from May 2020 thru April 2021 for State Farm
- May 2020 resulted in an 4.5:1 ratio compared to April 2021 at a 1.6:1 ratio, an indicator of improved quality



- Trend line represents the ratio of payments for Total Roofs (TR) to Partial Roof Replacements (PRR) Enterprise-wide from May 2020 thru May 2021
- May 2020 resulted in an 8:1 ratio compared to May 2021 at a 2.5:1 ratio, an indicator of improved quality



From: Nicole Manduca
Sent: Tuesday, October 19, 2021 10:55 AM
To: Zach Olson <zach.olson.tnmu@statefarm.com>
Cc: Sean McCary <sean.mccary.nlzg@statefarm.com>
Subject: FW: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Hi Zach –

Kathy is prepping Wensley for his Senior Executive Offsite meeting next week. You will note she is requesting the TR to PRR ratio graph to be populated from April 2020 through September 2021. Are you able to assist in providing this view? I may have snag-it's of earlier months in 2020 if for some reason the data is no longer available.

Thank you in advance – please let me know if any questions.

Nicole

From: Kathy Ress
Sent: Tuesday, October 19, 2021 10:51 AM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>
Cc: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>
Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Thanks. Looking for the story so will be helpful to provide headlines from this. Appreciate the help.

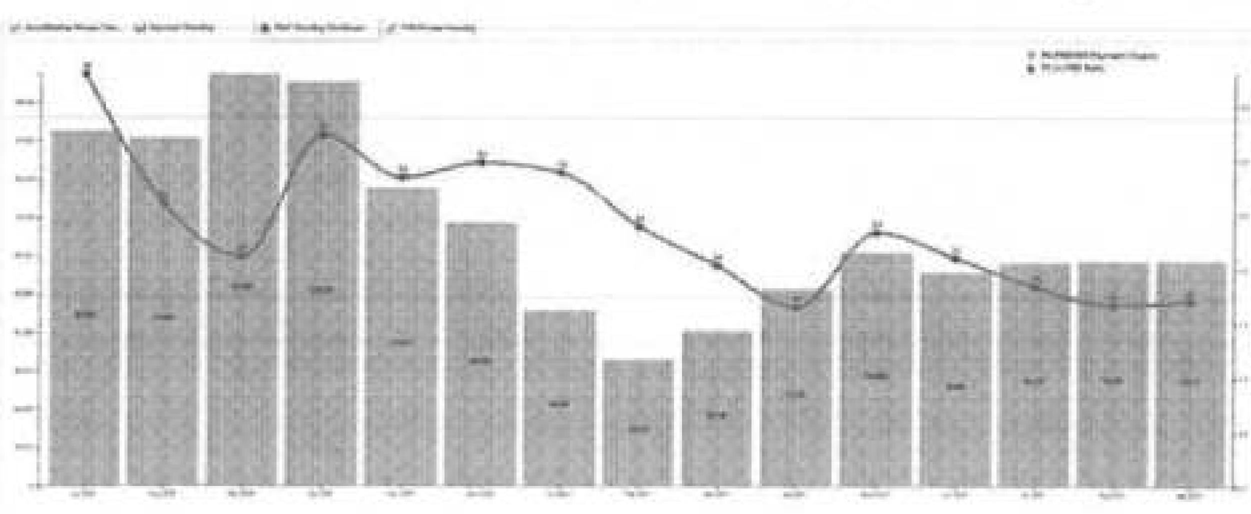
From: Nicole Manduca
Sent: Tuesday, October 19, 2021 12:50 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>
Cc: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>
Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Yes, I will get with Zach to get that populated. With the monthly updates, it shaves off prior months in 2020 but he should be able to update. Will return to you ASAP.

From: Kathy Ress
Sent: Tuesday, October 19, 2021 10:48 AM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Cc: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Do we have a view of this that dates back further? I seems to recall we had one that dates back around April 2020.

Total Roof Payment
The following graph reflects the ratio of Total Roof (TR) Payment Reason Codes to Partial Roof Replacement (PRR) Payment Reason Codes. Results are reflective of improved quality claim handling behaviors in identifying wind and hail damage to roof surfaces.



From: Kathy Ress
Sent: Tuesday, October 19, 2021 12:17 PM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Cc: Kathy Ress <kathy.ress.he8j@statefarm.com>; Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>
Subject: Q1& 2: SEO Update Wind/Hail and Fire End to End

Thank you!

As I work through adding other items and editing, I'll send you inquiries to help me frame:

First one on the statement below:

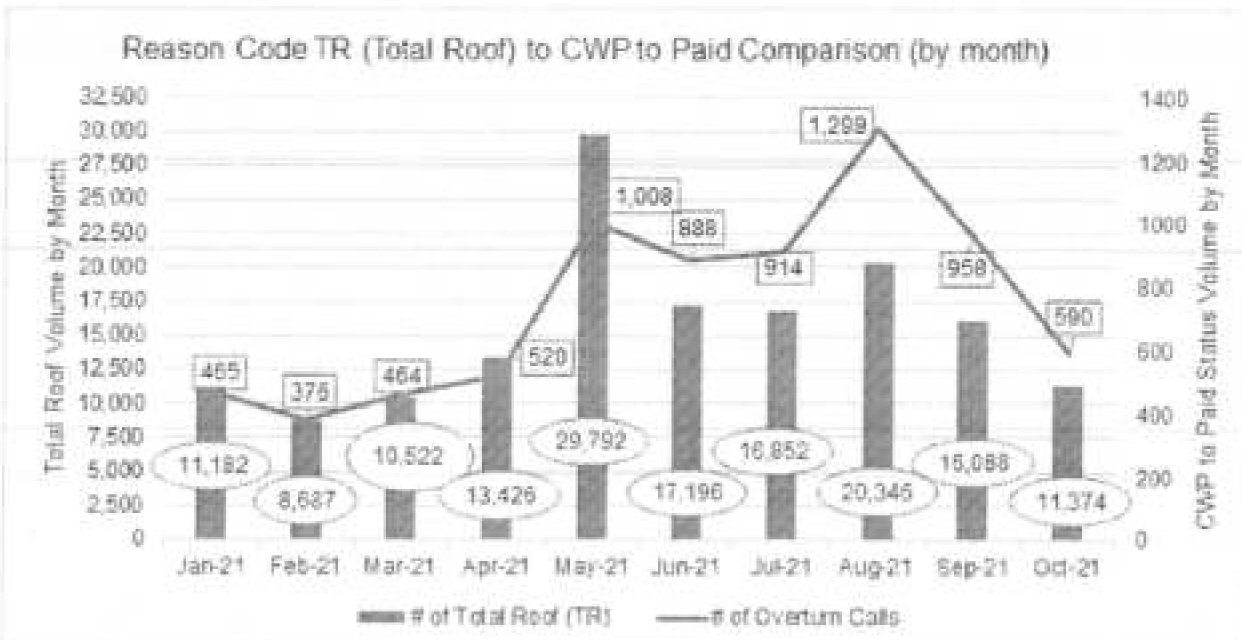
- The chart below does not provide at % - Could we provide a statement of what the % range is and the YTD average?

Also, what is our YTD % Total Roofs overall and how does that compare to a year ago, 2 years ago? (Not sure if we have 2 years data) How do we compare today against this statement?

- *Baseline:* Analysis of 3-year data validated Full Roof Replacements were paid at 63% frequency for Severity 3 Wind and 90% frequency for Severity 3 Hail.
- *Industry Best:* Industry Best FRR on light wind and small hail averages a 5-10% frequency, therefore an internal quality improvement opportunity of 53-58% for light wind and 80-85% for small hail (Source: Accenture Consulting Services).

Call quality tracking

One measure we track to identify the quality of our initial claim call is the number of claims that were previously Closed Without Payment (CWP) and were subsequently changed to a paid status of a Total Roof (TR). Many factors may impact why the loss moved from a CWP status to a Paid (TR) status, and the change in status may not indicate that the initial call was incorrect. A common cause of this change is a customer initially withdrew their claim and it was closed CWP but later resubmitted the claim and requested an inspection of the roof. As noted in the charts below, while there has been movement from month to month of this measure, the overall percent change (%) in movement has been minimal.



From: Scott Welsh
Sent: Tuesday, October 19, 2021 4:17 AM
To: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Tom Moss <tom.moss.c4sg@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: SEO Update Wind/Hail and Fire End to End

Good morning Kathy and Greg,

Attached is our initial draft of an overall summary of Wind/Hail Call to Action work and the Fire End to End work - Fire Segmentation and Staffing Analysis. Nicole, Tom and I worked from the resources provided and gathered additional data to outline the companies activity/response to the 2021 season. We also worked with Katie to get her review and feedback.

As we discussed, we will plan to update the document with the most current data at month's end for the November SEO.

We have included both requests (Overview of 2021 Wind/hail work and Fire Design Work) in a single document. For ease of use, we can make these two separate documents if that is preferable.

Please let us know if this format/content/level of detail meets the needs for the SEO or if you would like us to make some updates/edits.

If this document will be shared or used beyond talking points/notes for Wensley, I would recommend a legal review.

Thank you and please let us know.

Scott

From: Nicole Manduca [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=LOK2]
Sent: 6/30/2021 1:09:47 PM
To: Lisa Clauson [lisa.clauson.hfnd@statefarm.com]
BCC: Nicole Manduca [nicole.manduca.lok2@statefarm.com]
Subject: FW: DocumentsFire WindHail Playbook 6.29.2021 DRAFT.pptx
Attachments: DocumentsFire WindHail Playbook 6.29.2021 DRAFT.pptx

Hi Lisa – wanted to provide a heads up that we'll have a communication w/ this week's Playbook linked ready to go likely this morning. I know Katie has already worked on the internal and ECR communications and may just need to touch up a few items now that the playbook is completed. I'll stay in touch.

From: Nicole Manduca
Sent: Wednesday, June 30, 2021 6:56 AM
To: Daphne Outerbridge Louie <daphne.o.louie.gryi@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Steve Meulemans <steve.meulemans.gorz@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>; Katie Benes <katie.benes.p98b@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: DocumentsFire WindHail Playbook 6.29.2021 DRAFT.pptx

Good morning all –

Sharing the proposed Playbook DRAFT for distribution today, June 30. Katie will assist if there are any updates needed to the links to ensure the end user is able to easily access once communicated – we have found she needs to work her magic (and she's amazing) on the last two weeks of communications.

We are focused on the following for these plays:

- Ramp up use of Voicemail Monitoring, Call Recording/Screen Capture and EOM activities. Leaders will be expected to share specific observations and claim examples in huddles. (This is a 'repeat' play as we did not see adoption – KR requested it be included)
- Incorporate best practice of using the recently enhanced Evaluating Composition Roofing Brochure when explaining the results of our wind/hail roof inspections.
- Outline expectation that the Customer Service Survey will be extended for an additional two weeks in order to realize improved behaviors relative to Communication and Customer Expectations. (KR request to extend survey 2 weeks)

Please let me know if any questions or revisions needed. I've shared the Playbook with Kathy yesterday afternoon but know she's on PTO and traveling today – I do not expect to hear back from her before this needs to be distributed.

Thank you,

Nicole

EXHIBIT
11

From: Angela M Mitchell [/O=STATEFARM/OU=EAST/CN=RECIPIENTS/CN=SPNB]
Sent: 6/23/2021 1:41:41 PM
To: Nicole Manduca [nicole.manduca.lok2@statefarm.com]
BCC: Angela M Mitchell [angela.mmitchell.spnb@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]
Subject: FW: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

Hi Nicole. I'd be happy to help, but I have a few questions...

- Just to clarify, is there a draft of the communication or is this something you need me to create?
- Is the communication to leadership separate from ECR?
- What's the context of the communication? Something along the lines of... Several updates have been made to the Wind Hail Playbook Playbook, including: REIAP Word Tracks, REIAP Infographic and Home Estimate Infographic. Please share with your teams the week of June 28?
- Who are the authors? Kathy, Tyrone, Wendy and Fire Property Claim Managers?

Thanks

From: Steve Meulemans
Sent: Wednesday, June 23, 2021 9:35 AM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Angela M Mitchell <angela.mmitchell.spnb@statefarm.com>
Subject: RE: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

These look great!! Nice work.

From: Scott Welsh
Sent: Wednesday, June 23, 2021 8:06 AM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Steve Meulemans <steve.meulemans.gorz@statefarm.com>; Angela M Mitchell <angela.mmitchell.spnb@statefarm.com>
Subject: RE: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

Hello Nicole,

This looks great.

I think the timing looks fine if the communication can be ready to go.

For the question on confirming the activity is occurring I think the added question to the CRT would be the most accurate way confirm the activity.

Nice work Nicole

Scott

From: Nicole Manduca

EXHIBIT
12

Sent: Wednesday, June 23, 2021 7:34 AM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Steve Meulemans <steve.meulemans.gorz@statefarm.com>; Angela M Mitchell <angela.mmitchell.spnb@statefarm.com>
Subject: FW: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

Good morning all –

Sharing Kathy's comments below and expectation of communications being ready to distribute today in alignment with our tactical plan. Our action items today include:

1. Prepare communications (Staff & ECR) to include the updated Playbook attached below – Playbook focuses on (3) topics:

<< Message: RE: Call to Action - Estimate Reconciliation IG Play >>

- REIAP Word Tracks
- REIAP Infographic
- Home Estimate Infographic

2. Confirm specific action by leaders & timing; in the Playbook, I referenced the Week of 6/28 as the timing to discuss during huddle – do you recommend different timing? Communications prepared by POST for the (3) deliverables above are pending our 'green light' on when to send (before or after this communication plan and Playbook)

<< File: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.PPTX >> << Message: RE: REIAP Word Track and communication >> << Message: FW: Call to Action - Estimate Reconciliation IG Play >>

3. Monitoring activities are illustrated in the visual within the Playbook (similar to Call to Action PPT slide); the communication plan could outline those activities. What are your thoughts about adding a question to the CRT survey as Kathy suggests?

Please let me know if we need to huddle up or if we can tackle virtually via email – thank you in advance for your thoughts. Also, please let me know if any revisions are needed to the Playbook as understand you did not have an opportunity to review.

Nicole

From: Kathy Ress
Sent: Tuesday, June 22, 2021 8:11 PM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Cc: Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: RE: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

Nicole,

Yes, we are missing the communication plan. Please pull Scott, Steve and Angela together first thing as we don't appear to be ready to roll and we will release Wednesday per our tactical plan.

In the communication plan and playbook, we need to be specific on action by leaders (e.g. huddle and by when). How will leaders monitor we are sending the email that's prepped with the infographic as outlined in Jared's email. Does this become part of the CRT survey? What's ready for ECR vendors?

Jared has some good items to take as the email was tee'd up to send.

Action requested
If the customer's opt-in preference for emails is "Yes," then claim handlers should email the Home Estimate Infographic to customers along with the Customer Final Copy of the State Farm structural estimate. This information will reduce inbound calls from customers with questions about the next steps after receiving the initial building settlement. Soon, this infographic will be an automated Forms & Correspondence letter. **This email should not be sent to customers in California.**

From: Nicole Manduca
Sent: Tuesday, June 22, 2021 8:53 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: RE: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

I was thinking a similar follow up communication to last week's (that Angela prepared), and include reference/links to the REIAP word tracks along with REIAP and Home Estimate Infographics. We can then link to the Playbook on the SharePoint that Katie created – allows us to continue to iterate the Playbooks week/month over week/month and a one-stop shop for the end user. Thoughts?

From: Kathy Ress
Sent: Tuesday, June 22, 2021 7:23 PM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

How do we plan to communicate this?

From: Nicole Manduca
Sent: Tuesday, June 22, 2021 6:30 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Daphne Outerbridge Louie <daphne.o.louie.gryi@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Steve Meulemans <steve.meulemans.gorz@statefarm.com>; Andrew Hill <andrew.hill.pwk4@statefarm.com>; Jared Starnes <jared.starnes.mm05@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: DocumentsFire WindHail Playbook 6.22.2021 DRAFT.pptx

Please disregard previous email – attached is the updated DRAFT.

From:	John Christensen [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=BE2A7A05026B4D3B9CFBE63DD5AC5697]
Sent:	9/20/2023 9:16:39 PM
To:	Tom Moss [tom.moss.c4sg@statefarm.com]
BCC:	John Christensen [john.christensen.ghu1@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]
Subject:	RE: FIM HUB and Reviews

Low key, check in with Nicole or Zach Olson or let me help.

In essence, I want to ensure the plays that worked in the past we are doing.

From: Tom Moss <tom.moss.c4sg@statefarm.com>
Sent: Wednesday, September 20, 2023 4:15 PM
To: John Christensen <john.christensen.ghu1@statefarm.com>
Subject: RE: FIM HUB and Reviews

Thank you. I am very surprised by the numbers. 98% approved does not seem to be consistent with prior year findings.

Tom Moss
309 660 2105
<< OLE Object: Picture (Device Independent Bitmap) >>

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Contains information that may not be disclosed outside State Farm without authorization

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From: John Christensen <john.christensen.ghu1@statefarm.com>
Sent: Wednesday, September 20, 2023 5:09 PM
To: Tom Moss <tom.moss.c4sg@statefarm.com>
Subject: FW: FIM HUB and Reviews

Likely the later.

From: Tom Moss <tom.moss.c4sg@statefarm.com>
Sent: Wednesday, September 20, 2023 4:08 PM
To: John Christensen <john.christensen.ghu1@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>
Subject: RE: FIM HUB and Reviews

Hello John. Is the data provided based on overturn calls? Or is it based on management structured phrases and when the hail was 1" or less/wind speed 50 mph or less?

Tom Moss
309 660 2105
<< OLE Object: Picture (Device Independent Bitmap) >>

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EXHIBIT
13

From: John Christensen <john.christensen.ghu1@statefarm.com>
Sent: Wednesday, September 20, 2023 4:48 PM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>
Subject: FIM HUB and Reviews

Scott/Tom,

I need some help. I think Byron, Katie, and David could benefit from some help on how we act immediately to improve our accuracy on wind/hail and the TM role. I asked for this from Zach Olson to refresh this report through August to aggregate the TM approvals by State.

<< File: NEW_2023_TM_APPROVALS_YTD.xlsx >>

- We need CMs, Consultants, SM reviewing these reviews to ensure the front line leader is appropriately following the process on overturn reviews.
- We need to get very precise on when the coverage finding reinspection worksheet goes to the SM and TM.
- I am going to ask the quality pillar to execute on what has worked in the past.

We need to go back to what worked in the past to quickly make an impact.

JC

From: Jordan Coad [/O=STATEFARM/OU=EAST/CN=RECIPIENTS/CN=P3DV]
Sent: 1/19/2024 3:29:05 PM
To: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Bryan McLaughlin [bryan.mclaughlin.he2g@statefarm.com]
BCC: Jordan Coad [jordan.coad.p3dv@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Bryan McLaughlin [bryan.mclaughlin.he2g@statefarm.com]
Subject: RE: Fix Profit Task Force - EOD draft for Tomorrow
Attachments: image001.png; image002.png; image003.png

Hey team – and quick additional point – I am not sure we know yet what output they are looking for. So to Bryan's point in his email – we may be able to hang tight until that call before we draft any sort of output, but we can at least start the brainstorming on the yellow highlights below.

JC

From: Jordan Coad
Sent: Friday, January 19, 2024 8:15 AM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Bryan McLaughlin <bryan.mclaughlin.he2g@statefarm.com>
Subject: FW: Fix Profit Task Force - EOD draft for Tomorrow

Hey Nicole – saw your note. Safe travels today! I am not sure on specific format – but sounds like the call this afternoon is pulling together content for the yellow highlight below based on JCs note.

- A concise story on our quality results for 2023
- Our focus for 2024
- How we plan to continue to build on our momentum.

On the first bullet – I think this existing slide directly below may be helpful and possible something to use. For bullet 2 and 3 – we may need to draft fresh summary slides. JC put some thought starters for the focus for 2024 – so maybe these can get dunked on a slide?

2024

- Continue focus on coverage for Water, Wind, and Hail.
- Narrow focus on estimatics based on areas of largest opportunity
- Strong focus on water mitigation and WRU expansion
- Improved vendor insights on performance

EXHIBIT
14

Increasing Quality Accuracy* of Claim Handling Summary

YTD November Water, Wind, and Fire accuracy results increased compared to 2022, while Hail decreased.

- **Water:**
  - The number of errors decreased -6% and their size decreased -14%.
- **Fire:**
  - The number of errors decreased -12% and their size decreased -22%.
- **Wind:**
  - The number of errors increased +7% and their size decreased -9%.
- **Hail:**
  - The number of errors increased +8% and their size increased +4%.

DRAFT

From: John Christensen <john.christensen.ghu1@statefarm.com>
Sent: Thursday, January 18, 2024 12:47 PM
To: Phani Aytam <phani.aytam.qik2@statefarm.com>; Brad Babic <brad.babic.lytv@statefarm.com>; Kimberly Rose <kimberly.rose.nv8v@statefarm.com>; Jordan Coad <jordan.coad.p3dv@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Katie Magwire <katie.magwire.pwqx@statefarm.com>
Cc: Scott Welsh <scott.welsh.cx30@statefarm.com>; Bryan McLaughlin <bryan.mclaughlin.he2g@statefarm.com>; Byron Galloway <byron.galloway.g6kt@statefarm.com>; Beth Enchinton <beth.enchinton.g4m7@statefarm.com>
Subject: FW: Fix Profit Task Force - EOD draft for Tomorrow

Good afternoon. I spoke with Mike. If you scroll down, you will see a note he shared with Matt Schulkins. His request to P&A and the Quality Pillar is to pull together:

- A concise story on our quality results for 2023
- Our focus for 2024
- How we plan to continue to build on our momentum.

Here are a few ideas pulling from the full quality deck that was just updated. Slide five still shows November data, can we get December YE Data before Tuesday? I'd like a few slides by EOD Friday to share with Mike.

If we need to huddle today or first thing in the morning, let me know.

A starting point:

2023

- We increased quality/accuracy of claim handling in the perils of water, fire, and wind. Hail accuracy declined. (Slide 5)
  - Water finding size decreased 14%
  - Fire finding size decreased 22%
  - Wind finding decreased 9%
  - Hail did not improve YOY but substantial improvement the last six months of the year

- Water coverage improved from YE2022 (7.36%) to YE 2023 (6.1%). The team improved from 8.5% in January to 6.1% YTD. (Slide 7)
- Hail coverage improved significantly the second half of 2023 with more focus on front end and back end leadership engagement. Internal staff also improved as they gained experience demonstrated by April 2023 error rate of 10.41% to 7.78% year end. ECRs also improved from a high of 14.58% in April to 10.66% in December. It's important to know the large reduction in Q4 2023 lessons the overall impact of their FED. (Slide 8)
- Wind...

2024

- Continue focus on coverage for Water, Wind, and Hail.
- Narrow focus on estimatics based on areas of largest opportunity
- Strong focus on water mitigation and WRU expansion
- Improved vendor insights on performance

Some slides would likely help.

Increasing Quality Accuracy* of Claim Handling Summary

YTD November Water, Wind, and Fire accuracy results increased **compared to 2022, while Hail decreased.**

- **Water:**
  - The number of errors decreased -6% and their size decreased -14%.
- **Fire:**
  - The number of errors decreased -12% and their size decreased -22%.
- **Wind:**
  - The number of errors increased +7% and their size decreased -9%.
- **Hail:**
  - The number of errors increased +8% and their size increased +4%.

*[illegible]

[illegible]

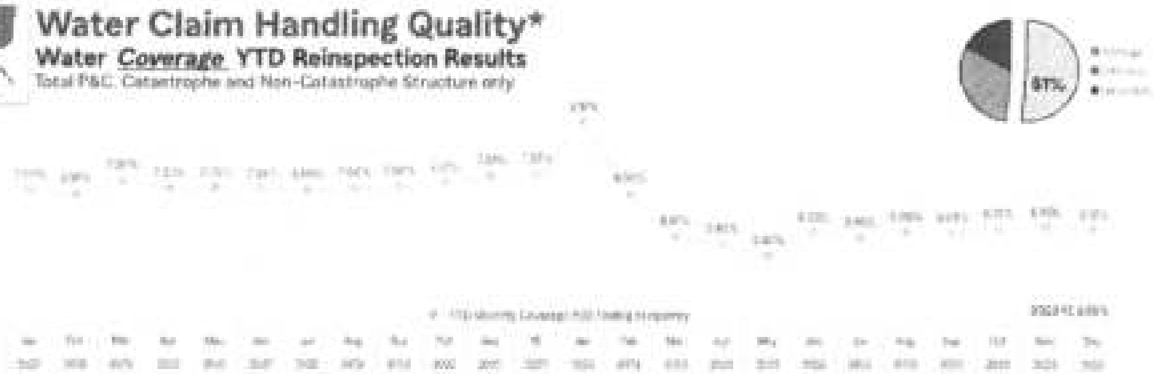
DRAFT

[illegible]

Water Claim Handling Quality*

Water *Coverage* YTD Reinspection Results

Total P&C, Catastrophe and Non-Catastrophe Structure only



YTD December 2023 result of 6.12% continues to be lower than full year 2022.

Strategy to address

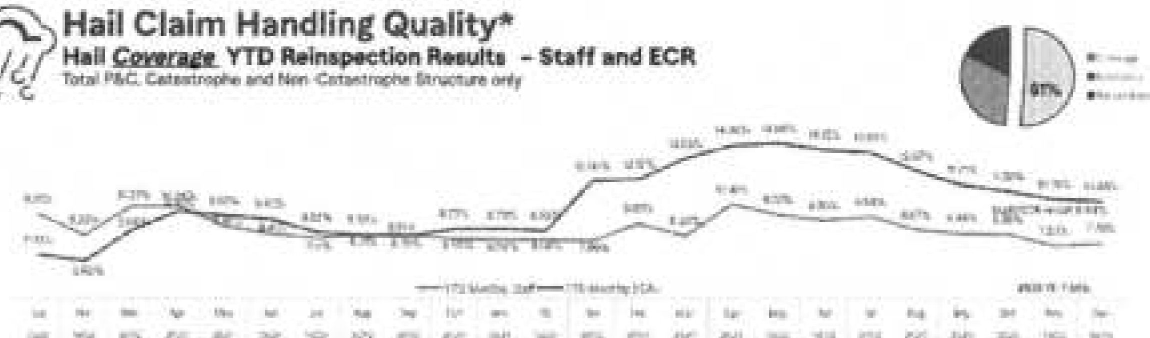
- Enhanced Routing
- Claim Intervention (Early Management Involvement)
- Coverage Execution

DRAFT

Hail Claim Handling Quality*

Hail *Coverage* YTD Reinspection Results – Staff and ECR

Total P&C, Catastrophe and Non-Catastrophe Structure only



In 2023, the ECR Hail Coverage result was consistently higher than the Staff result.
YTD December 2023

- Overall result is 9.44%, higher than full year 2022.
- ECR result is 10.66%, higher than full year 2022.
- Staff result is 7.78%, higher than full year 2022.

Strategy to address

- Accurate Damage Identification
- Repair vs. replace decisions
- Management Review and Intervention
- Vendor Accountability

DRAFT

From: Michael T Keating <michael.t.keating.ggrp@statefarm.com>
Sent: Thursday, January 18, 2024 8:54 AM
To: Matt Schulkins <matt.schulkins.m9e5@statefarm.com>
Cc: John Christensen <john.christensen.ghu1@statefarm.com>
Subject: FW: Fix Profit Task Force

Matt,

With next week's FPTF being "claims" focused, when do you think you will have this info ready for NTHO? Wensley wants me to provide a fire update after auto next week, so having this will help.

From: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Sent: Wednesday, January 17, 2024 1:53 PM
To: Matthew Parola <matthew.parola.nzjn@statefarm.com>; Michael Arnold <michael.arnold.bjhs@statefarm.com>; Michael T Keating <michael.t.keating.gerp@statefarm.com>; Brian Truttmann <brian.truttmann.g23f@statefarm.com>; Jennifer Megargell <jennifer.megargell.uoyh@statefarm.com>
Subject: FW: Fix Profit Task Force

FYI...updated with Dec info. Look at those BI pendings ☺

From: Matt Schulkins <matt.schulkins.m9e5@statefarm.com>
Sent: Wednesday, January 17, 2024 1:26 PM
To: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Cc: Michael Roper <michael.roper.pxll@statefarm.com>
Subject: RE: Fix Profit Task Force

Yep we just got the data for those pieces today. Pages 12 & 13 here are the ones you're looking for I believe.

We'll include this full Monitoring Plan as part of pre-read for FPTF next week even though I hit some highlights already yesterday.

From: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Sent: Tuesday, January 16, 2024 7:17 AM
To: Matt Schulkins <matt.schulkins.m9e5@statefarm.com>
Subject: RE: Fix Profit Task Force

Matt,
Can I get as much of pages 22 &23 of this updated for SEO next week?
Thanks
W

From: Michael Roper <michael.roper.pxll@statefarm.com>
Sent: Saturday, December 16, 2023 9:38 AM
To: Jon Farney <jon.farney.ga1s@statefarm.com>; Mark Schwamberger <mark.schwamberger.c095@statefarm.com>; Justin Tipsord <justin.tipsord.q064@statefarm.com>; Chris Schell <chris.schell.gxn0@statefarm.com>; Sara Frankowiak <sara.frankowiak.g4eb@statefarm.com>; Craig Isaacs <craig.isaacs.io8i@statefarm.com>; Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>; Michael Arnold <michael.arnold.bjhs@statefarm.com>; Kristyn Cook <kristyn.cook.itm0@statefarm.com>; Matthew Parola <matthew.parola.nzjn@statefarm.com>; Matt Schulkins <matt.schulkins.m9e5@statefarm.com>; Nicole Forziati <nicole.forziati.gvee@statefarm.com>; Brian Truttmann <brian.truttmann.g23f@statefarm.com>; Jennifer Megargell <jennifer.megargell.uoyh@statefarm.com>; Michael Tipsord <michael.tipsord.cdrf@statefarm.com>; Paul Smith <paul.smith.chtb@statefarm.com>
Cc: Becky Herald <becky.herald.a1da@statefarm.com>
Subject: RE: Fix Profit Task Force

Attached is the normal content to help support the conversation on Tuesday. Included starting on page 11 is the Claims Trends Monitoring Plan updated for November results. High level summary of November results is included below. The tentative approach for Tuesday is to briefly cover the November trends at a high level before spending the majority of the time focusing on Claims specific content.

Please let me know if there are any questions.

Summary Observations:

- The Physical Damage coverages all experienced a downward trend in pure premium with the rate of change on severity dropping about 1% for each coverage month over month. That put Property Damage below the YE severity selection and Coll/Comp both less than 1% away and on track relative to glide paths.
  - This translates to a **$100M+ favorable variance for the month** relative to the financial forecast estimates in December Guidance with most of that from Collision.
  - Note that the Property Damage CWP ratio was 39%, directly in line with estimates.
- The Major Liability coverages saw continued pressure on frequency for BI and UBI/WBI.
  - BI reported frequency R12 rate of change increased from +7% to +7.7%. For context on materiality, the 7.7% frequency increase translates to 434,400 more reported counts. If the increase was 7.0% it would have been an increase of 431,745. So these 2,700 incremental claims would translate to **roughly $60M in additional expected losses** vs if it had held flat at least month's result (after accounting for average severity and expected reported to incurred conversion)

Michael Roper
AVP – Planning & Analysis
P&C Analytics
Office: 309-735-3403
Cell: 309-846-7509

-----Original Appointment-----
From: Jon Farney <jon.farney.ga1s@statefarm.com>
Sent: Thursday, December 14, 2023 4:47 PM
To: Jon Farney; Michael Roper; Mark Schwamberger; Justin Tipsord; Chris Schell; Sara Frankowiak; Craig Isaacs; Wensley J Herbert; Michael Arnold; Kristyn Cook; Matthew Parola; Matt Schulkins; Nicole Forziati; Brian Truttmann; Jennifer Megargell; Michael Tipsord; Paul Smith
Cc: Becky Herald
Subject: Fix Profit Task Force
When: Tuesday, December 19, 2023 7:00 AM-8:00 AM (UTC-06:00) Central Time (US & Canada).
Where: E10 Room A | MS Teams (new link)

UPDATE: We're repurposing the **Dec. 19** FPTF meeting to discuss claims – attendees have been modified and a new Microsoft Teams link has been added. We'll return to the regularly scheduled FPTF meetings on Tuesday, Jan. 9. Thank you.

This invite is to secure time on calendars for the Fix Profit Task Force (FPTF) ***every Tuesday at 7 a.m. CT*** beginning Jan. 10 through year end 2023. E10 Room A has been reserved for those of you in the office.

Attendees – Jon Farney; Michael Roper; Mark Schwamberger; Justin Tipsord; Chris Schell; Sara Frankowiak; Craig Isaacs; Wensley Herbert; Mike Arnold; Kristyn Cook; Matt Parola; Matt Schulkins; Nicole Forziati; Brian Truttmann; Jennifer Megargell
Guests (Dec. 19) – Michael Tipsord; Paul Smith

Microsoft Teams (new link) – Click here to join the meeting

Meeting ID – 253 880 419 047
Passcode – tgnXZa

Join by phone – +1 872-215-6947,,402531624#
Meeting options

/km

From: Kimberly Rose [/O=STATEFARM/OU=EAST/CN=RECIPIENTS/CN=NV8V]
Sent: 10/10/2023 2:56:56 PM
To: Jordan Coad [jordan.coad.p3dv@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]
CC: Bruce Aldrich [bruce.aldrich.coxm@statefarm.com]; Phani Aytam [phani.aytam.qik2@statefarm.com]; John Christensen [john.christensen.ghu1@statefarm.com]; Wendy Hopping [wendy.hopping.cw2l@statefarm.com]; Heather Burns [heather.burns.mbgy@statefarm.com]; HOME CLMS-CA-EXEC-FIRE-RPT [home.clms-ca-exec-fire-rpt.243o28@statefarm.com]
BCC: Kimberly Rose [kimberly.rose.nv8v@statefarm.com]; Jordan Coad [jordan.coad.p3dv@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]; Bruce Aldrich [bruce.aldrich.coxm@statefarm.com]; Phani Aytam [phani.aytam.qik2@statefarm.com]; John Christensen [john.christensen.ghu1@statefarm.com]
Subject: 10/9/2023 Meeting Recap - Quality Slide Decks
Attachments: Fix Profit Task Force Quality Claim Handling Draft.pptx; DRAFT Quality Early Monitoring Plan September 2023 Data FULL DECK_ 10.9 (002) - Read-Only.pptx

Good morning!

Thank you for providing input to simplify the suite of Quality Slide Decks to align them with your current needs during our call yesterday. We accomplished a lot in a small amount of time.
As we wait for our Business Partners to provide data we need to finalize the decks (Reinspection Results and Financial data, Performance Teams NTHO PPTs), we have made the preliminary changes and attached draft versions below for any input.

HIGHLEVEL OVERVIEW:

- October will have 2 slide decks rather than the 5 we collectively created last month.
- The Quality Early Monitoring Plan Slide Deck was condensed from 21 slides to 8.
- The Sizing and Scoping has been deck paused for now.
- The "Simplified Deck", "Keating Quality Deck" and Average Estimate Value Deck were consolidated into one new deck named "Fix Profit Task Force Deck" that will serve several meetings by adding and deleting slides as needed.

ACTION:
We have listed the changes made to the slide decks below. If this is not what you recall or if there are any additional changes needed, please let us know by noon, Thursday, October 12th.

1. **Quality Early Monitoring Plan Slide Deck**

Kept 8/Deleted 13 slides.
Slide 1-2 Kept – NTHO Severity Slides with Mark Holcomb's comments in the notes.
Slide 3:

- Took off Execution level control section.
- Changed Target to Selection
- One line per Finding Frequency.
- Take off dash line but kept %s.
- Removed selection % where applicable.
- Take key strategies and match Fix Profit Task Force.

EXHIBIT
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Slide 4: Keep. Removed glide path and baseline on graph.
Slide 5: Keep. Changed footer to advise which states are reflected in months.
Slide 6: Keep. Same modifications as slide 3. In the note section, added the % of Overturned calls to total Roof.
Slide 7 and 8: Kept. Added baseline to title for clarity. UPDATED WITH SEPTEMBER DATA

2. **Sizing and Scoping Slide Deck** - Pausing

3. **Simplified Slide Deck** – will combine with other decks to create the Fix Profit Task Force Slide Deck.

4. **Keating Quality Slide Deck** - will combine with other decks to create the Fix Profit Task Force Slide Deck.

5. **Average Estimate Value Deck** - will combine with other decks to create the Fix Profit Task Force Slide Deck.

Fix Profit Task Force Slide Desk (NEW)

- Moving 5 of 6 slides from the Simplified Slide Deck
- Moving 3 of 3 slides from the Keating Quality Slide Deck (Eventually replacing the first slide with a new
- Moving 3 of 3 slides from the Average Estimate Value deck.
- Slide 1: Placeholder for new slide focusing on opportunity - Estimatics opportunities – OSS will Partner
- Slide 2-3 unchanged from Keating Quality Slide Deck
- Slide 4-6 Quality Leads summaries. **When updated, Scott advised that any reference to "targets" need replaced with "selections".**
- Slide 7-8 NTHO Monitoring and Attribution Summary
- Slide 9-14 Appendix: NTHO Severity Monitoring and Average Estimate Value - UPDATED WITH SEPTEMBER DATA

From: John Christensen [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=BE2A7A05026B4D3B9CFBE63DD5AC5697]
Sent: 8/29/2023 1:24:47 PM
To: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Jordan Coad [jordan.coad.p3dv@statefarm.com]; Tyrone Smith [tyrone.smith.a57w@statefarm.com]
Subject: RE: Draft Quality Opportunity Sizing - 30 Day T Minus
Attachments: image001.png; image002.jpg

You guys are aces! This t-minus is perfect, and we should execute to it.

I would like the longer plan/visual so we can start to build out. I'll share this with Scott and see if he has any feedback. I may then ask you to work with Beth Enchinton to carry forward the remainder of the year.

I am all in to have check points to push our teams for accountability across all perils.

From: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Sent: Tuesday, August 29, 2023 8:22 AM
To: John Christensen <john.christensen.ghu1@statefarm.com>; Jordan Coad <jordan.coad.p3dv@statefarm.com>; Tyrone Smith <tyrone.smith.a57w@statefarm.com>
Subject: Re: Draft Quality Opportunity Sizing - 30 Day T Minus

Hi JC -

I think I'm tracking and that is on me with how the timeline is currently reflected - Jordan previously had the Monthly Quality meeting prep dates included (meeting with Wensley), but I asked him to separate so we would have standalone T-Minus for those meeting as the dates change every month for the Wensley meeting. The Profit Task Force meetings are not anything we've typically been involved in, at least I don't think so.

Nic

Get Outlook for iOS

From: John Christensen <john.christensen.ghu1@statefarm.com>
Sent: Tuesday, August 29, 2023 6:16:18 AM
To: Jordan Coad <jordan.coad.p3dv@statefarm.com>; Tyrone Smith <tyrone.smith.a57w@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Draft Quality Opportunity Sizing - 30 Day T Minus

Thank you to both of you. I would also like us to consider how we plot/integrate the fix profit task force dates as well (I am not sure I even have those on my calendar yet).

Scott Welsh reached out yesterday to help/inquire about setting up a meeting cadence and periodic check ins. I indicated we were developing a draft plan to do just that.

Tyrone, we can catch up on this now that you are back. If you all are OK with it, I would like to get Consulting Services' feedback, plot the task force dates, and build the meeting plan beyond this next quality meeting.

I love this four week approach. Just want to plot it out a bit further and set a regular meeting cadence. Thoughts?

From: Jordan Coad <jordan.coad.p3dv@statefarm.com>
Sent: Monday, August 28, 2023 8:23 PM

EXHIBIT
16

To: John Christensen <john.christensen.ghu1@statefarm.com>; Tyrone Smith <tyrone.smith.a57w@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: I: Draft Quality Opportunity Sizing - 30 Day T Minus

Hey JC and Tyrone –

As a follow up to our discussion last week – we tried to take a run at a T-Minus plan for the Quality Opportunity Sizing work being completed by each CM Peril Lead. In short, we hope the Quality Pillar CM crew can use this as a NorthStar to keep us on track as we work through this the next 4 weeks. This is also builds in a set framework with two built-in checkpoints along the way – and bite sizes the work into four (4) phases.

Please let us know if any questions or feedback. If no questions or feedback – Nicole and I can share with our peers and we will use as a roadmap. We then will have our first checkpoint next week on progress. Thanks!

StateFarm™

Quality Pillar – Peril Opportunity Sizing and Review Framework - 30 Day T-Minus

Objective		
In August the Quality Pillar was refreshed to align CMs to specific perils. As part of this, each CM pillar was also asked to assess and size opportunities for the respective peril in partnership with P&C and Data Analytics. The below seeks to organize and outline the review timing, objectives, and defined outcomes for this Opportunity Sizing.		
Phase I – Assessment and Understanding – What are we doing now for the peril?	**Target**	**Status**
• Each Quality Peril CM will review the current content being provided for Monthly Executive Quality Meetings. This material was previously attached within the 8/23 email from VPO Christensen. As we begin this Opportunity Sizing, each CM should seek to understand the metrics being reported out at Executive level. Additionally, each CM should review the Peril PPT forwarded from Data Analytics on 8/24. This also helps lay the foundation for the Opportunity Sizing each peril will need to complete. • Also included within the 8/23 email from VPO Christensen were specific *action items* for each CM pillar lead. So at this juncture we are also asking CMs to form initial thoughts and a clear way forward/next steps as you follow up on these specific *action items*. • For example – one action item for Water was the Market Area communication on PSP. So what is our specific next step on this and by who and by when?	8/31/2023	On-Track
Phase II – Opportunity Sizing – Are we focused on the right areas with current tactics?	**Target**	**Status**

• So after completing the review in **Phase I** – CMs should have understanding of the current Quality material(s) above. So based on review, are we pursuing the right opportunities based on size/scale? Do we need to pivot our tactics? CM should also review the Glidepaths on the Peril PPT forwarded from Data Analytics on 8/24. • At this stage you should also continue to progress your way forward on *action items* from 8/23 email from VPO Christensen (if not already being captured in bullet above). • Using an example from our kick-off call – this is the Phase where something like XM audit rule may be identified as potential tool/technology to impact gaps for PNT. • After this Phase – we will do a checkpoint with the full group to confirm completion and progress from **Phase I and Phase II** above (date/time below in yellow highlight).	9/8/2023	On-Track
Check Point # 1 – Call with Quality Pillar and VPO Sponsor – 9/8 (12:30 pm CST)		
Phase III – Taking Opportunity Sizing to → Solutions – What are we going to do?	**Target**	**Status**
• So at this Phase each CM now knows what we are doing currently (Phase I). CM will have also completed Opportunity Sizing (Phase II). So now, what is our plan and which tactics will we use to address the peril opportunity we have sized? • Each CM Pillar should begin forming solutions on the identified opportunity and finalizing the Glidepaths working with Data Analytics. This juncture is also pulling together the final outcomes on *action items* from the 8/23 email from VPO Christensen. • Staying with the XM audit rule example from **Phase II** above – an action in this Phase may be clearly outlining how the XM audit rule will used – point forward by our leaders. • After this Phase – we are going to do another full checkpoint with the group to check status (date/time below in yellow highlight).	9/19/2023	On-Track
Check Point # 2 – Call with Quality Pillar and VPO Sponsor – 9/19 (12:30 pm CST)		
Phase IV – Finalizing Material (Prior to September Executive Quality Meeting)	**Target**	**Status**
• At this juncture – each CM/Peril has completed their Opportunity Sizing assessment and framed final recommendations on the Opportunities for the peril. • CMs will have also progressed the *action items* from VPO Christensen's 8/23 email to the point of conclusion and/or progressed forward enough to have substantive update. • CM will have also met with Data Analytics to finalize visuals for each peril. • Quality Pillar CMs will work with VPOs for peril specific scrimmages in this final Phase.	9/25/2023	On-Track

Jordan J. Coad, CPCU®, CLU®
Claims Manager – P&C Claims

State Farm Insurance Companies

100 YEARS

From:	Scott Welsh [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=5D99B0B083AF46388BA0385827DECFB9]
Sent:	10/14/2021 4:45:22 PM
To:	Tom Moss [tom.moss.c4sg@statefarm.com]
CC:	Angela Null [angela.null.ga2z@statefarm.com]
BCC:	Scott Welsh [scott.welsh.cx30@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]; Angela Null [angela.null.ga2z@statefarm.com]
Subject:	RE: Agent Tracy Blair Haus Summary: Reputation
Attachments:	image001.jpg; image002.png; image003.png; image004.png; image005.png; image006.png

Thank you Tom for sharing.

Let me know when you all have a chance to connect with Renee – If possible I would like to attend, please send me the invite.

Is José in the loop on the file review and invited to the call? We will need Renee's leadership to participate in that review.

Thanks again Tom for sharing and please let me know how I can help.

From: Tom Moss <tom.moss.c4sg@statefarm.com>
Sent: Thursday, October 14, 2021 7:53 AM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>
Cc: Angela Null <angela.null.ga2z@statefarm.com>
Subject: FW: Agent Tracy Blair Haus Summary: Reputation

FYI

From: Renee Bass-Taylor
Sent: Wednesday, October 13, 2021 9:19 PM
To: Bill Fanelli <bill.fanelli.bkx7@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>; Angela Null <angela.null.ga2z@statefarm.com>
Cc: Renee Bass-Taylor <renee.bass-taylor.a91a@statefarm.com>
Subject: Agent Tracy Blair Haus Summary: Reputation

Tom and Angela, I'll look for time to connect this week for more context.

From: Kathy Ress
Sent: Wednesday, October 13, 2021 8:07 PM
To: Renee Bass-Taylor <renee.bass-taylor.a91a@statefarm.com>
Cc: Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: FW: Agent Tracy Blair Haus Summary: Reputation

I know you have an action plan. let's move forward on what we have noted to get in touch with the roofer and the agents file reviews. We can loop then on overall findings and next steps.

Thank you!

Kathy
3096629496

EXHIBIT
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From: Kathy Ress <kathy.ress.he8j@statefarm.com>
Date: Wednesday, Oct 13, 2021, 7:34 PM
To: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>, Dan Krause <dan.krause.crgb@statefarm.com>
Cc: Shyama N Terry <shyama.n.terry.bqbj@statefarm.com>, Paul Odland <paul.odland.gu8a@statefarm.com>, Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: Agent Tracy Blair Haus Summary: Reputation

Wensley and Dan,

We had a positive visit with Tracy on Tuesday, 10/12/21, to gain more insights into her perspective. Per Wensley's request, outlined a summary and next steps. VPA Paul Odland, Fire Claim Manager Renee Bass-Taylor, Estimatics Claim Manager Jeremy Bryan and I met with Tracy. We were able to discuss both auto and fire concerns. Tracy shared her peer group of high performing agents were encouraging her to share her point of view which triggered her email outreach after reviewing 10 prior roof claims.

General Themes

- Auto Claims: Timely communication from Auto claim segments
- Auto Claims: Time to resolve auto estimate differences from Non-Program Shop estimates is impacting the customer's rental benefit
- Fire Claims: Perception State Farm is not writing accurate estimates as we are writing estimates to repair roofs instead of replacing

Discussion

- Auto: Timely Communication from Auto segments
  - Extended hold times with auto claim segments; Auto Click to Chat does not seem to be actually solving issues and have to call to resolve
  - Claim handlers generally are not making decision to move the claim forward and have to get team managers involved to resolve simple issues
  - Example: Agero did not pick up a vehicle. Called into auto claims and waited 5 days for a return call.

- Auto: Time to resolve auto estimate differences from Non-Program Shop estimates is impacting the customer's rental benefit
  - Since Parts Trader came about, body shops saying difficult to work with State Farm due to the administrative work to agree upon an accurate estimate and time to rewrite estimates
  - Customers selecting Non Program Shops as program shops are backed up, especially related to supply issues
  - Parts Trader delaying delivery of parts
  - Claim handling delays adding many days to repair due to indecisions on estimates from non-program shops
    - 10-15 days to resolve between State Farm on resolution of the NPS estimate
    - Two claim handlers told the agent what coverage to sell to provide a greater benefit since rental benefits are running out
  - Claim handlers are not calling the shops to address the differences, instead putting it on the customer to resolve

- Fire: Perception State Farm is not writing accurate estimates as we are writing to repair roofs instead of replacing
  - Several roofers Tracy works with indicate "they are not your Good Neighbor" and it's now discussed regularly across roofing contractors
  - Advised lack of confidence in inspectors (REIAP vendors) "like Allstate" uses in place of an adjuster; no concerns when claim adjuster actually inspects

○ Tracy indicated we do not appear to be paying what we owe with a roof repair estimate and has examples where a reasonable repair was not affected and later paid to replace; also indicated some repairs not made properly and additional damage ensues
○ She indicated State Farm agents are fighting with Fire Claims to make a payment and some agents are using "ADA to pay for roofs"; indicates fire claim handlers are asking for proof from the customer and contractor to update the initial damage estimate and there is no room for negotiation
○ Tracy advised there are no time service issues with Fire Claims

Next Steps
- Auto

○ I will visit with Estimatics and the Auto Property segment VPOs on the issues raised by Tracy to address root cause and take necessary action
○ An auto claim manager will reach out to VPA Paul Odland and Tracy to close the loop
- Fire:

○ A Claim Consultant and Fire Proximity Section Manager will reach out to the roofer shared by Tracy to obtain his perception of the repair issues from a roofing contractor perspective
○ Claim Manager Renee Bass-Taylor is obtaining the 10 claims Tracy mentioned she reviewed; additionally we are reviewing five open claims involving wind/hail for root causes. We will then loop back with Tracy on overall claim handling.
○ Claim Manager Renee Bass-Taylor will review claim feedback and observations from the file reviews with Fire In Office claim managers and calibrate on application of Kentucky regulation specific to Reasonable Consistent Appearance.
○ Increase observations of communication with agent and customer about the damage evaluation and reconciliation process.
▪ Are we explaining what is impacting the claim decision and payment or just making adjustments?
▪ Help agents understand reasons why a supplement may be warranted and the process we have in place to step through.
○ At a broader level, Consulting Services will facilitate a targeted file review on roof claims with appraisals and engineers to identify any trends.

We appreciate the opportunity to visit with Tracy with the support of Paul.

Kathy

From: Dan Krause
Sent: Tuesday, October 5, 2021 2:25 PM
To: Michael Tipsord <michael.tipsord.cdrf@statefarm.com>; Rand Harbert <rand.harbert.hey8@statefarm.com>; Jon Farney <jon.farney.ga1s@statefarm.com>
Cc: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Subject: FW: Reputation

I will work with Wensley to respond to Tracy.

From: Tracy Blair Haus
Sent: Tuesday, October 5, 2021 3:14 PM
To: Michael Tipsord <michael.tipsord.cdrf@statefarm.com>; Rand Harbert <rand.harbert.hey8@statefarm.com>; Dan Krause <dan.krause.crgb@statefarm.com>; Jon Farney <jon.farney.ga1s@statefarm.com>
Subject: Reputation

Hello amazing leadership!
I send this email with the upmost respect for all of you. For a long time we have heard from the top how important it is to keep our #1 position. While being #1 carries a lot of weight, having a bad reputation when it comes to delivering on the promise is not worth that #1 position. I would take system outages, higher rates any day over giving bad service at claim time.

We are a big business made up of a lot of little businesses and we grow by having good reparations in each and every small community. The old slogan of "we pay what we owe, not a penny less, not a penny more" is not the case right now. We now pay really low and customers fight to get what we owe them in more and more cases. In my 20 years I have NEVER had to worry about the reputation of State Farm. Even when we have raised rates and been uncompetitive, I always knew even if customers were paying more to be with us, we would come through at claim time! #ClaimTimeIsGameTime

I have heard for years now about Allstate's declining reputation when it comes to claims. I have taken so many of their customers all while paying more to be with us in most cases.

I know I am not the first to send an email about the issues we are having in claims, I certainly hope you are receiving A LOT of communication from agents letting you know what's happening to our company from the ground.

I have been involved in many agent discussions, email groups etc. about fire claims problems, and specially Roofing issues. I had faith that you all were handling it and that you knew by word of sales leaders and claims team managers that are on the ground that its really bad. But when I heard the slogan from a very reputable roofing company owner,
"You are not in good hands and we are not your good neighbor" ...I was very upset.
That's the slogan around the country, not just here in Louisville. He sent me screen shot after screen shot of reputable companies that for years have loved working with us and now say we are just as bad as Allstate. And if we choose to ignore the contractors then we must listen to our clients. Calls have increased, almost every roofing claim we have the customer is unhappy, the process is laborious, and 8/10 times we end up paying what we should have in the beginning but end up with a mad customer and a tarnished reputation. My team is spending more and more time on claims and being pulled away from selling.

For the last 6 months the roofing claim problems have grown. I received an email that you all were doing the following –
1) Minimize # of people who touch an account. Home especially.
2) Inspection will be customer's choice up front (how would you like us to handle this – face to face or virtual)
3) Simplify language when talking to customers (no insurance lingo)
4) *Proactively* personally contact customer and contractor
5) Phone call to agent when there's a negative claim decision or problematic situation.
6) Empathy, empathy, empathy.

While those things will no doubly help with all claims and should be the 101 of claim handling, what is being done to look at and hopefully change the way Roofing claims are being handled? This system is not only broken it is taking us down quicker than you can imagine. Its gone from bad to worse in record time. Word of mouth travels far and right now body shops to rental car companies to contractors are screaming from the rooftops and not saying nice things.

Right now, our adjustors (4 in Louisville) are not the problem they are the solution. Roofing contractors would say we have a great team. Inspectors are being sent out to measure and photo roofs and hand out a very small estimate to REPAIR knowing that in a lot of cases it should be much more than that. They are afraid to get their hand slapped and are in the pockets of State Farm so they are low balling at best and almost NEVER replace a roof. More 3rd party appraisers are bring called out time after time.

As a leader agent and someone who bleeds State Farm logos I am asking you to do something. The above 6 items are not enough. We need a drastic change before it's too late! Is it really worth it to walk on the stage at convention to say we are #1 in the ranks but not #1 when it comes to delivering great service.

TBH

Tracy B. Haus
State Farm Insurance Agency
11501 Main Street

Louisville, KY 40243
502-244-0271 Main
502-244-9495 Main Fax
www.tracyhaus.com

StateFarm

Tracy Blair Haus, Agent

- If this communication is securities related, see the additional disclosures.

From: Debbie Myers [debbie.myers.ptb8@statefarm.com]
Sent: 4/26/2021 9:03:03 PM
To: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Dana Jokerst [dana.jokerst.pmhi@statefarm.com]
Subject: FW: Market Area Claims (MAC) Partnership Skype Tuesday-Please reply by Monday

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From: Jennifer Chandler
Sent: Friday, April 23, 2021 8:26 AM
To: Debbie Myers <debbie.myers.ptb8@statefarm.com>
Subject: RE: Market Area Claims (MAC) Partnership Skype Tuesday-Please reply by Monday

Hi Debbie

Happy Friday! ☺

From what I can gather, there seems to be a running theme around the things causing frustrations with Fire Claims and based on the agenda, it appears we are going to address those. 100% giving grace on all of us with the last 13 months, we are all burnt out and not at our best as often as we'd like. I try to remind the agents on the regular that while they've been in offices in a relatively normal environment our peers in claims and UW have been working from home 100% of the time and that is harder on them then the agents/TMs think it is. That being said, here is my 2 cents.

1. Adjuster responsiveness/ownership of claim/communications to customer and agent.

a. I hear a larger than normal number of complaints about how fire claims (all aspects, none in particular) is falling down when it comes to effect, proactive, timely communication. When there is a problem, it of course is critical to stay on top of it and that does not appear to be happing more often than not. Customers send emails, leave messages...no reply. Agents call, told it's in queue and a rep will follow-up. No one follows up. Complaints are made and elevated to leadership. Leadership seems to drive the reply/response in hours that has taken day/weeks prior. I've found on the ones I have to get involved in that if the rep had communicated what they we waiting on (response/info from vendor, etc) AND was proactive in following up on that needed information, the issues would have been resolved in a few days and never elevated.

b. In this same vain, when an agent is calling/requesting information, clarity or better understanding it feels like the reps/adjusters are not providing as much information as they have. An agent explained it like "a secret society" that they are not a part of so only some of the info is shared...which leads to assumptions that claims isn't doing their jobs...which leads to leadership getting involved only to find out everything is just fine and if the reps had communicated clearly, we would not be in this call/email chain.

2. IMO when claims makes a mistake, it takes far too much effort to get it rectified. The agents (and SLs) are having to drive it too far up the chain too often.

c. I understand no one wants to make a mistake...and it's even more difficult to admit/own it but we can't be in the position of using our lack of willingness to admit an error was made override doing the right thing for the customer. And rectifying it as quickly as possible.

1. I will give kudos to the leadership that ends up jumping in to resolve however. I've experienced that when it gets to the point of recognition of the error, they step up big time. It just takes far too long to get there and is an uphill battle every time.

3. The roof thing is a problem. We have not done ourselves a favor there and claims leadership needs to clearly communicate the philosophy change to agents.

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d. The calls they held for SL/VPAs needs to be done for agents. And claims leadership needs to take the heat for it and answer the questions that arise. Leaving it to SLs to deliver that message is going to make it worse because we are not the decision makers and frankly...don't know enough about roof claims in general. Happy to partner on the message/delivery and helping agents work through their emotions about it but we shouldn't be thrown in as the expert or the go between on delivery.

That's all I have for now. Hopefully it's helpful. Have a wonderful weekend!

Jennifer Chandler, Sales Leader
Tri-States Territory

From: Debbie Myers
Sent: Thursday, April 22, 2021 4:37 PM
To: Thuyvu Ho <thuyvu.ho.medk@statefarm.com>; Christine Cline <christine.cline.cz52@statefarm.com>; Paul Nguyen <paul.nguyen.m4j2@statefarm.com>; Jodie Boytos <jodie.boytos.ib2h@statefarm.com>; Jennifer Chandler <jennifer.chandler.izwn@statefarm.com>; Tom Dutoit <tom.dutoit.gdyl@statefarm.com>
Cc: Dana Jokerst <dana.jokerst.pmhi@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: Market Area Claims (MAC) Partnership Skype Tuesday-Please reply by Monday

Good afternoon team,

We look forward to meeting with each of you via Skype next Tuesday, April 27th from 12:30-1:30 PST.

Each of you were carefully selected as leaders who have a track record of collaboration and the ability to be influential and highly effective thought partners.

In the spirit of redundancy (Nicole sent out the following info on our calendar invite) the purpose of this partnership is to gain additional effective alignment with market area leaders as enterprise and claim priorities are executed.

- *Creating an understanding of our Fire Claims focus in alignment with Enterprise priorities and growing State Farm.*
- *Provide insights into our Fire Claims progress in the areas of service, quality and efficiency.*
- *Anticipate the impact to the agent and their role in supporting our Enterprise priorities.*

The agenda will include the following topics:

- *MAC Partnership Overview*
- *Claim Expectations & Service Level Objectives*
- *Escalating Claim Concerns*
- *Vendor Program Overview*
- *Market Area Hot Topics*

With that in mind we would like to solicit any questions/comments/concerns/insights you may have in advance of our Skype meeting. .

Feel free to reply to all by Monday.

Thank you in advance,

Debbie

Debbie Myers, CLU, LUTCF, FSS
Agency Field Leadership
State Farm ®
Santa Clarita/Antelope Valley Sales Territory
Cell (805) 610-8905
debbie.myers.ptb8@statefarm.com

From: Tom Moss [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=C45G]
Sent: 2/17/2021 1:14:57 PM
To: David Chikahisa [david.chikahisa.bn72@statefarm.com]; Eric R Daly [eric.r.daly.cdzo@statefarm.com]; Nick Meehan [nick.meehan.jfd7@statefarm.com]; Eric Lambert [eric.lambert.goaa@statefarm.com]; Windy Clark [windy.clark.gzbt@statefarm.com]; Bill Lingenfelter [bill.lingenfelter.hx3v@statefarm.com]; Tim Northquist [tim.northquist.cz3u@statefarm.com]; Cindy Betz [cindy.betz.cr23@statefarm.com]; Lisa O'Toole [lisa.otoole.gp0b@statefarm.com]; James Talley [james.talley.l7mm@statefarm.com]
CC: Nicole Manduca [nicole.manduca.lok2@statefarm.com]
BCC: Tom Moss [tom.moss.c4sg@statefarm.com]; David Chikahisa [david.chikahisa.bn72@statefarm.com]; Eric R Daly [eric.r.daly.cdzo@statefarm.com]; Nick Meehan [nick.meehan.jfd7@statefarm.com]; Eric Lambert [eric.lambert.goaa@statefarm.com]; Bill Lingenfelter [bill.lingenfelter.hx3v@statefarm.com]; Tim Northquist [tim.northquist.cz3u@statefarm.com]; James Talley [james.talley.l7mm@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]
Subject: Draft - work in progress - topics - agency call, 2021 Quality Plan - wind hail

Good morning all,

A few updates to share since we last visited. After meeting with Executive, we have reformatted the presentation somewhat; however, the topics remain much the same. Also, the times for meeting with Agency Leadership have been determined as follows:

- March 1 1-2pm
- March 3 8-9am
- March 3 3-4pm
- March 4 2-3pm
- March 5 9-10am
- March 10 11am-noon
- March 10 2-3pm

The outline of our presentation is as follows:

Draft – Work In Progress -

Presentation to VPAs and SLs
6 to 9 presentations, leaders have options to attend 1 of multiple sessions

Presentation will be laid out as follows:

1. Set up – Conversations from last year
2. Topics to be discussed
   a. ECR Vendor Performance Discussion
   b. Inspection Options
   c. Wind and Hail Claim Handling
3. Closing – wrap up

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Conversations we had with you last year (David)

- What we heard
- Empathy
- Professionalism
- Responsiveness
- Technical
- Settlements/replacement costs
- What we are doing

ECR Vendor Performance (John - Taylor)
Vendor strategy/performance

- Recurring meeting with firms/firm leadership
- Accountability/Expectations
- Customer experience
- Service level objectives
- Cadence of appointments
- Responsiveness
- Accuracy/Quality
- Training
- Productivity

Inspection Options

Virtual inspections

- While Covid challenged us, it also brought about new opportunities and efficiencies – namely our push towards adopting virtual inspections
- When we receive a loss our goal is to always attempt to resolve the claim virtually first
- Phone scope
- CX
- Face Time
- Google Duo
- We also use these options for reinspections and/or with vendors too
- If we can't use a virtual option for a part or all of the claim we then conduct a physical inspection; always adhering to social distancing

Other inspection options

- Roof/Exterior Inspection Assist Program

How the program works:

- Once an assignment is sent, the vendor will provide an inspection technician
- The inspection technician will inspect, diagram, photograph, and scope damages to the roof and exterior elevations of a building.
- The claim specialist will use the scope to prepare an estimate and conclude the claim with the insured.
- Both vendors are available 7 days per week
- Both vendors have inspection technicians to cover all zip codes currently in Georgia, Illinois, Maryland, and New Mexico
- Once the assignment is made, the vendor will make voice to voice contact with the customer
- They will attempt phone contact within 24 hours or receiving the completed inspection on line assist form.
- The service level for the typical REIAP assignment for submission of the form to receiving the report is 3 -5 days. This could be impacted by weather or the customer's schedule.
- Customers do not have to be present for the inspection
- Both vendors will complete inspections with contractors
- If the customer needs to reschedule an appointment, they can contact Hancock or Seek Now directly
- The report written will be submitted to State Farm within 24 hours of inspection

Vendors

- Hancock Claims Consultants
- Seek Now

REIAP is a tool to help assist our claim handlers in the adjustment of roof and exterior structural damage when a scope is needed

- The program may be used when our customer declines the offer for an eligible voluntary CSP or RSP assignment or when CSP or RSP is not available in the customers area
- It may also be used when CSP or RSP is not available in the customer's area

REIAP Eligible claims If time allows

- Claims with or without a Claim Group
- Homeowners, Manufactured Home, and Rental Dwelling policies
- Initial inspections on new claims
- Severity 2 or 3 losses only
- Claims assigned to Fire Proximity

REIAP is not eligible for:

- Unresolved questions regarding coverage or causation
- Additional inspections
- Interior damage
- Severity 1 uninhabitable claims
- Flood claims

- BUSD claims
- Claims involving boat docks
- ECR's are not permitted to use this program

SFPSP - Roofing Services Program (RSP) and (CSP)

- **The Why?**
- Both programs are voluntary customer choice program using independent Network Service Providers (CNSP) who have entered into a contract with State Farm® concerning the services to be provided. Benefits are:
- Both are consistent with **Our Commitment to Our Policyholders**.
- Contractor Network Service Providers (CNSPs) who can assist with identifying and selecting general contractors who can provide an estimate and complete building repairs
- Roofing Network Service Providers (RNSPs) who can assist with identifying and selecting roofing contractors who can provide an estimate and complete roofing repairs
- Workmanship guaranteed for 5 years by your chosen provider
- The program inevitably helps enhance efficiency in Fire Claims handling.

- **Eligible For CSP**
- Determined by claim handlers;
- Covered cause of loss
- Structural in nature
- Contractor/service provider available
- Hail claims not eligible unless noted by Consulting Services
- **Eligible for RSP**
- Determined by claim handlers:
- Covered cause of loss
- Structural in nature specifically to the roofing material
- There must be a roofing contractor/service provider available
- Roofing only wind damage claims where there must be evidence of actual wind damage to the roofing
- Claims involving roof only damage by a covered peril other than hail (also includes repair or replacement of the following structural items: gutters, soffit, fascia, siding and window screens)

- **How can Agency Leadership Assist**
- Encourage agency partners to direct customers to https://www.statefarm.com/ which has resources available these network service providers
- https://www.statefarm.com/claims/claims-help/home-and-property/premier-service

Wind and Hail Claim Handling

Roof claims present unique challenge

- Customers rarely get on their roofs
- Rely on information received from others, including us

Our inspection process/methodology (theme - building confidence in our work)

- Our call of damage/no damage
- Tools we use – i.e. AccuWeather
- Training of our workforce
- Annual refresher course(s)
- ECHP for each event
- Orientations for each event
- Resources – composition roof brochure – updating/contemporizing, should be ready in March 2021
- Inspection Process -Our call of damage/no damage--- Inspection Methodology is guided by our Guidelines and training. Focus on what is and is not damage and document.

a. Ground collateral damage- from the ground up to the roof.

b. Roof inspection- look for areas where we know roof is more susceptible to damage: Valley and ridge cap and soft damage, then test square.

c. Vent spatter-guide us on if the hail was hard or soft

- Staff and ECR's will make photos externally viewable after inspections to agents and policyholders.
- Damage ID – show photos of conditions often found on roofing
- Thermal expansion
- Blistering
- Curling
- Cracking
- Zippering
- Slipping
- Installation marks
- Footfall
- Excessive granule loss
- Tools we use – i.e. AccuWeather- wind and hail. Reports

d. Composition roof brochure --- Evaluating-Composition-Roofing-Brochure-English.pdf (st8fm.com) – contemporizing and update will be published in near future

e. Wood roof brochure --wood-roof-brochure.pdf (st8fm.com)

f. Composition Roof and Wood Roof Brochures are State Farm.com

g. On ABS system. Put link to meeting invite move into wind/hail season.

- Link to ABS, Services: Weather & Catastrophe ABS Services: Weather & Catastrophe (statefarm.org) On the left side--- Choosing Roofing Contractor Tool.

Additional inspections

- When should these be completed?

Roofer inspections prior to a claim being submitted to State Farm

- Impact of agents requesting a roofer inspect prior to submitting claim

- **Impact of roofer inspection**
- Positive
- May help our customer confirm if there is damage
- Negative
- Roofers skills and knowledge are often are related to the installation of a roof and not to the causation of damages to roofing materials
- If the inspection by a claim handler does not find any covered damage; however, the roofer stated there was damage, the customer may be become frustrated

- **How Can Agency Leadership Assist**
- Continue to support claims
- Encourage agency partners to not send request the customer have a roofer inspect before turning in the claim. Please submit the claim and allow Claims to inspect the property and determine if there is damage from a covered loss.

RCB timelines

- Discuss new infographic that has been developed, when it will be sent
- Timelines for RCBs (depends on jurisdiction)
- How to get RCBs
- Communication

Roof Surfaces Payment Schedule Endorsement

Roof Surfaces Payment Schedule Endorsement

Why: Making you aware of this important endorsement that impacts the way we handle wind/hail claims if they have the endorsement.

How can agency leadership help? Please just be aware of this endorsement and reach out to local claims leadership if you have any questions.

- We wanted you to be aware of an important endorsement that can be added to Homeowners Policies in certain states. The Roof Surfaces Payment Schedule Endorsement (RSPS) became available starting in July 15, 2020. Based on the age and roof type, the RSPS provides a specified loss settlement when roof surfaces are damaged by windstorm and/or hail. The premium is lower but the older the roof, the less the customer will recoup if a claim is filed for wind/hail. Thanks for letting us share this new endorsement to you. If you have any questions, please contact local claims leadership. We will share the job aid Roof Surfaces Payment Schedule Endorsement (RSPS) job aid with you in the follow up correspondence we send to this group.

Email – claim specific emails and risk (Tom)

- Statement of Policy
- Email captured
- Search of emails in litigation matters
- Risk of message content to be taken out of context

Closing – wrap up

Next steps:

I will schedule a call later this week with the team to discuss

Lisa and I will work together to create a PowerPoint deck

- Slide – limited information (visual cues – not a lot of content in the slide)
- Speakers notes would include bullets from this document

From: Nicole Manduca [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=LOK2]
Sent: 8/19/2021 12:57:44 AM
To: Gwen Hodgson [gwen.hodgson.lpb5@statefarm.com]
BCC: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Gwen Hodgson [gwen.hodgson.lpb5@statefarm.com]
Subject: RE: 35-B445-5P5: Agent Complaint: Claim concern

Perfect – thank you.

From: Gwen Hodgson
Sent: Wednesday, August 18, 2021 5:52 PM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: 35-B445-5P5: Agent Complaint: Claim concern

Yes ma'am reviewed today and have on the calendar for next follow up Friday.

Sent with BlackBerry Work
(www.blackberry.com)

From: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Date: Wednesday, Aug 18, 2021, 6:57 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Subject: FW: 35-B445-5P5: Agent Complaint: Claim concern

Gwen – making sure this is on your radar for a response next Tuesday, 8/24.

From: Kathy Ress
Sent: Wednesday, August 11, 2021 7:28 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: 35-B445-5P5: Agent Complaint: Claim concern

Thanks Gwen. I'll calendar 2 weeks for an update.

From: Gwen Hodgson
Sent: Tuesday, August 10, 2021 7:28 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: 35-B445-5P5: Agent Complaint: Claim concern

Kathy,

Since our last response Eberl ECR VM Brandon Becker has made multiple contact attempts with the contractor and kept the insured and agent's office apprised of our efforts to ensure the similar products recommended by Jeld-Wen (Jeld-Wen W-2500 series (Standard) in Brilliant White) has been utilized to achieve a reasonably consistent appearance. ECR

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VM Becker and I have reviewed the claim and are committed to daily follow up to drive the claim to conclusion. I will maintain an SM calendar to ensure continuing action occurs.

The contractor at this time has not responded with what Jeld-Wen products they have used in the documentation provided contending a reasonably consistent appearance cannot be achieved.
Our efforts to obtain this information will continue and we will keep the insured and agent's office up to date on all communication.

Please let me know if you have any questions or would like any additional information.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
www.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Saturday, August 7, 2021 9:39 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: 35-B445-5P5: Agent Complaint: Claim concern

Hi Gwen,

Would appreciate an update specific to resolution on Tuesday. I note we've left messages for the contractor and spoke to the insured, with a follow up date on Monday. A brief update on resolution with next steps and timeline is appreciate to ensure we monitor this claim to conclusion.

Thanks,

Kathy

From: Gwen Hodgson
Sent: Wednesday, August 4, 2021 8:08 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Kathy,

There was actually quite a bit of contact between August 2020 and July 2021 which I have captured below. There were definitely opportunities for follow up with the contractor, insured and agent throughout that timeframe. I have also updated the vendor name throughout the summary.

Please let me know if there is any additional clarity I can provide or follow up.

Thank you and have a great evening.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Wednesday, August 4, 2021 5:46 PM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Gwen,

Would you provide timeline when the service gaps occurred? What has our handling been in 2021, as appears no activity since Aug 2020 to July 2021. Trying to understand if these are recurring gaps or recent gaps with our Call to Action. When you update the summary please provide the name of the vendor.

A review of the claim file identified the following service gaps:

- Lack of verbal communication between State Farm Claims, the agent's office, and the insured. Status follow-ups to the insured after conversations with the contractor regarding sash and window replacement findings were needed. Follow up with agent's office to provide status and difficulty working with the contractor were needed.

Thanks!

Kathy

From: Gwen Hodgson
Sent: Wednesday, August 4, 2021 4:48 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Kathy,

Please find our response to the agent concerns:

Outline Customer/Agent Concern and Resolution with the Customer/Agent

- Contractor Feazel Inc. contacted State Farm and advised that the windows on the front and rear elevations of the Loeser's home have sustained damages. The original manufacturer of the windows is no longer in business and the contractor has advised that like kind and quality replacements do not exist. EBERL ECR Vendor Manager Brandon Becker had contacted the manufacturer that bought out the original window manufacturer and has determined the make and model of the windows to be replaced to provide for a uniform appearance. This was communicated to the Insured and Contractor.

- The original inspection of October 8, 2019 did not find damages to the windows and settlement was provided for the roof and gutters on the home. All repairs to the roof and gutters were completed and all RCB's were released per a certificate of completion dated November 7, 2019. On August 10, 2020 the contractor submitted photos of window damage. An additional inspection was completed on August 17, 2020 and no storm related damages were found to the windows. Additional communication with the contractor and insured disputing the determination on the windows throughout September 2020 resulted in the hiring of an engineer October 15, 2020 to evaluate the windows. The engineer inspection occurred November 10, 2020. The engineer's report, received December 3, 2020 identified six cosmetically damaged windows on the South and North elevations and replacement of the window sashes was recommended. The Engineer report provided manufacturer and installer information for the sashes. The State Farm estimate was updated to reflect 6 sash replacements per the Engineers report and evaluation of proper repair. These results were reviewed with the agent's office on December 7, 2020 and with the insured on December 9, 2020, due to the insured's availability.

On January 14, 2021 we received a contractor's estimate to replace all windows in the home due to unavailability of original or LKQ replacement. We contacted the contractor and left a message for the insured outlining the repair options and vendors identified within the engineer's report. On February 1st and February 9th we received calls from the contractor requesting status. We reiterated the repair options and vendors identified within the engineer's report and explained followed up with the insured again on February 9, 2020 to advise of same. The contractor submitted another follow up request on February 15, 2021, it was reviewed February 18, 2021 and while previous activity was referenced no additional action was taken to respond to this most recent request. The agent contacted HRU on February 19, 2021 and we reviewed our handling with him from the time the engineer was retained to current date. The contractor argued he would not warranty the repair or the quality of the work. After advising the contractor we owe to repair hail damage, he agreed to obtain quotes from the two companies identified within the engineer's report. The agent contacted HRU again on February 24, 2021 advising the contractor is telling the insured SF is difficult to get ahold of and is trying to make SF look bad. We reviewed our 2021 communications will the agent. On February 27, 2021 we received mail from the contractor indicating one vendor did not have NFRC certification, stating that is an Ohio code requirement. The contractor asked if we would like the insured to install windows that don't meet code. An email was sent to the agent and the insured that same day advising the documentation the contractor has provided addresses one of the companies referenced in the engineer's report but it does not appear availability from the other company has been researched. While awaiting additional information from the second company research of the code referenced by the contractor was conducted, including follow up with the Franklin County Building Department, that revealed that code applied to new construction only. We spoke with the insured on March 11, 2021 to advise of our findings related to the code issue. We had left a message for the contractor as well but at the insured's request we provided this information to the contractor in writing with a cc to the insured. On March 26, 2021 we reviewed correspondence from the contractor which once again indicated use of the recommended product did not meet code requirements. A response was emailed to the contractor again stating our research indicated that code applied to new construction only. The insured and agent were cc'd on that email.

On March 31, 2021 we received and email from the contractor disputing the applicability of the code, the was reviewed by a CNC ECR in WCCS Stewardship April 14, 2021. The prior activity was referenced in the file note but no action was taken to contact the contractor, insured or the agent. On April 16, 2021 the contractor called into HRU advising the window companies will not do the recommended repair and other window installers have also indicated they will not just replace the sashes. The contractor was asked to provide documentation as to why the sash repair was not possible. On April 20, 2021 the contractor sent in an email indicated the window manufacturer specifically states they do not attempt to match double hung dimensions and the contractor feels this would create a guaranteed mismatch. This email was reviewed on April 22, 2021, attempts to reach the contractor's office were unsuccessful and files notes indicate no voicemail option was available. The CS indicated a calendar was set for next day follow up but the next claim activity was not seen until a calendar review occurred on May 6, 2021. No action was taken at that time and the claim was reclosed in error. On May 14, 2021 the contractor called back in indicating the replacement sash would not match. The CS inquired as to whether the contractor was aware of what the replacement sash height would be to determine if there would be a matching issue. The contractor did not know that and advised he would proceed with repair of one window to see if it would match. The claim remained closed.

On June 24, 2021 the agent contacted HRU asking when we spoke to the insured last and requested a manager. That same day the agent was contacted by Eberl ECR VM Brandon Becker. The agent advised the sash repair would not provide a reasonably consistent appearance and the windows should be replaced. The contractor indicated one vendor would require a minimum purchase and the insured indicated when the second vendor came to the home they misidentified the windows as vinyl and stated they could not install the sashes. The agent requested Eberl ECR VM Becker review the file and join a conference call with the contractor and insured on June 28, 2021 to discuss the matter in more detail. During the call the contractor advised they received confirmation from the first vendor that they could not match double hung window sashes, Eberl ECR VM Becker was able to confirm this with the vendor and agreed to replace the six damaged windows. The contractor indicated the window glaze would likely not match the existing windows. The contractor then asked what window would be of like kind and quality. Eberl ECR VM Becker suggested Jeld-Wen as the manufacturer who bought out the original manufacturer but the insured and the contractor would need to research like kind and quality and appearance to go with the existing windows. The contractor expressed agreement and the conference ended. The SF estimate was revised and a supplemental payment for the window replacement was issued July 1, 2021. On July 8, 2021 Eberl ECR VM Becker spoke w/ the agent who advised the contractor and insured are stating the windows do not provide a reasonable appearance per OH code. Photos were requested for evaluation. On July 12, 2021 the agent and Eberl ECR VM Becker reviewed the photos which reflected an off white Jeld-Wen window with grid, next to the existing bright white non-grid window. Eberl ECR VM Becker contacted Jeld-Wen to find out if something similar to the original window was available in profile and color. The Jeld-Wen W-2500 series in Brilliant White was provided. Eberl ECR VM Becker sent an email to the insured contractor and agent on July 14, 2021 providing this information. The contractor then provided what appeared to be similar photographs of Jeld-Wen windows but are of a different profile and color to advise that a reasonably consistent appearance cannot be achieved.

- The agent's primary concern is the number of people involved in the handling of the claim. He felt it was confusing for the customer, conveyed a lack of authority and did not aid in moving the claim forward. He had very positive feedback on Eberl ECR VM Brandon Becker's intervention and involvement in the claim. SM Hodgson reviewed the agent's concerns and advised Eberl ECR VM Becker would shepherd the claim to conclusion. Eberl ECR VM Becker has made contact with the insured and the contractor and is actively working to confirm the recommended window has been used for replacement prior to reviewing for reasonably consistent appearance.

Identify Leadership Findings and Service Gaps with our handling

A review of the claim file identified the following service gaps:

- Inaccurate information advising the Ph must provide a written request for an engineer inspection by Auto Assist handlers, Pilot and Alacrity ECRs no longer in HRU delayed retention of the engineer through the month of September 2020. A HRU TM reviewed the file October 9, 2020 and approved the hiring of an engineer.

- Lack of verbal communication between State Farm Claims, the agent's office, and the insured. Status follow-ups to the insured after conversations with the contractor regarding sash and window replacement findings were needed. Follow up with agent's office to provide status and difficulty working with the contractor were needed.

- HRU representative in August 2021 advised the insured that we did not have the contractor's contact information on file which caused an unsatisfactory reaction from the insured. The contractor information was readily available in the file notes and documents on file.

Discuss Action Taken to Address Findings/Service Gaps and Prevent Future Occurrences

- This claim example was handled by multiple in-office, deployed, and proximity handlers, specific specialists will be provided feedback on their handling of the claim. Further, HRU leadership will review this topic in this week's huddle to cascade to all HRU handlers.

- The claim handler who failed to locate the contractor contact information has been provided feedback and coaching on investigating claims and review of claim files. The specialist's manager has been provided feedback to continue the development of the specialist.

Indicate any history of performance issues for involved claim handlers. If so, how are we addressing. If not, how are we addressing.

- No history of performance issues for the immediate claim handlers. This claim example is being reviewed with those handlers.

- HRU leadership will continue our Call to Action plan and communicate the need for prompt and accurate customer contacts through EOM activities and individualized coaching as necessary.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Tuesday, August 3, 2021 11:50 AM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

Got a note from Wensley. We'll need you to call the agent first as comments he's been bounced around.

Ok good. I just talked to the agent. Please have Nicole call him first. He has background and has been bounced around a lot. He is heading on vacation so he said Cell is best. Here is the IM.
Keep me posted.,
Thanks
W

Thank you for the call. I am logging off. I have several other pre travel/vacation items to get to this afternoon. However, this claim remains a top priority for me - and seeing this gets the right level of attention and resolve. My cell: 614.769.1660. An unknown number calling will likely go straight to vm...but I will call whomever back. Welcome to initiate via text to me also. Thank you again for engaging.

From: Gwen Hodgson
Sent: Tuesday, August 3, 2021 11:46 AM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: RE: Agent Complaint: Claim concern

We will take care of it, thank you.

Gwen Hodgson, CPCU, CLU, ChFC
Claim Section Manager
WCCS IO – Hail Reconciliation Unit
w: 972-657-1824
m: 309-532-4930
gwen.hodgson.lpb5@statefarm.com

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Kathy Ress
Sent: Tuesday, August 3, 2021 11:43 AM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: Agent Complaint: Claim concern
Importance: High

Gwen,

Please see the executive complaint from the agent. Please have a leader reach out to the agent and customer to see what we need to resolve. I'd appreciate the summary in standard format by EOD Wed. It appears there has been some interaction with the agent.

Wensley is reaching out to the agent to let him know one of our leaders will be in contact in the next couple of hours.

Kathy

From: Kathy Ress
Sent: Tuesday, August 3, 2021 11:35 AM
To: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Subject: RE: Claim concern

This is actively being handling in HRU under CM Nicole Manduca with the contractor. Appears "matching" windows yet just a brief review. Will get a summary back on our handling.

From: Wensley J Herbert
Sent: Tuesday, August 3, 2021 11:30 AM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: FW: Claim concern
Importance: High

Can you please look this one up? I will call him and let him know we are reviewing it and someone will reach out
Thanks
W

From: Robert Yi
Sent: Tuesday, August 3, 2021 11:27 AM
To: Wensley J Herbert <wensley.j.herbert.c18b@statefarm.com>
Cc: Beth Lamb <beth.lamb.amgr@statefarm.com>
Subject: FW: Claim concern
Importance: High

See Chris's request for an OVP to contact the agent. Beth is checking to see if we had a previous complaint on this claim. Beth will let you know.

Robert

From: Beth Lamb
Sent: Tuesday, August 3, 2021 11:22 AM
To: Robert Yi <robert.yi.caqa@statefarm.com>
Cc: Beth Lamb <beth.lamb.amgr@statefarm.com>

Subject: I: Claim concern
Importance: High

NI: Edward A Loeser
CL#: 35-B445-5P5
DOL: 9-01-2019 (Cat)
VPO: K Ress

From: Chris Schell
Sent: Tuesday, August 3, 2021 12:18:05 PM (UTC-05:00) Eastern Time (US & Canada)
To: Robert Yi
Subject: FW: Claim concern

I think Chad sent this in some time ago. Could we get an OVP to call him and work to get back on the rails? Thanks

---

From: Chad Harris
Sent: Tuesday, August 3, 2021 11:15 AM
To: Chris Schell <chris.schell.gxn0@statefarm.com>
Cc: Chad Harris <chad.harris.le0x@statefarm.com>
Subject: Claim concern
Importance: High

Hi Chris,

I hope my memo finds you well. I wish I was emailing you under different circumstances. I am emailing you because I know you (and more importantly, I believe you to be a person who cares)...and based on your current position, I believe this is information a person in your position needs to know.

Re: Homeowner Claim number: 35B4455P5 Date of Loss: 9.1.2019 (Hail CAT claim) Inspection date: 8.17.2020 (this claim has been on-going for almost one year)

- This should be a Department of Insurance Complaint (due to the delays in resolving this claim)
- Perhaps a customer complaint to the Mike Tipsord (due to our dysfunctional processes, delays and poor communication with the insured)
- The insured is beyond frustrated with SF claims; their processes, lack of communication and personnel. Based on what I've personally witnessed and experienced, the insured has every right to be frustrated.
- I have been pulled into this claim by the insured and the contractor. I have attempted to talk with multiple leadership personnel to no avail.
- We have people handling claims that are not SF employees (outside contractors)...who apparently lack the authority to make a decision or solve problems when they occur. Deployed vs. employed processes do not communicate well.
- Finding and identifying a leadership person to talk with...and have them make decisions is almost impossible (to date, it has been impossible)
- Yesterday 8/2/21, I once again reached out to claims leadership due to more errors...only to watch as it was passed down from one person to another and to another.

This is terribly embarrassing for State Farm...and me, as the local agent. Our claims processes need to be reviewed...as they are not working for the customer or the agent. JD Power customer claims satisfaction scores have been telling us –

what agents are experiencing with more and more regularity. Agents need to know who the appropriate leadership personnel are to make decisions. Right now – that is next to impossible. There appears to be zero accountability within the claims system. No ownership. No accountability. The team environment is failing us and the insured. People simply pass things down to a person who otherwise lacks the authority to make a decision...and the claim stalls, or a new person picks it up and the processes begins again...with no better result.

My ask: This claim needs leadership involvement (not passing it down, again). The leadership person needs to be someone with the authority to review the concerns and make a decision. I am also requesting to have a conversation with said claims leadership – as to avoid add'l mistakes. The claim file and notes appear to be incomplete.

My second ask: This claim should be put into the "process excellence" type file for process review. When we perform poorly – we should take the time to learn from our mistakes and improve our processes. This claim highlights all the current dysfunction within our SF claims operations and processes. Our insured deserves better service than what they are currently receiving from State Farm claims. This claim needs to be resolved without further delay.

Thank you for your time and attention to this matter.

P.S. I am leaving for vacation this afternoon. My cell is 614.769.1660. Thank you.

Respectfully,

Chad Harris, Agent

<< OLE Object: Picture (Device Independent Bitmap) >>
Chad Harris State Farm Agency
6151 Avery Rd. Ste A Dublin, Ohio 43016
P. 614.889.2778 | F. 614.212.4461
chad@chadharrisinsurance.com
www.chadharrisinsurance.com

NMLS # 2052343

From: Kathy Ress [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=HE8J]
Sent: 10/28/2021 2:48:13 AM
To: Tyler Deneault [tyler.deneault.htjp@statefarm.com]
CC: Tyrone Smith [tyrone.smith.a57w@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Alicia W Gardner [alicia.w.gardner.cjb8@statefarm.com]; Thad Holman [thad.holman.c99n@statefarm.com]; Rob Stewart [rob.stewart.ckf7@statefarm.com]; Alec Hagan [alec.hagan.lejd@statefarm.com]; Erin Pander [erin.pander.sttq@statefarm.com]; Shyama N Terry [shyama.n.terry.bqbj@statefarm.com]; Kathy Ress [kathy.ress.he8j@statefarm.com]; Gregory E Jones [gregory.e.jones.gzwh@statefarm.com]; John Christensen [john.christensen.ghu1@statefarm.com]
BCC: Tyler Deneault [tyler.deneault.htjp@statefarm.com]; Tyrone Smith [tyrone.smith.a57w@statefarm.com]; Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Rob Stewart [rob.stewart.ckf7@statefarm.com]; Alec Hagan [alec.hagan.lejd@statefarm.com]; Erin Pander [erin.pander.sttq@statefarm.com]; Gregory E Jones [gregory.e.jones.gzwh@statefarm.com]; John Christensen [john.christensen.ghu1@statefarm.com]
Subject: Follow Up: repercussions of a roof repair

Tyler,

I understand Nicole has left a message to catch up with you verbally. She will continue her outreach to discuss the claim in detail. I've provided a brief summary below. Attempted contact has been made with agent on two occasions without a return call. We were advised by his staff he will be available tomorrow. TM Bill Matchett will contact Robert to share the results of our claim review and establish a plan to notify our policyholders. We engaged Consulting Services in the review of the claim handling.

Kathy & Tyrone

The information below should not be forwarded to the agent as considered proprietary and is documentation retained in the claim file.

Customer/Agent Concern and Resolution in Progress

Agent Robert Garner contacted Agency Leadership to express the following concerns about the handling of the Fryan claim:

- State Farm recommended roof repair instead of full replacement
- Lack of, or poor communication by Claims
- Delays in estimates
- Amount of involvement required by agent to facilitate the claim.

The claim was originally inspected on May 10, 2021 by Hancock Claims Consultants. Hail damage was noted to the front slope (12 damaged shingles/SQ), right slope (8 damaged shingles/SQ), and left slope (9 damaged shingles/SQ). Damage was also noted to roof accessories and some aluminum gutters, but no other damage was noted to house elevations. The contractor immediately disagreed with the findings. A $1,487.75 payment was issued on May 12, 2021 which included replacing 14 SQ of roofing on 3 slopes.

The file reflects several issues brought up in subsequent conversations including, HOA by-law requirements, line-of-sight determination, issues with matching the existing shingles, and questions of whether the shingles were repairable.

A second inspection by an External Claim Resource was completed on August 2, 2021. Based on this inspection, the estimate scope was maintained, but the square count was increased. A $1,179.61 supplement was issued on August 9, 2021. Review of the file indicates that, based on the initial inspection report, the estimate should have been to replace the roof due to the amount of damage in the test squares on three of the 4 directional slopes.

EXHIBIT
21

Discuss Action Taken/In Progress

The contractor's estimate has been reviewed, and is reasonable in both scope and price; as such, we will accept it to move forward with an appropriate settlement. In addition, a supplement will be estimated for additional aluminum gutters. Our intent is to collaborate with the agent to determine the best approach to take for a service recovery. We have attempted to contact the agent but his staff indicated that he was unavailable, and despite a specific message regarding the topic of the call, he has not yet returned out calls. We will attempt to reach him again tomorrow.

We are addressing the individuals and vendor involved in the claim handling in concert with Consulting Services and the Vendor Management Office.

From: Kathy Ress
Sent: Friday, October 22, 2021 10:33 AM
To: Tyler Deneault <tyler.deneault.htjp@statefarm.com>
Cc: Tyrone Smith <tyrone.smith.a57w@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Alicia W Gardner <alicia.w.gardner.cjb8@statefarm.com>; Thad Holman <thad.holman.c99n@statefarm.com>; Rob Stewart <rob.stewart.ckf7@statefarm.com>; Alec Hagan <alec.hagan.lejd@statefarm.com>; Erin Pander <erin.pander.sttq@statefarm.com>; Shyama N Terry <shyama.n.terry.bqbj@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Subject: FW: repercussions of a roof repair

Thank you Tyler. Copying CM Nicole Manduca as the claim was most recently handled in our Hail Reconciliation segment to review. Also including our Proximity and Deployed CMs to partner with Nicole on the review.

Kathy and Tyrone

From: Tyler Deneault
Sent: Thursday, October 21, 2021 5:00 PM
To: Kathy Ress <kathy.ress.he8j@statefarm.com>; Tyrone Smith <tyrone.smith.a57w@statefarm.com>
Cc: Rob Stewart <rob.stewart.ckf7@statefarm.com>; Alec Hagan <alec.hagan.lejd@statefarm.com>; Erin Pander <erin.pander.sttq@statefarm.com>; Shyama N Terry <shyama.n.terry.bqbj@statefarm.com>
Subject: FW: repercussions of a roof repair

Good afternoon Kathy & Tyrone,

Please see the email below from agent Robert Garner. Attached in the email, you will also find a letter from the insured. Can you please have someone on your team looking into this file and follow up with the agent? Also, can you please keep me in the loop on the findings and conversation with the agent?

Thank you in advance and as always we appreciate the partnership!

Tyler

From: Tyler Deneault
Sent: Thursday, October 21, 2021 5:47 PM
To: Robert Garner robert.garner.r5d3@statefarm.com
Cc: Rob Stewart rob.stewart.ckf7@statefarm.com; Alec Hagan alec.hagan.lejd@statefarm.com; Jason Guilliams jason.guilliams.j39y@statefarm.com
Subject: RE: repercussions of a roof repair

Thank you for reaching out Robert and our sincere apologies for your frustrations around this customers. I will reach out to our executive claims partners to review this file decision and overall customer experience during the handling of this claim. As you know, each claim is handled on it's own merit, however I will ask that we review the entire file.

Thank you, Robert!

Tyler

From: Robert Garner <robert.garner.r5d3@statefarm.com>
Sent: Thursday, October 21, 2021 4:10 PM
To: Rob Stewart <rob.stewart.ckf7@statefarm.com>; Alec Hagan <alec.hagan.lejd@statefarm.com>; Tyler Deneault <tyler.deneault.htjp@statefarm.com>; Jason Guilliams <jason.guilliams.j39y@statefarm.com>
Subject: repercussions of a roof repair

Leadership whom I respect,

I am saddened to share the impacts that my agency is having over roof claims. My client had substantial damage to his roof earlier this year. State Farm recommended a repair instead of replacement when all 5 of his neighbors with other companies were getting complete roof replacement.

In addition to this, I have spent countless hours on this claim because of lack of poor communication. State Farm claims was not returning calls from the contractor nor insured, delayed estimates that were not done until I call and get involved, re-inspections and escalations.

I would do this for any client, but this client in particular is a large client with multiple lines. His father is someone I have been working on for 2 years in regards to a very large IPS case. I have also received multiple referrals of friends.

Today I get cc'd a letter to claims (ATTACHED) from his wife. At the end of the letter, you will see my name mentioned as someone that cannot be trusted in the community anymore. His dad has cancelled all his insurance with me and is no longer discussing IPS. His son is trying to move his business. I also had his friend cancel an 8 auto household this week and afraid more is to come over him and his wife's influence in my town.

This is just one example of many other clients that feel the same way. This is the first time in my 15 years that I have had any issues with claims and this is one example of how my agency, reputation and potential business is being impacted.

<< File: Scan.pdf >>
Thank you

Robert Garner – CLU®, ChFC®, RICP®, President
Garner Ins and Fin Svcs Inc
3644 Erie Ave, SW

Massillon, OH 44646
Phone: 330-834-3276
Fax: 330-834-3275
e-mail: Robert@RobertGarnerInsurance.com
www.RobertGarnerInsurance.com
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Document Produced in Native Format

EXHIBIT

22

WELCOME/CONTEXT

Wensley

Thanks for joining today. In 2020, we experienced a most unique year…where we collectively overcame some of the most difficult challenges we've faced organizationally and in society.

- State Farm faced a historical catastrophe season with Severe Weather Outbreaks in the spring, a series of back-to-back Midwestern wind and tropical events, record-breaking wildfires, and a distribution of claims across more states at the same time than we've previously faced.
- Internal and external resources available for field claim handling needs significantly contracted due to the risk of COVID as the pandemic spread across the world.

Our non-weather related claims also increased over prior years, partially related to an increase in claims for business interruption related to the pandemic, some related to riots and civil unrest, and an increase in customers spending more time in the home.

Our 2020 Fire Claims quality plans also triggered an unanticipated response where fulfilling Our Commitment to Our Policyholder disrupted expectations of our agents. We spent more time together in 2020 identifying root cause of agent complaints which revealed to be related to 1) improved ability for claim handlers to distinguish between covered losses, and 2) a perceived erosion in empathy and professionalism of claim handlers. Sometimes, the two were intertwined. And this created a distrust of agents in our claim handling. We need to build the foundation of a positive working relationship for all our success.

<Pivot to John>

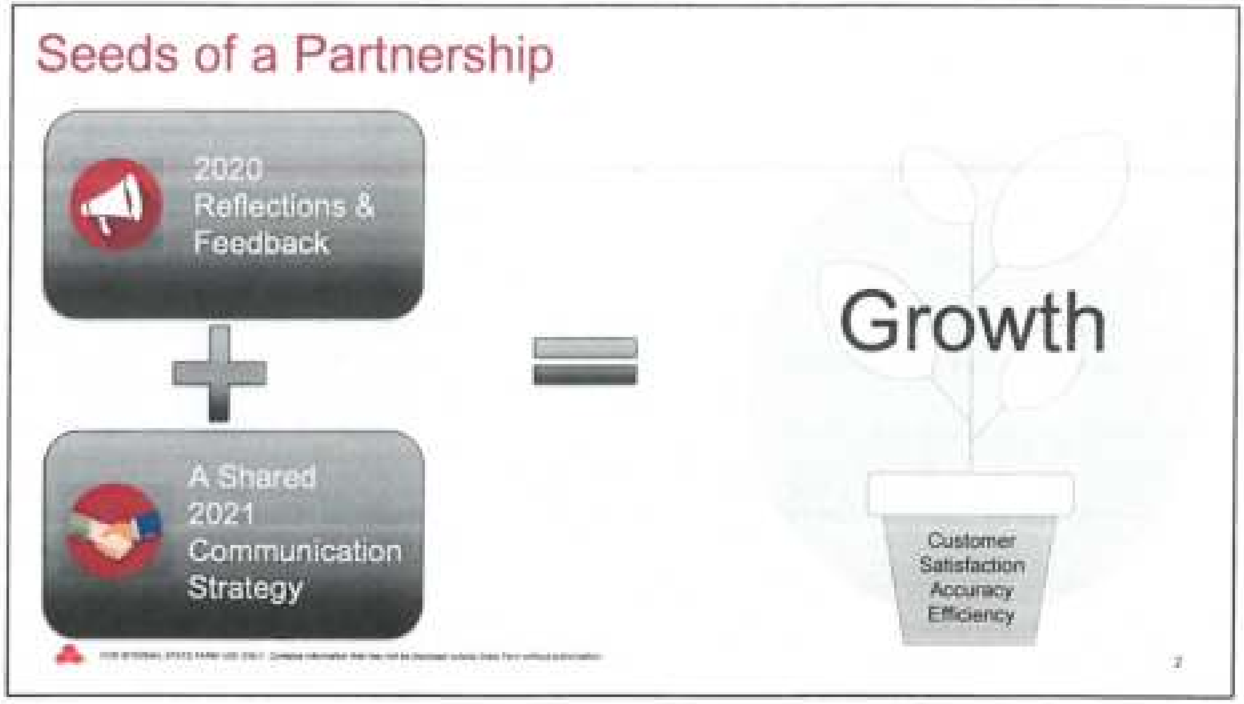
John

To ensure we start 2021 in alignment with enterprise priorities, understanding tactics we deployed in 2020 and are pulling through in 2021, we want to move forward with greater collaboration and proactive communication in 2021. We want to grow together by taking what we learned in 2020, and using it as a catalyst in 2021.

We each have leaders who are new to their roles and some who have been leading for many years. Partnering our leadership teams together will drive greater awareness and understanding, and building mutual trust and relationships to drive improved outcomes.

In order to grow State Farm, our products have to be priced competitively. As our claim teams focus on improving our overall accuracy of payment, we have quality tactics that have improved our ability to investigate, identify damage related to a covered loss, explain what damage that is and is not covered to our customers, and Pay What we Owe to fulfill Our Commitment to Our Policyholders. Yet we must do this timely, professionally and in a way that provides a positive customer experience.

We asked Kathy Ress on behalf of all our Fire Claims Executives to enhance our approach in working together so we grow together.



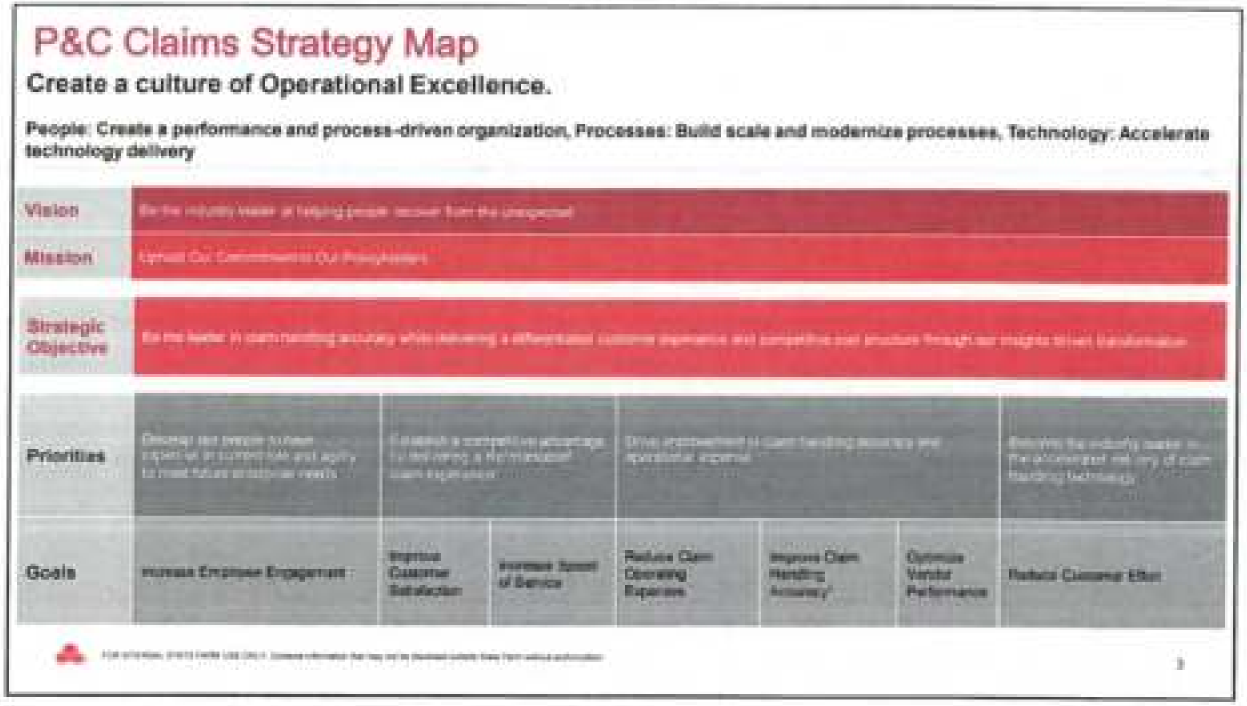
Outcomes

Kathy

Thank the VPAs for their candor and partnership in 2020, and helping drive conversations between our Claim Managers and Sales Leaders to align in the most challenging times. These conversations enabled actions to have a market area perspective, yet also was a healthy exchange where we learned from each other. As we thought about the how to we improve, we realized it was critical we approach this opportunity as one team, to be aligned and proactive. My outreach to several of our Market Area VPA peers for Sales Leader partnership was met with absolute enthusiasm.

Today, representatives of the working group of claims leaders and Sales Leaders will kick off our year and our monthly approach to communications. They will have an ask of VPAs and Sales Leaders to engage throughout the year and drive proactive partnerships where transparency will drive greater results. The overall strategy ensures we improve the customer experience, drive high quality conversations between claims and agency, and accelerate transformation in expectations that aligns with our Enterprise priorities, including how our claims model and our claim handling is adjusting to our priorities.

In future collaborative sessions, we'll go into detail with VPAs and Sales Leaders with specific tactics against issues that arose last year as we will face the reality of leading in 2021 coming off an incredibly unique year. Today is a start of our new journey where monthly building blocks will support service to our customers through enhanced virtual and vendor claim handling approaches, reducing the tension points between agents and claims, and be sure our expectations of each other and with our agents are in alignment.



KATHY

- ***Click One***
- Our 2021 Claims Strategy Map is the guidepost to our <u>vision</u> of **"Being the industry leader at helping people recover from the unexpected"** and our <u>mission</u> of **"Upholding our Commitment to our Policyholders"**.

- ***Click Two***
- Our Strategic Objectives drill down to reveal we are focused on our accuracy while at the same time we are providing a differentiated customer experience AND a continue to work on being price-competitive through our transformation efforts.

- ***Click Three***
- The rest of the map is bucketed into smaller, more tactical priorities and goals that reinforce that the work we align to supports our objectives under our pillars of Customer, Employee, Accuracy and Efficiency, and Technology.

I'll now turn over to the team:

- Wed & Fri Ami Kuhlman, a sales leader in the South Central Market Area

Fri Beatrice Lee, a Fire claims manager for Fire In Office teams

- Wed Juan Parilo, a Fire claims manager for our Fire Proximity Weather & Catastrophe team

They represent several Sales Leaders and other Fire and AWC claims leaders on the workgroup.

BEA/JUAN

Business Objectives

- Create understanding of the **alignment** between Fire/AWC Claims priorities and Enterprise priorities, and how each assist in growing State Farm.
- Provide insights and **transparency** into our Fire/AWC Claims progress in the areas of service, quality and efficiency.
- Anticipate the **impact to the agent** and their role in supporting our Enterprise priorities.

Communication Objectives

- Build **proactive** communication approaches that educate Market Area leaders and agents on claim handling processes and philosophy
- Promote transparency, **collaboration** and unity in identifying service gaps and communicating solutions
- Develop **inclusive** communication paths so the appropriate

market area and Fire/AWC Claims leaders can better anticipate incoming agent and customer questions

AMI

Every level of Claims and Market Area employee and agents – **all of us** - are accountable for providing a Remarkable customer experience. For this reason, everyone will have certain tactics that will assist with execution of the plan. It is a mindset that needs to begin with setting expectations at the executive level.

How will this happen? Through a joint marketing partnership approach in our two areas

Claims and Market Area executives will:

- Focus on building stronger relationships with executive peer group
- Set leadership expectations to have more proactive and consistent check-ins with their peers to collectively execute upon Enterprise goals and Fire Claims strategies.

Our Claims leaders will focus on:
Alignment
Collaboration, and
Creating understanding

- *Claims Managers and Section Managers support our shared marketing approach by joining VPA calls on a quarterly basis* and holding weather preparedness sessions for relevant updates, demonstrate technology and proactively address potential claims issues. The frequency of calls could increase as need dictates; e.g. weather.
- Claims also supports transparency in sharing reports, service level data between Claims and Agency – important to cascade these to ALL Agency leaders
- Claims associates will also be part of our strategy and conduct regular agent visits or phone calls when appropriate

Slide 1

BT1 Working on reducing bullets

Betsy Taylor; 1/26/2021 1:25:00 PM

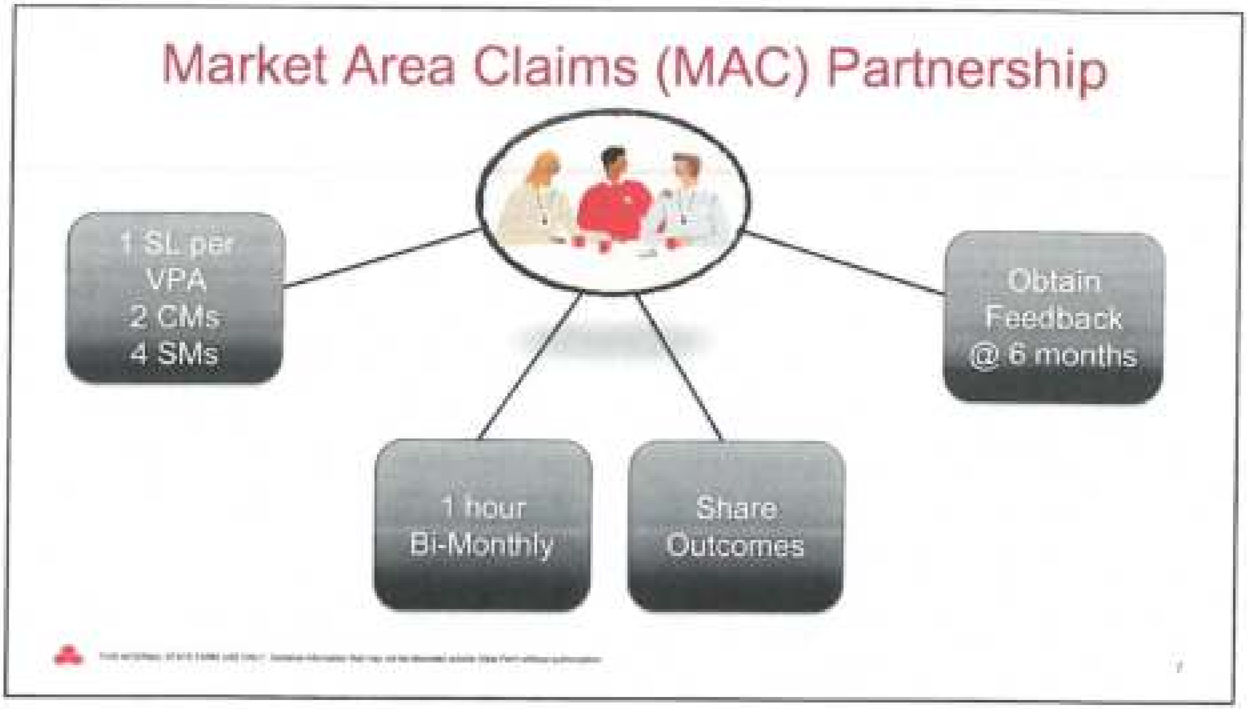
BEA/JUAN

The tactics we are building out meet several high level purposes identified collectively by Fire Claims leaders and Sales Leaders:

- **Education** – We are hearing agents want to learn more...not just on weather preparedness, but also on things like the ADA process, underwriting guidelines, new processes being implemented and existing processes that are important for agents and customers to understand

- **Operational Status communications** – The tactics we share are meant to instill transparency and confidence into the Claims process. We will share reports that identify weather spikes, service levels, status on adoption of new tools like Fire Chat, etc. Please share these with your leadership team to increase understanding.

- **Being There for our Customers (and agents)** - We will be touching base proactively and in different ways to increase understanding of claim decisions, or following up on status with when vendors are used. One example is to have claim handlers reach out via phone versus email when there are service related questions or issues. Many times issues are escalated to mid/upper leaders when they don't need to be. We want to help. Faster to start with the Claim Owner and work collaboratively– not all things need to be escalated. Holding decision makers accountable for turn around times.



AMI

The formation of an Agency/Claims Partnership in each Market Area was suggested by a group of Sales Leaders for the purposes of identifying topics that would be helpful in supporting our Enterprise goals and providing feedback on discuss ways to strengthen the partnership, improve the customer experience and support our Enterprise growth initiative. This is an added tactic we would like to introduce in 2021.

This partnership also addresses trending issues, obtains general Agent/customer feedback, explains new claim model, processes and programs, review mechanisms for elevating concerns, introduce new technology, share areas of focus and provide seasonally specific information.

Here's how it works....

Organization and Representation – Each Market Area (6) has their own MAC Partnership made up of a Sales Leader aligned with each VPA of Sales (6-9), a Fire Prox SM (1), a Deployed/AWC SM (1), an H-Stew/Team Managed SM(1), a Deployed/AWC CM (1) and a Fire Prox/In-office CM (1). An Agency lead and a Claims lead will be identified within each Council. This responsibility may be rotated for each meeting. All Councils would have a manageable 11-14 members.

Meeting cadence – 1 hour virtual meetings would occur bi-monthly. Consistent enterprise themes with input from our working group will be mixed with more regionally specific items. Topic solicitation would occur 2 weeks beforehand with an agenda sent 3 days prior to the scheduled meeting. Each Council will leverage One Note for recording meeting minutes and storing/sharing information. Quarterly report outs would occur to the appropriate Agency VPA's and Claims VPO's.

Monitor – Short EUC survey every 6 month to gather feedback and determine if the Council is adding value, identify deficiencies and request recommendations for future improvement.

Meeting Expectations - Sales and Claims Leaders will communicate takeaways including commitments with their peers, agents VPAs and claims workforce VPOs.

BEA/JUAN

- Here's a sample of what tactics we are working on for this month and then we will transition to how you can support the execution

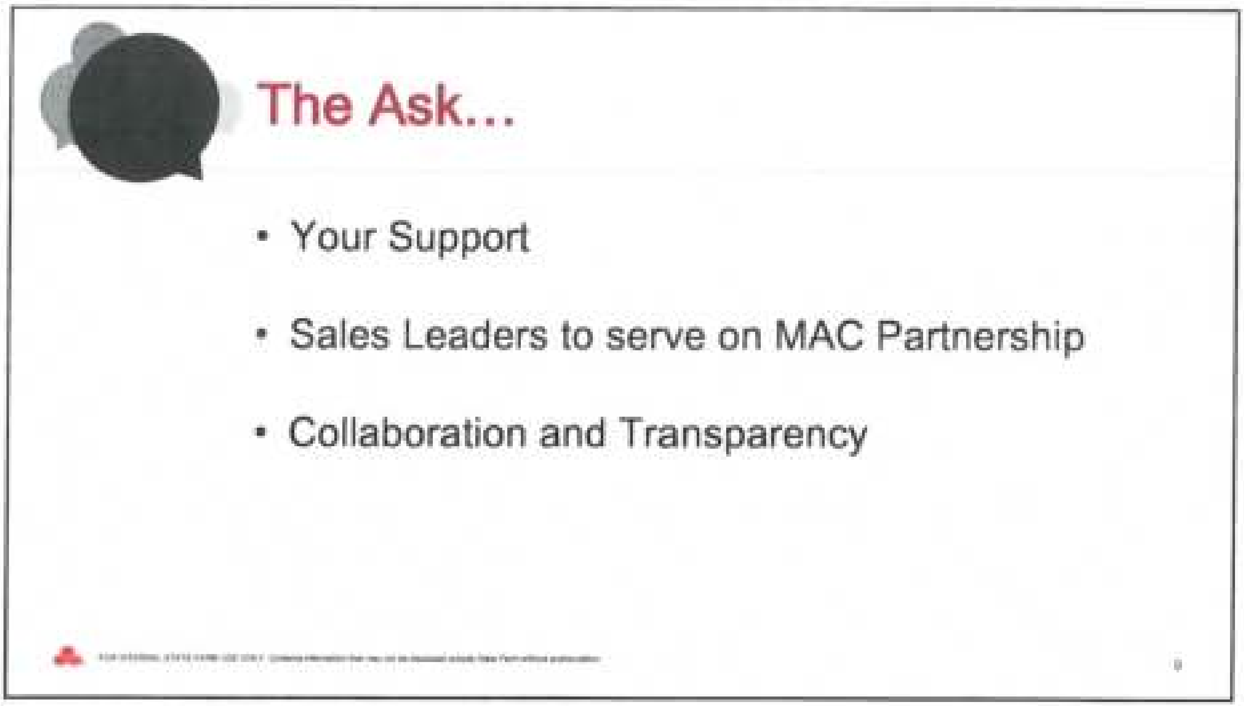
February

- Market Area Claims Partnership kick off meetings will begin (Topic: Virtual First and Vendor solutions; Claims Accuracy)
- We will also continue to be transparent with your leadership team. As we share proactive claims service level status memo, we ask that you share these with your Sales Leaders
- We will also continue to send our bi-monthly Claims Messaging Platform that can also be cascaded to the Sales Leader level
- In February, we'd like to begin a regular cadence of Claims leaders attending VPA/SL huddles
- We will schedule Wind/Hail Claim Quality discussions with

Agency leadership

- And finally we will begin our cadence of Weather Preparedness calls with VPAs, SLs and eventually agents. These calls will begin in our wind/hail prone Market Areas and then continue for the next several months. These are educational opportunities for your leaders and agents – all with the common goal of helping people recover from the unexpected....together, as one State Farm team.

We will continue these preparedness meetings in March, and will also release a Reflector article that highlights several agents who are embracing virtual claim handling and collaborating with the Claims workforce to serve customers.



AMI

Now that you've heard what is planned for February, we'd like to ask you to own this strategy together as #oneteam to grow State Farm. What does this mean for you? (your role as an Agency Exec)

1. **First and foremost, we need <u>Your Support!</u>**
    - **We need every VPA/Sales Leader to understand the expectation of including their assigned Claims liaison in their huddles on at least a quarterly basis. (more frequently during weather events)** Claims leaders will review discussions and outcomes from the market area they support to narrow their focus on topics that will be meaningful to address during the meeting
    - We also need your help in setting expectations that specific claims questions and service recovery issues should be addressed first with the claim owner for faster resolution. Claims leaders set service level objectives for claim owners to meet. If their response is slower than anticipated, claims leaders will become involved

2. Secondly, we'd like assistance in the identification of SLs for the Market Area Claims Partnership members for each Market Area. We have prepared a memo that will be sent to VPAs shortly. We'd appreciate your support in getting this

idea that was originally brought forward through your Sales Leaders to fruition.

3. And lastly, we know this effort takes all of us to serve customers in the way that demonstrates we are united in our desire to live our mission. We do this through meaningful conversations and by offering transparency into how we collectively serve customers. Claims is committed to feeding Agency leadership information that we can use to support increased understanding of the claims process. We ask that you share information (for example Claims bi-weekly service level reports) with Sales Leaders so we can help each other more effectively.

Thanks for your time today. With that, I will turn it back over to Kathy to wrap up.

Kathy –

Thank you. I know we are better for 2020 and certainly have built stronger ties focused on the same outcomes. We look forward to getting into deeper conversations with our new approach to communication.

State Farm®
OVP Herbert – Quarterly Business Review (Fire Weather & AWC) – April 2021 DRAFT

Trends identified in this document may be due to multiple variables. They are provided to help identify potential root causes for study and action.

Quality: Improve Claim Handling Accuracy

Results
- YTD April Fire Finding Frequency for Fire Weather was 6.82%, better than the target of 7.8%; ECR Vendor Finding Frequency was 8.24%, down from 4Q20 at 8.71%.
- YTD April FED% for Fire Weather was 4.06% compared to 4Q20 3.13%; ECR FED% was 5.73% compared to 4Q20 4.71%.

Tactics going well
- Wind/Hail Quality Claim Handling sessions with Fire Claim Leaders and Market Area Leadership.
- 2021 Market Area & Fire Claims (MAC) Partnership where we align on enterprise priorities and build a cooperative one team approach.
- Execution of Fire Claims Quality plan tactics focused on damage causation, scoping roof repair/replace; and estimate reconciliation.
- Leaders leveraging Reinspection Results available at each level of leadership and by ECR Vendor to identify specific gaps and take action based on trends.
- Roof claim handling guidelines integrated into onboarding, assessments and claim file reviews.
- HAAG Hail/Wind Refresher Training and Roof Skills Assessment enhancing technical skills in handling to roof damage claims to fulfill Our Commitment to Our Policyholders.

Tactics in progress to improve performance
- Wind/Hail Quality Claim Handling calibration sessions with Fire Claim Specialists with focus on operational guidelines on scoping and evaluating roof repair/replace; use of Wind Repair v. Replace Comparison worksheet.
- TM intervention in small hail/light wind to evaluate total roof replacement estimates prior to claim settlement, and deeper calibration with claim leaders based on trends using Advanced Analytics QlikSense Dashboard.
- Estimating Job Aid – Laminate Shingle Measurements to assist claim handlers in their reconciliation and resolution of differences with roofing contractors on ability to repair shingles.
- In Office team managers completing Estimate Writing Assessment to identify gaps and provide targeted training, to enable greater coaching to IO claim handlers.
- Conduct pricing components refresher on proper estimate line items owed/not owed based on standard practices.
- AWC: Testing reinspection program for virtual inspections to implement in partnership with Consulting Services to measure AED.

Customer: Deliver a Remarkable Claim Experience and Improve Customer Satisfaction

Results
- Overall Fire claim satisfaction (OSAT) in Fire Weather Ops rebounded in 4Q, with Jan 21 at 86%. OSAT for Fire overall. AWC OSAT trends at record highs 89% (Dec 2020) in 4Q, and the Jan monthly result was the highest looking back 6 months at 93%.
- Fire Weather & AWC operations are maintaining overall health; at times of significant catastrophe volatility, customer facing health recovers within the week, and overall health returns in 2 weeks per recovery plans.
- Virtual First and Vendor Network Inspection Solutions – WCCS Stewardship Closed Claims with Non-Proximity inspection at 45.9% YTD, SFPSP at 8.1% YTD, activated 52% of ClaimX Live sessions and 61% of File Request activations for past 8 weeks. AWC 96% virtual insp.

Tactics going well
- Phone Message prioritization to return customer calls within SLO.
- Use of 2021 'Inspection – No Estimate' tool to monitor and identify gaps in estimate completion service levels and proactively update customers where estimate service levels will not be met.
- Increased adoption in engaging customers in virtual and vendor tools with the December implementation of the Fire Inspection Options Tool.
- Art of the Conversation training for internal and externals.
- Enhanced ECR Vendor Performance Management approach.

Tactics in progress to improve performance
- Refreshing approach to framing fire claim process & next steps to simplify the experience for the customer.
- Enhanced performance visibility into individual management of claim handler voicemail.
- Spring test of 'Field Inspection Scheduling' for hail customers at time of Quality First Contact to set the customer at ease.
- Call Recording Management tools to implement following moratorium lift for Direct Dialed lines for ease of leadership observation.
- Testing ClaimXperience Live Sessions with auto catastrophe customers to speed cycle times.
- Fire property photos to load viewable for customer and agent viewing on Claims/Agency Hubs.
- Op Model project focused on modernizing the ECR Vendor Performance Management System to include customer service metrics.

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Trends identified in this document may be due to multiple variables. They are provided to help identify potential root causes for study and action.

Employee: Develop Our People and Increase Employee Engagement

Results
- Q1 2021 the EEI target was met in AWC In-Office; AWC Deployed and Fire Weather In-Office are close to target.
- Q1 2021 Leader result (4.3) for Inclusion exceeded the goal of 4.0; Diversity result was 3.9.
- Over 200 claim leaders engaged in how to facilitate Small Group D&I Conversations; most claim leaders participated in 1Q Small Group Conversations for Fire Weather & AWC leaders.

Tactics going well
- Deep and broad engagement in small group conversations and create safe environments to do same; all level of leadership engaged in a broad operational approach and individual conversations with teams.
- #wwgwg leadership dialogue sessions to align on purpose, inspire action, and take ownership of areas to improve; engagement cadence includes quarterly 'town hall' sessions with claim team members to connect, align and check in on mindsets.
- Identification of diverse candidates to place into pipeline opportunities.
- Development plans for all MG5 leaders in alignment with Korn Ferry Talent Strategy.
- Connecting with In Office and Deployed claim team members through use of Where We Go, We Grow newsletter, ongoing personal recognition of personal services, and use of Our Rewards.

Tactics in progress to improve performance
- 2Q Small Group D&I Conversations available in May for all claim team members, facilitated by Fire Weather & AWC leaders.
- Korn Ferry Talent Development mapping underway for MG2-4 leaders who engaged in the KFALP.
- World Cafes engage claim team members to target improvement opportunities, engage in solutions and execute to action plans.
- Modernized Leadership Operational Playbooks to deepen operational management skills for operations of various size.

Expense: Drive Improvement in Operational Expense and Claim Handling Capabilities

Results
- 2020 Budgeted ECR Expense was $61.14M. Normalized April 21 YTD ECR expenses are $ 57.22M, demonstrating running on target. ECR budget estimates are based on a normalized year of demand.
- Non-normalized external fire labor expense is above April 21 budget by 148% ($90.59M) related to 2021's extraordinary demand and the carryover of 2020 claim pendings into Apr 21 (15.8 ppts. higher than norm). April 21 YTD is the highest year in claim demand since 2012, with demand 47% greater than 2020, 31% above the 5-year average, and 45% above the 10-year average. A $9.6M residual of 2020 ECR expense paid in 2021.
- Normalized April 21 productivity places claim received per performer productivity up 14.4% over the 2018-19 norm for all Fire Weather performers (12.0 to 13.7); internals up 11.0 to 12.6 and externals up 13.3 to 15.1. Non-normalized Fire Weather combined claims received per performer is down in April 21YTD (47.5 to 42.0) related to performers assigned to handle extraordinary 2020 carryover pendings.
- Normalizing April 21 pendings places pendings per performer up 15% over the 2018-19 norm for all Fire Weather performers (25.9 to 29.8); Internals up 23.8 to 28.1 and Externals up 28.6 to 33. Non-normalized Fire Weather combined pendings per performer is down in April 21 (27.6 to 25).
- AWC IO claims received per performer productivity is down -8.7% YOY (17.2 to 15.7). NOTE: In 2020, Express resources were not tracked in 2020. AWC Deployed Virtual inspection productivity is up 19% from YE 2020 of 2.6 to 3.1; onsite inspections up from 3.6 to 5.3 (47%). April 21 auto catastrophe claim demand running 12% YOY, yet most demand reported in the month of April.

Tactics going well
- Productivity is improving due to virtual CH capabilities, vendor network solutions, and the inspection & scoping vendors; virtual inspections enable a claim handler to conduct inspections at the same time as Quality First Contacts for eligible losses, and speeds resolution of the loss.
- Internal resource sharing into Fire Weather & AWC from other claim segments has reduced labor costs by external value of $10.3M Apr YTD.
- Data-driven rigor on the resource release process consistent with the resource modeling and deployment process.

Tactics in progress to improve performance
- Targeted upskilling of In Office claim teams to speed estimate writing as more estimates being handled from the desktop.
- Root cause analysis identified specific people and process opportunities to increase virtual & vendor inspections optimal for desktop adjusting.
- Refreshing initial claim handling by Deployed resources to shift work to vendor networks for eligible hail losses and increase inventories; Fire Inspections Options Tool being updated with hail criteria and prioritization of virtual and vendor network solutions before field inspection.
- ECR Vendor Manager Role test underway at estimated value $8-14M per year in reduced ECR backfills in place of using claim team leads.
- VMSO & Consulting Services to build CPS & RPS capacity in hail prone geo territories based on historical claim demand.
- ET dropping New Mail bundling solution to collapse 10 New Mail Tasks to one for every uploaded photo (ECRM, Claims Hub, and ECA).
- 2021 Roadmap projects underway to reduce cost includes: 1) solution to route hail to In Office claim handlers (lowest cost labor), 2) "No equipment" solution for external staff augmentation, and 3) ECR Vendor Estimate Assignment Only test to price the inspection and estimate service at a competitive per claim rate.

From: HOME CLMS-CCGDEMAND [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=5B66771ABB8141BCAADDA75FDC0041CB]
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To: Undisclosed recipients:
BCC: Tony Duddleston [tony.duddleston.gq2c@statefarm.com]; Sandra Hughes [sandra.hughes.czgs@statefarm.com]; Brad Beach [brad.beach.h7yk@statefarm.com]; Robin Fontenot [robin.fontenot.bg7p@statefarm.com]; Rachael McAllister [rachael.mcallister.k6rr@statefarm.com]; HOME CLMS-CCGDEMAND [home.clms-ccgdemand.312o08@statefarm.com]; Christopher Long [christopher.long.styk@statefarm.com]; Nathaniel Douglass [nathaniel.douglass.mj3v@statefarm.com]; Kathleen Richardson [kathleen.richardson.ehn5@statefarm.com]; greg meir [greg.mier.bgvi@statefarm.com]; Ethan Vanderlugt [ethan.vanderlugt.csa9@statefarm.com]; gail quinn [gail.faucheaux.bhy1@statefarm.com]; Nicole Forziati [nicole.forziati.gvec@statefarm.com]; Matt Paul [matt.paul.g24x@statefarm.com]; Leonard L Kaigler [leonard.l.kaigler.cimt@statefarm.com]; mark cockerham [mark.cockerham.inpr@statefarm.com]; Doug Graff [doug.graff.gtnl@statefarm.com]; stephanie henderson [brad.parker.bkqi@statefarm.com]; Rob Tierney [rob.tierney.heps@statefarm.com]; 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Bill Leming [bill.leming.b3h0@statefarm.com]; Chris Schell [chris.schell.gxn0@statefarm.com]; Walter Phillips [walter.phillips.gg6l@statefarm.com]; tia lindell [eileen.flynn.bsfx@statefarm.com]; Jason Matzke [jason.matzke.povz@statefarm.com]; Tyrone Smith [tyrone.smith.a57w@statefarm.com]; Chris Evans [chris.evans.ca1b@statefarm.com]; Amy Chacon [amy.chacon.p4cj@statefarm.com]; karl brondell [karl.m.brondell.a1fw@statefarm.com]; jon giddings [jon.giddings.b2mp@statefarm.com]; Travis Paul [travis.paul.drku@statefarm.com]; tom stidham [tom.stidham.b3if@statefarm.com]; jeremy duley [jeremy.duley.pnp1@statefarm.com]; Keith Androff [keith.androff.a9m6@statefarm.com]; Jannis Taylor [jan.nichols.t63x@statefarm.com]; Fran Corrales-Drone [fran.corrales-drone.cuwc@statefarm.com]; Dan Riddle [dan.riddle.u8bq@statefarm.com]; maryb mooney [mary.b.mooney.cwx8@statefarm.com]; Larry Strauss [larry.strauss.b3kl@statefarm.com]; Jerel Wright [jerel.wright.b3jk@statefarm.com]; mel braden [mel.braden.b3le@statefarm.com]; 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Subject: Notice of Agency Conference Call – Oklahoma

April 22, 2020

Subject: Notice of Agency Conference Call – Oklahoma

To: Oklahoma Agents

From: Ami Kuhlman, Sales Leader – South Central Market Area
Vince Watson, Demand Coordinator – Central Coordination Group

What you should know
An Agency Conference Call has been set up to discuss the severe weather and damaging hail that impacted Oklahoma on April 21-22, 2020 and resulted in the declaration of auto and fire catastrophe claim groups.

Action requested
Please plan to attend an Agency Conference Call via Skype Meeting:
ADD TO YOUR CALENDAR – Agency Conference Call – Thursday, April 23, 2020 at 2:00 p.m. Central Time (CT).

Add the appointment to your calendar by clicking the aforementioned link. The calendar invite includes a link to the online meeting, as well as dial-in information.

Additional details

- Agents, sales leaders, agency administration leaders, and agency field specialist managers in impacted areas are encouraged to attend this meeting.
- Demand Coordination and various subject matter experts will provide an update to the response regarding Auto Catastrophe Claim Group 72 and Fire Catastrophe Claim Group HP in Oklahoma.
- The call will take place on April 23, 2020 at 2:00 p.m. CT.
- To join the audio portion of the Online Meeting using Skype, select the "Use Skype" option, or you can dial in and enter the conference ID number.
  - 855-633-0176
  - Conference ID: 76662461

Joining Audio

- The preferred method for listening to the call is to use the audio within the Skype Online Meeting.
  - When joining the meeting online using the Skype option, please verify your line is muted by checking your microphone icon. When prompted, you can toggle between mute and unmute by clicking the microphone icon.
- When dialing in to join the audio portion of the meeting, please remember to mute and unmute your device by hitting *6. There may be a 10-15 second delay.
  - Please do not place the call on hold while connected to the meeting.
- Please **do not** join the audio via Skype and **also** dial in via the above phone number and conference ID. Use only one or the other.

If you have questions

Please contact your sales leader.

C: Rand Harbert; Kristyn Cook-Turner; Chris Schell; Paul Smith; South Central Market Area Executive Team; Robert Yi; John Burns; Wensley J Herbert; Michele Russo; Operations Vice Presidents – P&C Claims; John Christensen; Wendy Mazza; Kathy Ress; Tyrone Smith; Vice Presidents Operations – P&C Claims; South Central Market Area Agency Administration Leaders; Assistant Vice President – P&C Claims; P&C Claims Directors; Claim Consultants; John MacMillan; Oklahoma Sales Leaders; South Central Market Area Agency Field Specialist Function Managers; South Central Market Area Agency Field Specialist – Managers; Taylor Van Loon; Lisa Sommer; Central Coordination Group; South Central Market Area Communication Specialists

From: Tom Moss [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=C45G]
Sent: 3/21/2020 3:40:33 AM
To: Melissa Grimmett [melissa.grimmett.ghi1@statefarm.com]; Brad Rushton [brad.rushton.b92n@statefarm.com]
CC: Scott Welsh [scott.welsh.cx30@statefarm.com]; Tanya E Potts [tanya.e.potts.gqhu@statefarm.com]
BCC: Tom Moss [tom.moss.c4sg@statefarm.com]; Melissa Grimmett [melissa.grimmett.ghi1@statefarm.com]; Brad Rushton [brad.rushton.b92n@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]; Tanya E Potts [tanya.e.potts.gqhu@statefarm.com]
Subject: RE: Update: Haag Wind and Hail Videos

Updated with hyperlinks to OGs

From: Tom Moss
Sent: Friday, March 20, 2020 10:37 PM
To: Melissa Grimmett <melissa.grimmett.ghi1@statefarm.com>; Brad Rushton <brad.rushton.b92n@statefarm.com>
Cc: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>
Subject: RE: Update: Haag Wind and Hail Videos
Importance: High

Hello Melissa, I have updated the memo with my thoughts.

Brad – thoughts?

Tom

March XX, 2020

Subject: HAAG Education Presents – Hail and Wind Damage Assessment Video Series

To: Claims Managers – P&C Claims – distribution list needed

From: Claims Training & Consulting? Yes or no? Yes, I think this should come from Training (you) and Consulting Services, either Brad as technical consultant or me as I have the wind/hail focus

What you should know
The 2020 Fire Property Claims Quality Plan, released in early February, 2020, references material being delivered by Haag Education sometime in Q1 of 2020. Claims training worked with Haag Education to develop a hail and wind damage assessment e-learning/informational video series in preparation for the 2020 storm season. This "just in time" informational video series supports the plan's continued focus on quality claim handling and fundamentals accountability. As provided within the plan, the video series should be scheduled and completed, as capacity and service goals allow.

Action Required
The Haag Education Hail and Wind Damage Assessment Video Series is available in MyBlock (Course XXXXXX) and is recommended to be completed by Fire claim handlers in our in-office,

EXHIBIT 25

deployed and proximity locations as capacity and other priorities allow. Consideration should be given to have handlers complete the e-learning video series located in hail prone locations, and those most likely to respond to weather events in Texas and Oklahoma, for example, initially.

The information provided by Haag provides an engineering perspective of damage causation and is not intended to provide an analysis of coverage under an insurance policy. Claim handlers should refer to OG 75-01 First Party Claim Guidelines and Requirements and OG 75-160 Wind/Hail Roofing Guidelines for additional information regarding coverage for wind and hail losses. To help with communicating this to your leadership teams, we have identified a few examples to refer to specifically in your communications. Please do not forward the attachment.

<< OLE Object: Microsoft Word Document >>

Additional details

- Included with the attachment above are the chapter/segments included in the video series.
- The video series from start to finish, if viewed in its entirety, is approximately 5.5 hours in length.
- Is this mandatory? I think we say all should attend but not mark as mandatory, in the event that someone fails to attend and then we have the document that states it is mandatory.
- Should there be a "mark complete" requirement at the completion of the video series? Yes, I would like a way to track that it has been completed.

If you have questions
If you have questions, please reach out to your Consultant or Claims Training (link in Mel's ID for Claims Training).

Kelly Bever, VPO – P&C Claims
Wendy Mazza, VPO – P&C Claims
C: Kathy Ress, VPO – P&C Claims
Tyrone Smith, VPO – P&C Claims
Greg Jones, VPO – P&C Claims

(Check to make sure all VPO's are included)

From: Melissa Grimmett
Sent: Thursday, March 19, 2020 7:38 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Brad Rushton <brad.rushton.b92n@statefarm.com>
Cc: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>
Subject: FW: Update: Haag Wind and Hail Videos
Importance: High

Good morning. Heard from HAAG. There is no script and they will work on one. Tanya provides details below. Since it might take them a while to do this, we have a handful of analysts in-house transcribing. It might take us a few days, but we will work through it and send to you for review once completed.

Action – in the meantime, can you take a look at the communication below and add in your edits from a Consulting perspective? Hoping once the transcript is complete, we can move quickly to communicate.

Special thanks to Tanya and her team for keeping this moving.

From: Tanya E Potts
Sent: Wednesday, March 18, 2020 8:35 PM
To: Melissa Grimmett <melissa.grimmett.ghi1@statefarm.com>
Cc: Sharonna Owens <sharonna.owens.lsur@statefarm.com>; Tina Kohn <tina.kohn.l2su@statefarm.com>
Subject: RE: Update: Haag Wind and Hail Videos

Update: Good News

- HAAG agreed to provide a script.
- The turnaround to receive the script is - best case one week and worst case two weeks or more if staffing/capacity becomes impacted for the transcription services vendor Haag contracts with. Once Kevin knows the timeframe he will share with us.
- Discussed next steps with Tina and we decided to proceed with having analysts and any LDF with some capacity along with myself to transcribe the videos to expedite the publishing.
- There are six analysts and myself currently transcribing. Tricia Carter has taken the lead on this and has organized and provided the transcription and publishing assignments out to those assisting. (Tricia has been very helpful and informative throughout the process.)
- The teamwork shown in an effort to complete this video publishing and script creation effort has been outstanding – specifically the leadership and guidance provided by Tina throughout. (I sincerely appreciate you Tina – thank you for your willingness to support this effort.)
- Depending on additional LDF/analyst capacity we may be able to secure, we will continue to keep the pace to get the scripts transcribed and videos published. Jerry is looking for a person to deploy to assist us.
- I will update once the video publishing has been completed.

Pending

- Memo editing – review of message points with Consulting Services if warranted
- Video message points discussed and documented within a separate document? Or a general message regarding State Farm perspective?
- Once published, submit MyBlock form to set up Course and imbed training course information in Announcement Haag Wind and Hail Assessment Videos

March XX, 2020

Subject: HAAG Education Presents – Hail and Wind Damage Assessment Video Series

To: Claims Managers – P&C Claims – distribution list needed

From: Claims Training & Consulting? Yes or no?

What you should know

The 2020 Fire Property Claims Quality Plan, released in early February, 2020, references material being delivered by Haag Education sometime in Q1 of 2020. Claims training worked with Haag Education to develop a hail and wind damage assessment e-learning/informational video series in preparation for the 2020 storm season. This "just in time" informational video series supports the plan's continued focus on quality claim handling and fundamentals accountability. As provided within the plan, the video series should be scheduled and completed, as capacity and service goals allow.

Action Required

The Haag Education Hail and Wind Damage Assessment Video Series is available in MyBlock (Course XXXXXX) and is recommended to be completed by Fire claim handlers in our in-office, deployed and proximity locations as capacity and other priorities allow. Consideration should be given to have handlers complete the e-learning video series located in hail prone locations, and those most likely to respond to weather events in Texas and Oklahoma, for example, initially.

The information provided by Haag does lend an engineering perspective in some instances and not an insurance coverage/damage perspective. While their perspective is not inaccurate, it is not State Farm's understanding and should be noted in advance of viewing the videos. To help with communicating this to your leadership teams, we have identified a few examples to refer to specifically in your communications. Please do not forward the attachment.

<< OLE Object: Microsoft Word Document >>

Additional details

- Included with the attachment above are the chapter/segments included in the video series.
- The video series from start to finish, if viewed in its entirety, is approximately 5.5 hours in length.
- Is this mandatory? Should there be a "mark complete" requirement at the completion of the video series?

If you have questions

If you have questions, please reach out to your Consultant or Claims Training (link in Mel's ID for Claims Training).

C:

Kelly Bever, VPO – P&C Claims
Wendy Mazza, VPO – P&C Claims
Kathy Ress, VPO – P&C Claims
Tyrone Smith, VPO – P&C Claims

(Check to make sure all VPO's are included)

OPERATION GUIDE

DATE	GENERAL CLASSIFICATION	SUBJECT	NUMBER
04-18-2018	**Claim Practices** Fire	**Wind/Hail Roofing Guidelines**	**75-160**

Table of Contents

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26

I. PURPOSE

This Operation Guide provides guidelines for handling roof claims consistent with Our Commitment to Our Policyholders and the Compliance Statement. In general, the guidance provided is applicable to all policy forms unless otherwise indicated in the Operation Guide. Review the policy form and/or endorsement(s) to confirm the specific contract language and/or limits which are applicable to an individual claim.

If a policy provision or application is more restrictive than the law of the jurisdiction, then the law of the jurisdiction will apply. Also, there may be situations where the Enterprise position is broader than the law of the jurisdiction. In such situations, you should follow the Enterprise position. If policy wording in the jurisdiction conflicts with any of these guidelines or in case of unusual claim situations, contact claim management.

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II. INVESTIGATION/INSPECTION GUIDELINES

A. When to inspect

Wind: Wind claims involving minor damage may be handled by phone. A field inspection may be necessary when damage is reported to multiple slopes, interior damage or when the age and condition of the roof would make the roof more susceptible to damage.

Hail: A field inspection should be completed on all claims reported with potential hail damage.

When it is determined that a field inspection is appropriate; losses involving roofs should include an on-roof inspection where safe and practical to do so.

Removal of snow and ice from roofs to allow for an inspection: Refer to OG 75-20, Water Damage Losses Section VIII. Winter Weather Claims Involving Ice Dams or Weight of Ice, Snow or Sleet Ice F. Removal of Snow and Ice from Roofs and Gutters or guidance.

If it is necessary to meet with a contractor, arrange to meet at the insured's risk. Travel to the location in the company-provided transportation.

B. Prior to the Inspection

Prior to the inspection, obtain information from the policyholder related to the type of damage he or she may have noted to the exterior, interior, or other building structures or appurtenances. If roof damage is reported, inquire as to the type of roof surface, age and if the home is a one or two-story structure. When interior damage is reported, clarify the extent of damage, for instance if the damage is to one or multiple rooms.

Weather information: When inspecting wind/hail claims, having information about the weather event can be valuable. Information which may be available includes, but is not limited to, the direction of the storm, size of hail, wind speed and amount of rainfall. This information can be obtained in various ways including weather service websites and conversations with the policyholder. Review the policy information and loss history as outlined in OG 75-01, First Party Claim Handling requirements.

Refer to: Quality First Contact Guide - Fire

C. What to Inspect

Exterior: Inspect exterior property and note findings during the inspection. Walk completely around the risk, noting damage to any and all portions of the building, as well as any outbuildings, fences, gutters, decks, air conditioning condensing units and other structures or appurtenances. Evaluate damage or lack of damage to covered property during the inspection. Document the claim file appropriately.

Interior: When interior damage is noted, inspect the interior to evaluate if the damage is related to any damage to the roof surface. Ask the policyholder when the damage was first noticed and if there is damage to one or multiple rooms. Inspect all areas of damage. Evaluate damage or lack of damage to covered property during the inspection. Document the claim file appropriately.

Roof: Initially, inspect the overall roof to establish its general condition and extent of damage. Consider the type of storm, direction of the wind/hail, and the size/shape of the hailstones in that area. Inspecting other items such as gutters, vents, skylights, decks, outbuildings, air conditioning condensing units, and fences may assist in establishing if the roof may have sustained damage.

If the roofing is deteriorated, but no damage due to a covered peril is noted, determine if the roof can be walked on without causing substantial damage. In rare situations, the most appropriate course of action is to examine and photograph the roof from several points around the perimeter without actually walking on the roof. Questions should be reviewed with management.

During the inspection, when safe and practical to do so, document the approximate age, condition of roof materials, evidence of roofing underlayment such as felt or self-adhered waterproof membrane (commonly referred to as ice and water shield) , the number of layers, pitch of the slopes as well as the type of roof surface.

Resources available to assist in identifying the type of roof surface may include:

- The Roofing Locator Service is a tool that can assist with shingle identification for all types of roof surfaces. Refer to Section VII. Roofing Locator Service.

- The policyholder may be able to provide information that may assist with the identification of the type of roof surface. For instance building records, repair receipts.

D. Inspection Safety

At any phase of a claim investigation, circumstances may arise that make the inspection/investigation unsafe or unreasonable. This can include times when an individual is creating a distraction which creates an unsafe situation or makes completion of a thorough and complete inspection not possible. When such situations arise:

- In accordance with Workplace Security Policy take safety measures to prevent a threat or violent act from being carried out.
- If safe to do so, advise the insured:
    - You will be unable to complete the inspection/investigation, and
    - Will return or continue when the circumstances giving rise to the situation have been remedied, and
    - The inspection may be done safely without interruption

Advise your management immediately when these situations arise and report any workplace violence threats by:

- Filling out the Threat Report Checklist located in SFNet, State Farm Forms, under Administrative Services, in the Security folder, or
- Call the Threat response Hotline, available 24 hours a day at (309) 766-0911.

E. Photographs

Photographs should give a clear indication of the extent of damage involved or lack of damage. The photographs should reflect the basis of the adjustment and support the decisions made. Judgment should be exercised to determine which photographs are appropriate for documenting the claim file.

The following are the type of roofing photos that may be secured and documented in the claim file when safe and practical to do so:

- Risk photo

- Overview photos of the entire slopes which depict the number and type of vents on the roof surface

- Overview and close up photos of every test square when applicable

- Close up photos clearly depicting damage or lack of damage
- Close-up photos to document and depict the type of roof materials and condition of the roof
- Photos depicting the number of layers on the roof surface and roof accessories (for example - vents, flashing, gutters, skylights, valleys, solar panels)
- Take photos to document any interior damage and undamaged areas pertinent to the claim presented

Refer to: OG 75-01, First Party Claims Guidelines & Requirements, Section III. D. 8. Photographs.

F. Test Squares

Test squares should be used when inspecting all types of roof surfaces to evaluate damage resulting from hail when safe and practical to do so. Test squares are not necessary for claims involving wind damage only, since wind damage is generally apparent and not always evenly distributed over the roof.

On hail claims, test squares are usually made on a 10x10 area. Mark with a chalk/lumber crayon a 100 square foot sample area (or test square) that is representative of the damage or lack of damage found on that slope. Mark and count the number of damaged shingles within the test square. Damage is determined by the number of damaged shingles, not individual tabs. On flat roof surfaces mark and count a representative sample of the damage found within the sample area.

Hail damage on a roof can vary from slope to slope, depending on the pitch and condition of each slope and the direction of the hail. Complete test squares on an appropriate number of slopes to evaluate the damage to the entire roof. In cases where the slopes have similar damage, complete a test square for each direction. In cases where the damage varies or directional test squares are not indicative of the overall roof, complete additional test squares where needed.

Test squares are not needed in situations where the inspection indicates no hail damage exists or a total loss from heavy hail damage applies. In these situations, the damage, or lack thereof, should be apparent from the initial inspection, and documented by photographs and claim file notes.

G. Measurements

When an inspection is appropriate and it is safe and practical to do so, measure as accurately as possible and document the measurements in the claim file as follows:

- It is preferable that diagrams be completed using the Sketch function within Xactimate. When Sketch is used, it is not necessary to create both a handwritten diagram and sketch.
- If any covered damage to the roof surface is noted, the entire roof should be measured and documented in the claim file.
- Aerial Measurement Services (AMS) may be used on an individual claim to provide a diagram and measurements of the roof system. The report may be ordered before the inspection to aid in the measurements of the roof system. Refer to: Section II. Investigation/Inspection Guidelines H.

Refer to: OG 75-07 Structural Loss Claim Handling Section II. Structural Loss Claim Handling Procedures D. Investigation of Structural Losses 3. Diagrams/Measurements

H. Diagrams/Sketch

When an inspection is appropriate and covered damage is noted, a diagram of the entire roof surface should be completed if it is safe and practical to do so.

The claim file or diagram should show the following:

- Accurate measurements of the entire roof and the computations used to establish the square footage of the damaged areas. If the Xactimate program is used to calculate the damaged area or roof surface, it is not necessary to reflect the computations separately in the claim file.
- The location of damage and test squares should be indicated on the diagram, Roofing Scope Sheet, Sketch, or noted in the file through the scope notes or file notes. Other appurtenances may be indicated on the diagram or Sketch or noted in the file through the scope notes or file notes.

I. Aerial Measurement Services

Aerial Measurement Services (AMS) may be used on an individual claim to provide a diagram and measurements of the roof system. AMS is not used to determine the scope of damage and does not replace the physical inspection of the property.

When AMS is used, the claim handler should receive a copy of the AMS report prior to the inspection. During the inspection the claim handler should complete the following:

1. Verify that the AMS report provided is for the correct property.

2. Claim handler should review aerial measurement report and compare it to visual observation of roof. If these visual observations create questions with respect to accuracy of measurements contained in vendor report, claim handler must measure the pitch and eave length of the predominate slope and compare these measurements to the vendor report. If the measurements do not agree with the measurements provided in the AMS report, the claim handler should proceed with manually measuring the entire roof. The AMS help desk should be notified that the measurements were corrected on the AMS report

3. If no questions/concerns arise from visual inspections of aerial measurements report and roof, claim handler may handle the loss relying upon the report. The claim handler should document the file indicating the AMS measurements were used or the roof was re-measured.

J. Other Appurtenances

Roof vents, skylights, gutters, downspouts, drip edge, metal valleys, flashing, patio covers, satellites, a/c condensing units and solar panels may also have sustained wind or hail damage. The gauge or thickness of the metal/aluminum or plastic materials varies from product to product making some more or less susceptible to damage. Note any damage observed to these appurtenances during the inspection as this may provide information about the size and type of damage and will help the claim handler properly account for these items when preparing the estimate.

Other appurtenances are but one piece of the investigation process in assessing whether or not wind or hail damage exists to the roof system. Keep in mind these items can be damaged by many things, including fallen trees, property debris, installation, or in some cases, footfall.

Solar panels: Solar panels located on the roof should be inspected as they may have sustained wind or hail damage. While completing the inspection document the location, type of materials used (if known), and extent of damage observed. The solar panels may need to be removed and reset to allow for repairs/replacement of the roof system. Additional investigation may be needed to evaluate the type of materials, extent of damage and appropriate repairs to the solar panel.

Appropriate caution should be used when inspecting solar panels as these panels may be energized.

Patio Covers: During the investigation of patio covers, examine the patio cover for a covered loss. On those claims where a covered loss exists the following information may be noted, the number of posts, special trim pieces, how the cover is attached to the structure, any special cover and if known, who installed the cover.

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III. ADJUSTMENT GUIDELINES

A. Repair vs. Replace

When determining whether a roof or slope should be repaired or replaced, compare the cost to repair actual damage caused by a covered peril to the cost to remove and replace the area damaged by a covered peril. For composition roofs, the cost to repair is compared to the cost to remove and replace a one-story, walk-on pitch roof. For other shingle/shake roofs, the cost to repair is compared to the cost to remove and replace the shingles/shakes of a one-story, walk-on pitch roof.

When the cost to repair actual damage to a composition roof or slope approaches or exceeds 50% of the cost to remove and replace the damaged area, determine whether the slope should be replaced or repaired. The same applies to other shingle/shake roof surfaces which are not composition, when the cost to repair the roof approaches or exceeds 80% of the cost to remove and replace the slope.

The following may be used to determine repair vs. replace for shingled/shake roofs of any type. This would not be appropriate for other types of roof surfaces. If the damage found in the test square approaches or exceeds the total number of damaged shingles per square identified by the repair vs. replace calculations, consider all roofing guidelines to determine if replacement is appropriate. Damage is determined by the number of damaged shingles, not individual tabs. This analysis should be completed on a slope by slope basis.

The repair vs. replace calculation is systematically created within Xactimate. The results of the calculation are based on the price list selected for each specific estimate. The chart can be accessed by following these steps in each estimate:

1. Click Project tab
2. Select Tools
3. Click Roof Slope Total vs Repair

Once you locate the applicable roofing type in the chart, the number in the Value column reflects the number of damaged shingles per square to consider when deciding whether to repair or replace a damaged slope, or the entire roof.

The repair vs. replace analysis outlined above should be used when adjusting hail losses where the damage is found randomly across the slope(s). This is not usually the case with wind damage, which is often confined to a certain area of the slope(s). In such cases, the use of test squares and the above calculations are not appropriate. Instead, consider the extent and location of the damage, along with all roofing guidelines, in determining whether repair or replacement of the slope is warranted.

In some situations it may be appropriate to replace the shingles on an undamaged slope based on the total area of roof being replaced or other factors used to evaluate the claim. In these situations, document the file as to the reasons for the action taken on that claim.

Badly deteriorated roofs can present problems when repairing since replacing the damaged shingles/shakes may involve replacing some adjacent shingles/shakes. Because of the poor condition of the existing roofing, the roofer may damage two or three shingles/shakes for each one to be replaced. This is applicable to all types of roof surfaces.

The repair factor analysis may be applicable to all types of roof surfaces, other than composition, where test squares are completed. When evaluating if a roofing surface is repairable for all shingle/shake type roof surfaces, other than composition roof surfaces, the following steps are recommended:

1. Select a test square for the slope, and mark and count the damaged shingles/shakes.
2. Apply the following damage repair factors based on the general roof condition. Depreciation should align with the damage repair factor.

   0% to 50% worn = factor of 1.0
   50% to 75% worn = factor of 1.5
   75% + worn = factor of 2.0

   A slope that is 75 percent worn with 20 destroyed shingles/shakes found in the test square is figured as follows: 20 shingles/shakes multiplied by 2.0 = 40 shingles/shakes. Multiply 40 shingles/shakes by the cost to replace a single shingle/shake. If it approaches or exceeds 80 percent of the cost to remove and replace a square of shingles/shakes consider all factors and determine whether repair or replacement is appropriate.

   In all cases and for all types of roof surfaces consider factors such as the age and condition of the existing roofing, type of roofing, and feasibility of repairs when determining whether to repair or replace a slope. Document the basis of the decision in the claim file with good photographs, diagrams, and file notes.

B. Footfall

Footfall may occur to all types of roof surfaces. This damage can be caused by walking on the shingle/shake or other type of roof surface. This damage may appear as cracks, splits, broken corners or tears on the shingle/shake or roof surface.

Consider limiting the number of inspections to reduce the amount of footfall damage.

Damage caused by footfall during a claim handlers' inspection is included in our adjustment. Add the number of shingles damaged by footfall to the number of shingles damaged by an insured peril and then calculate the total number of shingles damaged per square by applying the appropriate repair factor. Footfall damage is subject to the policy deductible except where there is no damage except for the footfall damage by the claim handler. In this circumstance the insured is reimbursed without taking a deductible.

There is no specific exclusion for footfall damage, and this is covered absent intentional damage done by or at the direction of the insured. Additional investigation may be needed to determine the number of occurrences and date(s) of loss. Advise the insured that the more people that walk on the roof, the more damage that will occur, and advise of their responsibility to mitigate further damage.

In cases where substantial repair or replacement is necessary due solely to footfall, consult with management.

C. Composition Roofs (asphalt, fiberglass):

Damage occurs to roof coverings when water shedding ability or the life expectancy of the material is reduced. Damage from hail, wind, normal weathering, and defects may be observed to a composition roof surface. On a composition roof surface, this could include bruising, fractures, punctures or excessive granular loss.

Bruising: On composition roofing, a bruise appears as a circular scar usually the size of the hailstones, or larger. It appears as a shaded or slightly darkened area on the shingle with some granular loss frequently present. A bruise is created when a hailstone strikes the surface of a shingle, crushing the paper or fiberglass mat, leaving a dent or "bruise." A bruise, although difficult to detect at times, does not appear as severe damage but affects the longevity of the shingle. As a result, bruises cause premature deterioration and weathering, eventually resulting in a hole in the shingle. One bruise on a shingle surface is sufficient to consider that shingle damaged. In many cases, careful inspection is required to detect such "bruises."

Fractures/Punctures: A hail impact which causes a crack or a puncture through the mat affects the water shedding ability of the shingle and is considered damage. Fractures and punctures may be difficult to detect and an examination of the back side of the shingle may be necessary to detect fractures and punctures.

Cracked, Checked, Split, Chipped, or Broken Shingles: Normal weathering of composition shingles is often evidenced by cracked, split, or checked surfaces between three and five inches from the shingle's bottom edge. This area of the shingle is vulnerable to horizontal cracking and checking as a result of moisture runoff from the overlapping shingle above. Usually, the seal tab of this shingle is intact. Damage in this area of the shingle lacking the discernible, circular or semi-circular impact mark or bruise is unlikely to have been damaged resulting from hail. Wind seldom causes such damage if there is no other evidence of wind damage. Similarly, the three exposed edges of the shingle are often "scuffed" or damaged during the shingle's original application or due to deterioration. This damage, when lacking the presence of a discernible circular or semi-circular impact mark, is typically the result of deterioration and not caused by hail damage.

Splices: A splice occurs during the manufacturing process of a shingle when the continuous roll of matting material ends and new roll beginnings. These rolls are spliced together at this point to allow continuous production of the shingles.

Curling or cupping: Sometimes composition roof shingles can show curling or cupping. Curling or cupping may be a result of age or wear and tear, including improper roof ventilation and prolonged sun exposure. Shingles that are curled may appear concave in their center with the corners and possibly the edges of the shingle curled downward, or have a raised edge mostly along two sides of the shingle, but sometimes even along the edge.

Granular Loss: Granular loss occurs naturally and is inherent to composition roofing products as a result of weathering. The general rule is we will not pay for granular loss, since it does not affect the watertight integrity of the roof.

Granules serve two main functions on asphalt roofing, block ultraviolet light from the asphalt and provide color to the roof. During manufacturing of the shingles, excess granules are applied and the granules that are not embedded in the asphalt will naturally fall off. Severe granule loss could be an indication of a defective shingle. Granular loss is typically part of the natural aging process or may be the result of a manufacturing defect.

Hail can cause actual damage to composition roofing in conjunction with heavy granular loss. Where there is excessive granular loss accompanying actual roof damage caused by hail, and it affects the integrity and utility of the roof, consider payment for granular loss. Review these types of losses with claim management.

Wind: Wind damage to asphalt shingles occurs when a portion of the shingle is blown off the roof, or the shingle is bent backwards and a fracture forms through the matting material. If the wind caused the seals to break, it may require hand sealing.

Unsealed shingles: Most composition shingles are manufactured with a heat activated sealant strip, which bonds the shingles together once applied to the roof and exposed to sufficient heat. At times, the bond between courses may become less flexible and break. This breakage may be due to a number of factors, such as cold weather, footfall, improper adherence of the original sealant, or wind. It is important to note any unsealed shingles that may be observed during the inspection. The claim handler should consider whether the breakage of the bond was caused by accidental direct physical loss, which may include, looking for evidence of tearing on the shingle below or by observing residue underneath the shingle from the sealant. Refer to: Section IV. Roofing Estimatics - O. Sealing of Shingles.

Heat Blisters: Heat blisters are small bubbles or crater-like holes that are generally less than 1/2" in diameter. Heat blisters result from a manufacturing defect during the production of the shingle and are not damage caused by hail. Mere exposure to normal elements can open blisters. In the absence of any other evidence of direct damage from a covered peril to the roof, broken heat blisters alone are not considered evidence of covered damage. Consider payment for this damage if the heat blister(s) were broken by hailstone impact.

D. Wood Roofs

Damage occurs to wood roof coverings when water shedding ability or the life expectancy of the material is reduced. Damage from hail, wind, normal weathering and defects may be observed to a wood roof surface.

Marks/scratches: Wood shingles/shakes that show only surface marks or scratches are not considered damage requiring repair/replacement of the shake/shingle. This does not affect the intended purpose of the wood shingles/shakes and disappears with weathering.

Splits: A wood shingle/shake is damaged only when the hailstone causes it to split and compromises its watertight integrity. This split typically offers a contrast in the colors or appearance of the shingle. The area newly exposed to the weather elements by the impact is generally unaffected by the weather and appears new and/or appears fresh since it has not been exposed to elements which alter the color of the wood such as rain, debris, and/or ultraviolet rays of the sun. This is in contrast to the weathered shakes/shingles which are greyer or more weathered in appearance since they have been exposed to elements such as rain, debris and/or ultraviolet rays of the sun. One of the main indicators of hail damage to a wood shake/shingle roof is splits in the roofing which may be affiliated with an impact mark. Splits resulting from hail will typically show the color of fresh wood. Weather splits may demonstrate an inverted "v" pattern which may be an indication that the split has developed over a period of time from normal weathering.

Cupping, curling, cracking: Cupping, curling and cracking is a natural aging process of a wood roof and is generally not considered accidental direct physical loss.

Wind: Wind damage to a wood shake/shingle occurs when a portion of the shake/shingle is blown off the roof.

E. Tile Roofs

Damage occurs to tile roof coverings when the water shedding ability or life expectancy of the material is reduced. Damage from hail, wind, normal weathering, and defects may be observed to a tile roof surface.

Chips and Cracks: Chips and cracks resulting from a hail stone impact would be considered damage resulting from hail. Chipping and cracking may also occur during the manufacturing or installation process which may not be covered damage.

Holes: When a hole is created in a tile from a hail stone, the underside of the tile will show chipping to the tile around the diameter of the hole. This chipping will be directed toward the roof surface.

Corner Cracking: A crack observed in the bottom right corner of one or more tiles is typically a result of an installation defect or normal wear and tear due to natural cracking which may occur in a weak area of the tile. Corner cracking of this nature is typically not a result of wind or hail damage.

Spalling/Flaking: Spalling and flaking is typically caused by weathering and impurities in the tile that experience a different thermal expansion or water absorption than the material around the impurity. Spalling and flaking of this nature is typically not a result of wind or hail damage.

Loose Tiles: Loose tiles may result from wind damage or when the system used to fasten the tiles fails. The claim handler should carefully inspect the roof to determine if the loose tile(s) were caused by wind or were a result of normal wear and tear or an installation defect.

Efflorescence: This is the natural process of soluble salts which were dissolved by water and were left behind on the top of the tiles when the water evaporated. Efflorescence is typically not a result of wind or hail damage.

Installation Techniques: Tiles can be installed using several different attachment methods. These methods may affect the reparability of the roof. Some of these methods would include screw down, nail down and foam adhesive or mortar applications. The attachment method should be considered when evaluating the reparability of the tile roof.

F. Metal Roofs

Metal roofs can be damaged by wind or hail. The same adjustment procedures should be followed when estimating damage.

It is important to note that some policies may have the exclusionary endorsement for cosmetic loss to the metal roof coverings caused by hail. Claim handlers should check the policy endorsements to verify if this exclusionary endorsement is applicable. If the endorsement is applicable, we would only pay for a loss caused by hail that allows the penetration of water through the metal roof covering or that result in the failure of the metal roof covering to perform its intended function of keeping out the elements over an extended period of time. When this endorsement is applicable it also extends to all flashings.

G. Substitution of Roofing Materials - (Policyholder request)

If the insured chooses to substitute a composition roof for an existing wood roof, prepare an estimate for the damage to the existing wood roof and issue an actual cash value (ACV) payment. Issue replacement cost benefits for the substitute materials up to the cost of repairing/replacing the existing roof. Release the replacement cost benefits in accordance with OG 75-51 Replacement Cost â€" Building Section IV Explanation of Replacement Cost to the Insured. Pay the ACV of the damage to the existing roof.

When substituting roofing materials (for example, replacing a wood roof with a composition roof), consider the type of decking required to make the substitution. Most wood roofs are installed over spaced decking, which will not accommodate composition shingles. Determine whether to install sheet decking in such cases based on the costs involved on a replacement basis. If it costs more to install sheet decking with composition shingles than it would cost to simply repair/replace the existing wood roof, then we will pay to repair/replace with wood shingles/shakes subject to the replacement cost provisions of the loss settlement conditions of the policy. If the alternate cost of composition shingles and sheet decking are less than or equal to the replacement of the wood roof, we would agree to the alternate method. In all cases, the insured must agree to the alternate method.

If a substitution is required because of building ordinances or laws, follow the procedure outlined in the above paragraphs. If the policy has a Building Ordinance or Law Endorsement, coverage may be provided for the improvements made necessary by the ordinance and/or law. Review of the Building Ordinance and Law coverage is recommended for coverage analysis as well as any other term, conditions, and limits of the policy/endorsement contract. Refer to OG 75-107 Optional Policy Provisions Section V.

H. Mechanical Damage

Mechanical damages are the result of human activity, and can be broken down into two separate categories:

1. Accidental Mechanical Damages
2. Intentionally Inflicted Mechanical Damages

Accidental mechanical damages may be caused by careless handling of materials, use of tools or objects that cause damage to the roof surface during the course of installation or repair, repairing roof mounted mechanical systems, trees or vegetation which are too close to the home, and foot traffic. For instance some types of accidental damage to roofing shingles are footfall, knife cuts, golf balls, nail holes from toe boards, shipping and handling and dragging equipment.

Intentionally inflicted mechanical damage means that the damage was purposely done and was not accidental in nature. Typically, the distribution of this damage is not random in nature, and a pattern may be observed. Some types of items that can be used to cause intentionally inflicted mechanical damages to roofing include, hand tools, coins, fingers, rocks and golf balls. (This is not all inclusive)

At times, mechanical damage of this type will crush granules, and these crushed granules cannot be seen until washed away from rain and the wind. When investigating mechanical damage, additional information to gather and document during the inspection includes but is not limited to the following.

- Is the distribution of the hail damage random?
- Is the size of the impacts random?
- Is there damage on the other areas of the dwelling?
- Is there damage to other houses in the area?
- Was the insured home during the storm?
- When did the insured first become aware of the damage?
- Who was on the roof or property prior to our inspection?
- Did the insured come home to a flyer/estimate that was not requested?

If, during the course of your investigation of the roofing system, you suspect the damage to be intentionally inflicted, contact management for directions on how to proceed and reference the following job aid:

Roofing Claims Investigation - Mechanical Damage Identified

I. Roof Decking

Wind or hail damage may result in accidental direct physical loss to the roof decking surface which may be covered. Hail damage may be observed when the size and impact of the hailstone penetrates the decking creating damage. Wind damage may be observed when the wind causes all or a portion of the decking to be removed or unattached from the building structure.

Pre-existing wear, tear, deterioration or rot to a decking surface may also be observed. This type of damage to the decking is typically not covered.

If in the course of removing/repairing the shingles unavoidable damage is caused to the decking surface, an allowance to repair the damaged decking surface may be included as part of the covered damage.

These claims should be reviewed individually with consideration of building codes, statutes or regulations which may apply. Questions should be reviewed with management.

J. Composition Roofing Installed Over Wood Shake/Shingle Decking Surface

Wind/hail damage may occur to a roof surface which is a composition roof installed over a wood shake/shingle decking surface. Evaluate the extent of damage and reparability as outlined in Section III. Adjustment Guidelines A. Repairs vs. Replace.

When there is covered damage to a composition over wood/shake shingle decking surface which can be repaired, the claim handler should estimate to repair the damaged shingles. Questions may arise as to whether or not the wood/shake shingle surface currently serving as the decking should be included as part of the repair. This should be evaluated individually on each claim by considering the following:

1. If the composition shingles can be repaired without impacting the integrity of the wood/shake shingle decking surface, no additional allowance is necessary for the wood shingle/shake shingle decking.
2. If in the course of removing/repairing the composition shingles unavoidable damage is caused to the wood shingle/shake decking surface, an allowance to repair the damaged decking surface may be included as part of the covered damage.
3. Wind or hail damage to the wood/shake shingle decking surface may be covered.

When there is covered damage to a composition over wood shake/shingle decking surface which requires replacement of the roof, estimate for the removal of both the composition shingles and wood/shake shingle decking surface. The replacement estimate should include replacement of wood sheet decking and one layer of composition shingles. Overlays on a roof with a composition roof installed over a wood shingle/shake decking surface are not recommended. Installation of a composition roof over a wood shake/shingle deck may result in a greater susceptibility to future damage.

These claims should be reviewed individually with consideration of building codes, statutes or regulations which may apply. Questions should be reviewed with management.

IV. ROOFING ESTIMATICS

Explain the estimate to the insured, and give a copy of the estimate to the insured. Explain any replacement cost available to the insured after repairs are completed.

A. Waste and Rounding

Waste may include: scrap, ridge cap, starter row, and valley overlap. Ridge or starter row material replacement may be estimated separately when the ridge or starter row is a different material than the roof (for example, tile ridge cap on a composition shingle roof) or the ridge is the only part of the roof that is damaged. If estimating ridge cap and/or starter row as separate items, consider an adjustment of the waste percentage used in calculating the roofing quantity.

Prior to applying a waster factor, review the Xactimate roofing code to determine if waste is already included in the unit price. If waste is not included and when estimating the replacement of a single slope or an entire roof, use the following guidelines in the waste calculation:

Flat roof Use 5%

Gable roof Use 10%

Hip roof Use 15%

After waste is added, round up to the next appropriate bundle. If waste is included in the unit price, use the actual square footage of the area being replaced without rounding to the nearest bundle or square.

Tear off or removal should not have waste included in the calculation.

B. Split Coding

When replacing a roof, always split code the activity. This means using the Xactimate "-" and "+" activity codes for remove and replace instead of "&". This is so the removal amount can be properly estimated without waste included, and the replacement amount estimated including waste.

C. Steep Charge

Use steep charges when the slope of the roof is 7/12 or greater. Include this charge only on those slopes or areas that require the additional amount. According to the Xactimate price list, this is an additional charge for *"lost labor productivity on a steep roof, due to working with roof jacks, additional toe board installation, and additional safety precautions."* The remove "-" activity steep charge is applied to the measurement of the area to tear-off (without waste). The replace "+" activity steep charge is applied to the total number of squares to install (with waste). Pay this charge up front in the ACV payment.

D. Two-Story Charge

A two-story charge should be included for every two-story roof slope. According to the Xactimate price list, this is an additional charge for *"additional labor charge for lost productivity on a high roof (2stories or greater), due to accessibility and extra safety precautions."* A roof, or section of a roof, is considered two stories or greater about grade at the eve.

Include this charge only on those slopes or areas that require this additional charge. The remove "-" activity two-story charge is applied to the measurement of the area to tear-off (without waste). The replace "+" activity two-story charge is applied to the total number of squares to install (with waste). Pay this charge up front in the ACV payment.

E. Accessibility

When there is limited accessibility to the insured location or roof, an additional labor charge to hand carry materials may be warranted. The same holds true for removal charges where accessibility is limited and causes a problem in the removal of debris from the insured location.

F. Roof Openings

Address large openings in roof structures, such as skylights, in the estimate. Consider the damage caused to these items when removing the roof shingles/shakes.

G. Other Appurtenances

Roof Vents: When a roof is damaged by a covered loss, the vents may or may not have sustained damage. A structure can have several different types of vents that could be affected by damage differently, so evaluate each vent separately, and estimate accordingly. When estimating to remove/replace roofing, Xactimate pricing includes sufficient labor to manipulate or work around undamaged roof vents without causing damage to them; therefore, replacing or detaching/resetting roof vents solely because the roof is being replaced is generally not necessary.

If estimating to remove and replace composition shingles on an entire roof or slope that contains vents (turtle, ridge, or turbine) that are also being replaced, it is not necessary to separately estimate the removal of these types of existing roof vents. These types of roof vents are fastened in much the same way as the shingles and are normally removed along with and at the same as the shingles. Xactimate pricing includes sufficient labor to remove these types of roof vents as the shingles are being removed. Therefore, a separate removal activity is not necessary. Evaluate each situation based on the individual circumstances.

Drip Edge and/or Flashing: When a roof is damaged by a covered loss, the drip edge and/or flashing may or may not have sustained damage. When estimating to remove/replace roofing, Xactimate pricing includes sufficient labor to manipulate or work around undamaged drip edge and/or flashing without causing damage to it; therefore, replacing drip edge and/or flashing solely because the roof is being replaced is generally not necessary. Consideration may need to be given based on how the drip edge was installed relative to the installation of any roofing underlayment. Typically, roofing underlayment, which would include felt or self-adhered waterproof membrane, is installed under the drip edge along the rake of a roof and over the drip edge along the eaves. Evaluate each situation based on the individual circumstances.

Skylights: When evaluating damage to skylights, examine the unit for covered damage. Units with insulated glass may fog as a result of the natural aging process. As with roof vents, it is generally not necessary to detach/reset or replace undamaged units because Xactimate roof pricing includes sufficient labor to manipulate or work around them.

Photovoltaic Cells: Handle the repair or replacement of roofing products around, beneath, or incorporated with photovoltaic cells on a case-by-case bases. Remember that these cells can be energized so extreme caution is required during the inspection. If damage is noted to the photovoltaic system, specific information is needed such as:

- The manufacturer's name
- System size physical dimensions
- System output in volts and amps
- If the system is integrated into the roofing product or is it separated from the product
- Does the insured own the system, or does another entity own the system

If damage is noted to the surrounding roof covering, but not to the photovoltaic system, a qualified contractor may be able to detach reset a photovoltaic system that is not integrated into the roof product.

Solar Water Heater: Handle the repair or replacement of shingles around or beneath solar water heaters mounted on a roof on a case-by-case basis. Many factors come into play when determining when to detach and reset a solar water heater. If the legs are tall enough, there should be enough room to work under the panels; only requiring detaching a leg when necessary. Other situations may dictate the removal of the solar water heater to complete the roof repair/replacement. The system may need to be drained and capped then later recharged and put back into service. If the panels need to be detached and reset, recommend the policyholder use qualified trades person to properly handle the solar water heater.

Solar Panels: Handle the repair or replacement of shingles around or beneath solar panels mounted on a roof on a case-by-case basis. Many factors come into play when determining when to detach and reset the solar panels. If the legs are tall enough, there should be enough room to work under the panels; only requiring detaching a leg when necessary. Other situations may dictate the removal of the panels to complete the roof repair/replacement. If the panels need to be detached and reset, recommend the policyholder use qualified trades person to properly handle the solar panels.

H. Valleys

Additional material may be required for a properly constructed valley. Common valley construction techniques include open valleys, closed valleys and weaved valleys. Typically, valleys have additional material which sheds water. This material could include roofing underlayment (including felt or self-adhered waterproof membrane valley metal, and/or 90lb roll roofing material). Careful inspection is needed to determine what material is used in the construction of the valley. Be sure to understand what is included in the appropriate Xactimate line item entry when completing or reconciling the estimate.

I. Starter strips

Starter strips are a specialty roofing product which assist in securing the butt edge of a roofing product to the roof plane and provide double layer coverage along the eave. When estimating, the waste percentage may include sufficient product which can be used for starter strips. If estimating starter strip as a separate item, consider an adjustment of the waste percentage used in calculating the roofing quantity.

J. Hip and Ridge Caps

Hip and ridge caps are specialty products designed to cover the area of a roof where two roof planes meet. When estimating, the waste percentage may include sufficient product which can be used for hip and ridge caps. If estimating hip and ridge caps as a separate item, consider an adjustment of the waste percentage used in calculating the roofing quantity

K. Self-Adhered Waterproof Membrane (commonly known as Ice and Water Shield)

Self-adhered waterproof membrane is designed to help prevent damage resulting from ice damming. This product may be required by building codes. When this product is required, the product should extend over the roof decking from the lowest edge of the roof surface to a point specified by the building code.

If a roof has a self-adhered waterproof membrane and that area is damaged by a covered loss, then the estimate should include the cost to replace the self-adhered waterproof membrane. Because of the self-adhering aspect of this product, it may be difficult to remove the self-adhered waterproof membrane during tear off of the roof and removal of the self-adhered waterproof membrane could cause the decking to delaminate, which could require replacement of the deck. Most manufacturers and building codes will allow for more than one layer of self-adhered waterproof membrane. If multiple layers of self-adhered waterproof membrane are not allowed, it may be necessary to remove and replace the affected roof deck to facilitate the repairs. Contact your management or Locator Services for additional information.

L. Overhead and Profit

Refer to: OG 75-07, Structural Loss Claim Handling - Section II. Structural Loss Claim Handling Procedures E. Evaluation of Structural Losses 2. Complete Estimate f. Overhead and Profit

M. Depreciation

Roofing is a depreciable building item. As such, roof claims may often involve replacement cost benefits due to the betterment involved in the replacement of some or the entire roof. Handle replacement cost benefits according to the guidelines set forth in OG 75-50, Betterment, Depreciation, and Actual Cash Value, and OG 75-51, Replacement Cost - Building.

N. Roofing Product

Limited or No availability - Refer to: Section XV. Roofing products - limited or no availability.

O. Sealing of shingles

When a determination has been made that the unsealed shingles are a result of a covered loss, an estimate should be obtained from a contractor to manually seal the tabs. Many manufacturers have guidelines for the best method to re-seal unsealed shingles. Handle each claim that involves unsealed shingles on a case-by-case basis.

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V. TEAR-OFF

Overlay of new composition roofing over an existing composition roof is a method of repair which may be allowed in some areas, however it is our company philosophy and guidelines to tear-off all layers when estimating to replace a roof surface.

When the reasonable repair requires replacement of the roof or a portion of the roof, tear-off of all roofing layers should be estimated without a deduction for depreciation and included as part of the ACV settlement on roof or slope replacement claims in all geographic areas.

When multiple layers of roofing are present, all roofing layers should be estimated for removal.

When tear-off was paid on a previous claim and the policyholder chose to overlay the roof, Refer to: OG 75-160 XI, Prior Damage - Roof

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VI. ROOFING LOCATOR SERVICE

The Roofing Locator Service (RLS) and Siding Locator Service (SLS) are web-based search tools designed to assist claims associates by providing a resource for identifying siding and roofing products.

Refer to: Locator Services

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VII. USE OF EXPERTS/ENGINEERS

Occasionally, State Farm® will seek the assistance of a roofing expert or an engineer to help determine the cause of loss, conduct damage and failure analysis, and/or evaluate reparability issues. At all times, the decision of how to resolve a claim rests with State Farm and must be based on all of the facts of the claim. Guidelines for the use of engineers are outlined in OG 70-96, Use of Engineering Firms in the Handling of First Party Property Claims or OG 70-94 Use of Independent Non-Engineering Experts in the Handling of First Party Claims.

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VIII. SUBROGATION (ROOF)

Covered roof damage may result in a subrogation opportunity. Information that is needed to support a successful roof investigation for subrogation includes, but may not be limited to, the identification of the type of roofing system and products involved, documentation of the roof condition, and damage and preservation of any evidence which may be needed to support a subrogation claim.

A qualified roofing engineer/consultant may be needed to evaluate the condition of the roof and to preserve evidence. Most information needed to investigate subrogation potential comes from places other than the roof structure itself. The homeowner or business owner may be a good source for records on the roofing system. If not, also consider the architect, roofing consultant, or roofing contractor as they may have the documents we need for our subrogation. These documents often confirm the product type used, roof design, and manner of construction.

The Statute of Limitations sets a maximum time period in which to file a claim or lawsuit. The Statute of Repose may preclude a claim or suit against a group or class of people (such as product designers, architects, or builders) after a certain time period of the product's life or completion. Claim handlers should review both the Statute of Limitations and any applicable Statute of Repose.

Refer to: OG 75-54, Subrogation

Refer to: State Codes, Laws, and Statutes

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IX. CODING

Claim management and claim handlers are responsible for accurate loss and payment coding. COL codes, comment codes and descriptors are located in OG 74-04, Payments and Coding and the Fire Loss Coding Manual.

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X. PRIOR DAMAGE - ROOF

Generally, damages which have been paid in a prior claim settlement by State Farm, but were not repaired or replaced after the first loss, would not be recoverable again if there was subsequent damage to the same property.

In the course of investigating, evaluating, and settling a current roof claim, it is important to review the insureds claim history.

The following section provides guidance for wind and hail loss roof scenarios involving prior damage.

A. Prior Roof Claim, No Repairs Completed

If the insured has not repaired the covered roof damages from a prior claim and has a new claim involving the same roof damage from the prior claim, handle the new claim in the following manner:

- Adjust the loss as a separate event, subject to the policy deductible.
- Prepare an estimate for all roof damages resulting from the current loss using the price list for the current date of loss. This may include the same roof damage estimated on a prior claim that was not replaced or repaired.
- Apply depreciation, if applicable. The age and condition of the damaged property, including prior roof damage, should be considered in determining the actual cash value of the current loss.
- Subtract the deductible for the new claim.
- Deduct prior payments for the roof damage that was not replaced or repaired.
    - Do not deduct amounts that were estimated for the roof, but were at or below the deductible.
- Pay the insured any difference.
    - If the ACV payment of the roof replacement exceeds the ACV payment to replace the roof on the prior loss, issue a draft to the policyholder for the difference between the ACV payment for the roof on the prior loss and the ACV payment for the roof on the current loss.
    - If the ACV payment of the roof replacement on the new loss is the same or less than the ACV payment amount to replace the roof on the prior loss, no additional ACV payment is due.
- Provide the insured with an Explanation of Building Replacement Cost Benefits based on the new loss, if applicable.

Example: Previous hail damage, paid to repair, repairs not completed, new loss results in total loss to roof.

A policyholder sustains hail damage to the roof in July 2015. The claim handler inspects the damage and estimates to repair two shingles per square for a repair of $1500. After subtracting the $1,000 deductible, a payment of $500 was made for the first claim. The customer did not repair the damage. In April, 2016, the policyholder files a new hail claim in which the roof is determined to be a total loss. In this case adjust the claim as follows:

- Adjust the loss as a separate event, subject to the policy deductible.
- Prepare an estimate to remove and replace the entire roof based on the price list for the April 2016 date of loss.
- Apply depreciation, if applicable. The age and condition of the damaged property, including prior roof damage, should be considered in determining the actual cash value of the current loss.
- Subtract the deductible applicable to the new claim.
- Subtract the prior payment of $500.
- Pay the insured the difference for the new claim.
- An explanation of replacement cost benefits, if applicable should be issued for the recoverable amount on the current loss.

B. Prior Roof Claim, Roof Replaced, Tear-off Not Completed

When a slope or roof has previous damage that we estimated to remove and replace the roof surface, however the insured replaced the roof or slope, but did not tear-off the damaged roof surface handle the new claim in the following manner:

- Adjust the loss as a separate event, subject to the policy deductible.
- If there is new damage to the roof surface, requiring replacement of the same slope or the total roof, estimate to remove all layers of the roof and to replace the roof surface.
- Apply depreciation, if applicable. The age and condition of the damaged property, including prior roof damage, should be considered in determining the actual cash value of the current loss.
- Subtract the deductible for the new claim.
- Deduct prior payments for tear off not completed.
- Pay the insured any difference.
    - If the ACV payment of the roof replacement exceeds the ACV payment to replace the roof on the prior loss, issue a draft to the policyholder for the difference between the ACV payment for the roof on the prior loss and the ACV payment for the roof on the current loss.
    - If the ACV payment of the roof replacement on the new loss is the same or less than the ACV payment amount to replace the roof on the prior loss, no additional ACV payment is due.
- Provide the insured with an Explanation of Building Replacement Cost Benefits based on the new loss, if applicable.

C. Prior Roof Claim, Damage Not Repaired, New Loss After Replacement Cost Benefits Expired

Prior roof claim, damage not repaired and a new loss occurs after the time period to present a claim for Replacement Cost benefits for the prior loss has expired. If there is new damage to the roof surface which, independent of the damage from the prior loss requires total replacement of the roof surface adjust the claim as follows:

- Adjust the loss as a separate event, subject to the policy deductible.
- Prepare an estimate for all roof damages resulting from the current loss using the price list for the current date of loss. This may include the same roof damage estimated on a prior claim that was not replaced or repaired.
- Apply depreciation, if applicable. The age and condition of the damaged property, including prior roof damage, should be considered in determining the actual cash value of the current loss.
- Subtract the deductible for the new claim.
- Deduct prior payments for the roof damage that was not replaced or repaired.
    - Do not deduct amounts that were estimated for the roof, but were at or below the deductible.
- Pay the insured any difference.
    - If the ACV payment of the roof replacement exceeds the ACV payment to replace the roof on the prior loss, issue a draft to the policyholder for the difference between the ACV payment for the roof on the prior loss and the ACV payment for the roof on the current loss.
    - If the ACV payment of the roof replacement on the new loss is the same or less than the ACV payment amount to replace the roof on the prior loss, no additional ACV payment is due.
- Provide the insured with an Explanation of Building Replacement Cost Benefits based on the new loss, if applicable.

Example: Prior roof claim, damage not repaired, new loss occurs after the time period to present Replacement Cost benefits claim has expired.

A policyholder sustains damage to the roof in July 2012, which rendered the roof a total loss. In July 2012 an estimate was written to replace the roof for $7000.00. After applicable depreciation and the $1,000 policy deductible, the claim handler made an ACV payment of $4000.00. The customer did not complete repairs of the roof.

In April, 2015, a new hail storm damaged the roof. It was determined that the new damage was distinguishable from the old damage and would total the roof. The estimate for the roof replacement with current roof prices was $7,500.00. After appropriate depreciation is applied, the current deductible and the prior payment of $4000.00 should be subtracted from the loss. The insured should be paid the difference, if any, for the new claim. A new explanation of replacement cost benefits should be issued for the recoverable amount, if applicable.

D. Prior Roof Claim, Damage Not Repaired, New Loss Before Replacement Cost Benefits Expired

Prior roof claim, roof/slope was a total loss, and damage not repaired. A new loss occurs before the time period to present a claim for replacement cost benefits for the prior loss has expired. In this situation, if there is new damage to the roof surface which, independent of the damage from the prior loss requires total replacement of the roof surface, the claim should be adjusted in the same manner as noted in C. above.

Prior roof claim, roof/slope was a total loss, and damage not repaired. In the event the new damage does not require replacement of the same slope or roof surface, advise the insured of same. If the roof surface is replaced, a claim for replacement cost benefits can be presented within the appropriate time period based on the prior claim's date of loss and applicable policy provisions.

E. Prior Roof Claim, Damage Not Repaired, Insured took Reasonable Steps to Mitigate and Arrange for Repairs

Prior roof claim, damage not repaired, but the insured took reasonable steps to mitigate the damages and arrange for repairs. If the damage to the roof has not been repaired, but the insured took reasonable steps to mitigate the damages and arrange for repairs, handle the loss under the prior claim. Some of the factors to consider when determining if the insured took reasonable steps include:

- Time between the initial and subsequent loss
- Resources available to complete the repairs following the initial loss

If the insured fails to take reasonable steps to mitigate the damages and arrange for repairs, a subsequent event would be a separate claim. Evaluate each claim individually on its own merits.

Example: Wind damage to roof, followed by interior damage resulting from a subsequent loss prior to repairs being completed.

In July 2016 a windstorm ripped off a portion of the roof. In September 2016 a new storm causes additional water damage to drywall because the roof was not yet repaired. In this circumstance if the insured took reasonable steps to mitigate the damages and arrange for repairs, handle the September 2016 water loss under the July 2016 claim.

The insured has a prior roof claim for wind damage, which we estimated to repair. Prior to the repairs being completed, another storm occurs resulting in new damage which totals the roof. Reasonable steps the insured may have taken to mitigate damages or arrange for repairs would not have prevented the second loss from occurring. It is for this reason, this loss would be handled as a separate claim.

Example: Wind damage to roof in July 2015, we estimated to repair the roof for $2000. After applying the $1000 deductible we issue a payment for $1000. Prior to the repairs being completed another storm in September 2015 results in new hail damage which totals the roof. We prepare an estimate to remove and replace the roof for $10,000.

In this circumstance adjust the claim as follows:

- Adjust the loss as a separate event, subject to the policy deductible.
- Prepare an estimate for all roof damages resulting from the current loss using the price list for the current date of loss. This may include the same roof damage estimated on a prior claim that was not replaced or repaired.
- Apply depreciation, if applicable. The age and condition of the damaged property, including prior roof damage, should be considered in determining the actual cash value of the current loss.
- Subtract the deductible for the new claim.
- Deduct prior payments for the roof damage that was not replaced or repaired.
    - Do not deduct amounts that were estimated for the roof, but were at or below the deductible.
- Pay the insured any difference.
    - If the ACV payment of the roof replacement exceeds the ACV payment to replace the roof on the prior loss, issue a draft to the policyholder for the difference between the ACV payment for the roof on the prior loss and the ACV payment for the roof on the current loss.
    - If the ACV payment of the roof replacement on the new loss is the same or less than the ACV payment amount to replace the roof on the prior loss, no additional ACV payment is due.
    - Provide the insured with an Explanation of Building Replacement Cost Benefits based on the new loss, if applicable.

F. Prior roof claim, damage was fully repaired, but the insured spent less than was estimated to repair, (and the repair was structurally proper):

- Adjust the second loss as a separate event.
- Do not deduct the payment from the prior loss.

G. Prior roof loss, insured did not present claim or the prior claim was less than the deductible:

If the insured did not make a claim for the prior damage or the prior claim was less than the deductible, do not reduce the new loss by the amount of the prior loss.

Example:

A policyholder sustains hail damage to the roof in July, 2015. The claim handler inspects the damage and estimates to repair two shingles per square for a total estimate of $700. The policyholder has a $1,000 deductible and the claim is closed without payment. In April 2016, the policyholder files a new hail claim which totals the roof. The total roof estimate is $5,000 after applying applicable depreciation. In this case, subtract the $1,000 deductible from the new claim estimate of $5,000 and pay the customer $4,000. There is no offset for the July 2007 claim because no payment was made. An explanation of replacement cost benefits if applicable should be issued for the recoverable amount.

Each claim needs to be handled on its own merits and management should be involved in situations needing additional resolution.

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XI. MATCHING - UNDAMAGED EXTERIOR BUILDING MATERIALS

Refer to: OG 75-100, Claim Application - First Party Section III. B. Matching

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XII. ROOFING PRODUCTS - LIMITED OR NO AVAILABILITY

During the course of an investigation, damaged roofing products which have limited or no availability can be encountered. Suitable replacement products can be determined by reviewing product design characteristics such as; appearance, warranty, and composition of the product along with the performance standards as outlined in the applicable building code. Characteristics like these will help identify a replacement product which is of like kind and quality. Locator Services is a resource to assist in determining the availability of a roofing product in a specific location and identifying an appropriate replacement roofing product.

Decisions regarding appropriate replacement roofing products should be reviewed with input from local claim management.

Refer to: OG 75-100, III. B. Matching - UNDAMAGED EXTERIOR BUILDING MATERIALS

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XIII. ROOF WARRANTIES

Many roof installations are accompanied by a written warranty issued by the shingle manufacturer. Some roofs are stated to be impact resistant, others have wind speed warranties. Some contractors issue written warranties covering their work for a period of time. It is important to ask the insured for a copy of any warranty they may have on their roof to support our investigation as it relates to potential subrogation efforts. The Locator Services or T.I.P.P. may also be a resource in locating manufacturer's warranty information.

Roof warranty claims may be presented for consideration along with a claim for potential roof damage. The Homeowners policy provides coverage for Accidental Direct Physical Loss (ADPL) for property described in Coverage A - Dwelling, except as provided in Section I - Losses Not Insured. ADPL does not include a claim for a voided warranty. Review each claim based on the individual facts and circumstances. Questions should be reviewed with claim management.

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XIV. BUILDING CODE/ORDINANCE AND LAW

Our obligation is to replace the damaged property in accordance with the Loss Settlement Provisions. If certain repairs, replacements or construction techniques are required to comply with the state law or local ordinance, the insured is responsible for the difference in the cost. Payment should be limited to the portion of loss covered by the policy contract. We will not pay for increased costs resulting from enforcement of any ordinance or law except as provided in Option OL or another policy endorsement.

Refer to: OG 75-107 Optional Coverages - Section IV - Option OL

Building ordinance or law questions should be referred to claim management. Building codes and their effect on claims adjusting procedures should be researched.

Refer to: OG 75-51, Replacement Cost â€" Building, OG 75-105, Claim Interpretations - Losses Not Insured

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XV. COMMUNICATION WITH THE POLICYHOLDER

Review the scope of the loss in person or by telephone; provide the insured with a copy of the Xactimate estimate, Structural Damage Claim Policy and Explanation of Building Replacement Cost Benefits Form if replacement cost benefits are available.

An Explanation of Building Replacement Cost Benefits Form is generally not required on repairable items. However, complete an Explanation of Building Replacement Cost Benefits Form when total replacement of a slope or the roof is made on an ACV basis. Include replacement of other depreciable items (for example, siding, painting) on the Explanation of Building Replacement Cost Benefits Form.

When the inspection indicates there is no damage/partial damage to the roof surface itself, this information should be communicated to the insured. When making a payment for partial damages to a roof, it is important to document all damage as well as areas where no accidental direct physical loss is found. Discuss the scope of the roof damage, or lack of damage with the insured, with an explanation of coverage.

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XVI. ADDITIONAL INSPECTION GUIDELINES

Refer to: OG 75-01, First Party Claim Handling Procedures - E. Additional Inspection Guidelines.

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XVII. APPRAISAL/ADR/ARBITRATION

Based on the facts and circumstances of an individual roof claim appraisal, ADR or arbitration may be an appropriate method of claim resolution. Claim management should be involved when appraisal, arbitration or ADR is considered.

Refer to: OG 75-09, Appraisal, OG 70-25, Alternative Dispute Resolution and/or OG 70-80, Arbitration

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From: Pete McArdle [/OU=VIRTUAL/CN=CACE]
Sent: 3/3/2021 2:56:28 PM
To: Eileen Colbert [eileen.colbert.gitd@statefarm.com]; Gwen Hodgson [gwen.hodgson.lpb5@statefarm.com]; Katina Butler [katina.butler.gmih@statefarm.com]
BCC: Eileen Colbert [eileen.colbert.gitd@statefarm.com]; Gwen Hodgson [gwen.hodgson.lpb5@statefarm.com]; Katina Butler [katina.butler.gmih@statefarm.com]
Subject: RE: Fire Claims 2021 Quality Plan

Looks good Eileen, I think 2 hours 15 minutes should do it.

From: Eileen Colbert
Sent: Wednesday, March 3, 2021 8:55 AM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>; Katina Butler <katina.butler.gmih@statefarm.com>; Pete McArdle <pete.mcardle.cace@statefarm.com>
Cc: Eileen Colbert <eileen.colbert.gitd@statefarm.com>
Subject: FW: Fire Claims 2021 Quality Plan

Are you all good with these segments as our plan?

- Chapter 1 (1 hour, 28 mins) + Chapter 2, Segment 1 (22 mins) + Chapter 2, Segment 3 (12 mins). **Total of 2 hrs, 2 mins.**

If so, how much time do we need ESS&P to schedule per person? Is 2 hrs, 15 mins enough? 2 hrs, 30 mins?

I'll get a note to Allen when I hear back from you so we can start scheduling.

I'll also mention at huddle today. We should probably also get a memo to the TMs this afternoon recapping which segments of the refresher are required to forward to their teams if one of you don't mind taking the lead on that.

Thanks.

From: Eileen Colbert
Sent: Wednesday, March 3, 2021 9:41 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Bill Lingenfelter <bill.lingenfelter.hx3v@statefarm.com>
Cc: Eileen Colbert <eileen.colbert.gitd@statefarm.com>; Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>; Katina Butler <katina.butler.gmih@statefarm.com>; Pete McArdle <pete.mcardle.cace@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Hi Tom –

Thanks much for tracking this down for us!

I'm also pleased to see you prioritize me over Bill……I concur it should ALWAYS be that way, and it speaks to your high level of intellect. ☺

From: Tom Moss

EXHIBIT
27

Sent: Wednesday, March 3, 2021 9:17 AM
To: Bill Lingenfelter <bill.lingenfelter.hx3v@statefarm.com>; **Eileen Colbert** <eileen.colbert.gitd@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

I did it for Eileen Bill ☺

Hope you both are having a good day.

From: Bill Lingenfelter
Sent: Wednesday, March 03, 2021 8:14 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; **Eileen Colbert** <eileen.colbert.gitd@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Thank you Tom!!

From: Tom Moss
Sent: Wednesday, March 03, 2021 9:12 AM
To: Bill Lingenfelter <bill.lingenfelter.hx3v@statefarm.com>; **Eileen Colbert** <eileen.colbert.gitd@statefarm.com>
Subject: FW: Fire Claims 2021 Quality Plan

Updated to 7 segments of Haag Training.

From: Tanya E Potts
Sent: Wednesday, March 03, 2021 8:05 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; **Heather Hanselka** <heather.hanselka.g9aj@statefarm.com>
Cc: Tanya E Potts <tanya.e.potts.gghu@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Tom –

The update to seven segments was completed yesterday afternoon.

The instructions were also updated to read 7 segments completed will complete the requirement.

To date 1007 completions of the refresher training are recorded and an additional 30 are in progress and will likely be moved to completing the requirement with the change to 7 segments.

Further clarification on why 11 segments were used to fulfill the two hour requirement were shared with me yesterday.

- If the shortest segments are selected, 11 segments were required to get to 1:58 minutes.
- As you shared yesterday, seven segments completed in Chapters one and two only require seven segments be completed to meet the requirement as there are several 20 minute or longer segments.

- Chapter three and four have several shorter segments between 6 and 12 minutes in length and the shortest seven segments are 1:04. The next four shortest segments provide an additional 54 minutes to be two minutes shy of the requirement.
- If any additional message points or updates to the requirements are necessary, please let me know?

If you would like an updated memo sent, I will get one back to you today.

Thank you,
Tanya

From: Tom Moss
Sent: Tuesday, March 2, 2021 11:29 AM
To: Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Excellent – thank you

From: Tanya E Potts
Sent: Tuesday, March 02, 2021 11:24 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Tom –

I have asked the HR&D group to re-evaluate that and will follow up as soon as I hear back from them.

Thanks,
Tanya

From: Tom Moss
Sent: Tuesday, March 2, 2021 11:12 AM
To: Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Thanks Tanya,

I reviewed the length of the segments and many of the segments are 20+ minutes long. I think that completing 7 segments would guarantee 2 hours, even if the user choose all the shortest segments. I can go back through the length of each of the segments and confirm, but I believe I am correct.

Tom

From: Tanya E Potts
Sent: Tuesday, March 02, 2021 11:09 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>
Cc: Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Hi Tom –

In order to get accurate/clean reporting in MyBlock – that would recognize the 2 hour completion requirement, the HR&D MyBlock team ran algorithms using all of the segments that averaged the need to complete 11 segments to get two hours of the HAAG training completed.

I hope my explanation makes sense, but I can get additional detail if you would like?

Thanks,
Tanya

From: Tom Moss
Sent: Tuesday, March 2, 2021 10:43 AM
To: Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>
Subject: FW: Fire Claims 2021 Quality Plan
Importance: High

Good morning,

I am in classes all week and do not have time to join a quick call to discuss.

The quality plan for 2021 requires 2 hours of Haag Training. Does the Haag Refresher Training require them to complete 11 segments or 2 hours?

Tom

From: Eileen Colbert
Sent: Tuesday, March 02, 2021 10:40 AM
To: Pete McArdle <pete.mcardle.cace@statefarm.com>; Katina Butler <katina.butler.gmih@statefarm.com>; Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>
Cc: Eileen Colbert <eileen.colbert.gitd@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan
Importance: High

This is what I am seeing in the quality plan pertaining to a minimum of 2 hours of refresher training, which doesn't align with the Refresher course details in MyBlock which indicates 11 segments need to be completed.

Wind/Hail Losses

1. HAAG Education Hail and Wind Assessment Video Series:

• For all Fire Proximity and WCCS Section Managers, Team Managers, and Claim Specialists who have previously completed the full HAAG Education Hail and Wind Assessment Video Series.

o A yearly refresher of relevant portions from the HAAG Education Hail and Wind Assessment Video Series will be determined by the business area. A minimum of 2 hours of refresher training will be completed by each claim handler and TM.

o The training is segmented into 4 Chapters with multiple segments per chapter. Chapter 1 - Hail and Wind Basics contains 4 segments and is ~ 1 hour and 28 minutes. Chapter 2 - Composition Shingles contains 9 segments and is ~ 2 hours and 33 minutes.

• New to Role - this training is not included in the new to role curriculum and will be incorporated into initial claim specialist (CS) training for all Fire Proximity and WCCS Claim Specialists. TMs will be responsible for ensuring the full video series of training, which is 22 sessions and approximately 5.5 hours in duration, is completed within the first 30 days the CS is in role.

Tom – will you please weigh-in on the expectation for HRU. Are we needing to complete a minimum of 2 hours (please see highlighted note below a suggested selection of 6 segments totaling 2 hrs, 2 mins) or complete 11 segments? If we do need to complete 11 segments, including Chapter 1 and 7 of the most applicable segments in Chapter 2, the total time is appx. 3 hrs, 26 mins. for 250+ handlers.

Thanks.

From: Pete McArdle
Sent: Tuesday, March 2, 2021 11:09 AM
To: Katina Butler <katina.butler.gmih@statefarm.com>; Eileen Colbert <eileen.colbert.gitd@statefarm.com>; Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

Agree, we haven't done anything to schedule the refresher to this point.

From: Katina Butler
Sent: Tuesday, March 2, 2021 10:05 AM
To: Eileen Colbert <eileen.colbert.gitd@statefarm.com>; Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>; Pete McArdle <pete.mcardle.cace@statefarm.com>
Subject: RE: Fire Claims 2021 Quality Plan

I agree we can review on call today. I believe we have to complete 11 parts for the refresher.

From: Eileen Colbert
Sent: Tuesday, March 2, 2021 10:32 AM
To: Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>; Katina Butler <katina.butler.gmih@statefarm.com>; Pete McArdle <pete.mcardle.cace@statefarm.com>
Cc: Eileen Colbert eileen.colbert.gitd@statefarm.com
Subject: FW: Fire Claims 2021 Quality Plan

Oops.....I missed getting this on the calendar. Anyone else contact ESS&P to get it scheduled? If not, we can review today in the call.

We also need to figure out 2 hrs worth of training. Perhaps Chapter 1 (1 hour, 28 mins) + Chapter 2, Segment 1 (22 mins) + Chapter 2, Segment 3 (12 mins)?

From: Nicole Manduca
Sent: Friday, February 26, 2021 7:25 PM
To: Bill Escott <bill.escott.bfs6@statefarm.com>; Eileen Colbert <eileen.colbert.gitd@statefarm.com>; Gwen Hodgson <gwen.hodgson.lpb5@statefarm.com>; Katina Butler <katina.butler.gmih@statefarm.com>; Laura E Mize <laura.e.mize.ihth@statefarm.com>; Pete McArdle <pete.mcardle.cace@statefarm.com>; Scott Steele <scott.steele.h7j0@statefarm.com>; Stacey Janssen <stacey.janssen.i0pk@statefarm.com>
Subject: FW: Fire Claims 2021 Quality Plan

Friendly reminder – the HAAG Refresher Training should be completed by the end of Q1 (per P&C).

From: Julie Jarnagin **On Behalf Of** Scott Welsh
Sent: Wednesday, December 23, 2020 7:53 AM
To: DL-PC-CLMS-AllFire-SMs <DL-PC-CLMS-AllFire-SMs.DLGOG0@internal.statefarm.com>; DL-PC-CLMS-AllFire-CMs <DL-PC-CLMS-AllFire-CMs.DLNMA6@internal.statefarm.com>; DL-PC-CLMS-CS-Consultants-Fire <DL-PC-CLMS-CS-Consultants-Fire.DL252I@internal.statefarm.com>
Cc: Kathy Ress <kathy.ress.he8j@statefarm.com>; Wendy Mazza <wendy.mazza.c9s2@statefarm.com>; Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>; Tyrone Smith <tyrone.smith.a57w@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Brad Rushton <brad.rushton.b92n@statefarm.com>
Subject: Fire Claims 2021 Quality Plan

December 23, 2020

Subject: Fire Claims 2021 Quality Plan

To: Fire Claims Section Managers
Fire Claim Managers
Fire Property Claim Consultants

From: Fire Claims 2021 Planning Committee

Thank you for our discussion on the 2021 planning process and the updates to Fire Focus recommendations for the new year.

The following documents are resources for use in further development of each section's specific tactics. Claim managers, in partnership with consulting services, will be working with section managers to provide guidance on how the plan will be implemented within each division/section and monitored throughout the year.

2021 Fire Claims Quality Plan

Fire Claims Quality 2021 Plan – presentation

Please consider inviting your Claim Manager and Fire Claim Consultant if you are discussing the plan or setting expectations with your team.

If you have questions
Contact your Consultant or Claim Manager.

C: Fire Claim VPOs, Scott Welsh, Brad Rushton

From: Scott Welsh [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=5D99B0B083AF4638BBA0385827DECFB9]
Sent: 1/29/2021 11:04:22 PM
To: Tom Moss [tom.moss.c4sg@statefarm.com]
BCC: Scott Welsh [scott.welsh.cx30@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]
Subject: RE: HAAG video series

Thank you for sharing Tom – What a great way to track engagement/progress on learning.

From: Tom Moss
Sent: Friday, January 29, 2021 4:29 PM
To: Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>; Marie Dyer <marie.dyer.gmxb@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>
Subject: RE: HAAG video series

This sounds like an amazing solution. Thank you. Tuesday works great for us.

Tom

From: Tanya E Potts
Sent: Friday, January 29, 2021 2:00 PM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Marie Dyer <marie.dyer.gmxb@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>; Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>
Subject: RE: HAAG video series

Hi Tom – We have an idea we are working with the MyBlock support team in HR&D to present (we are working up a visual to share our proposed solution), that would allow the learner to select from the complete listing of HAAG videos, two hours of video content, that must be completed as refresher in 2021. They would then be required to certify the completion in MyBlock when finished with the two hours. This would serve as their completion record. The TM may want to run individual transcripts to ensure they have two hours of video content completed, but CS/SM/CM would be able to pull a report for their section/division/all of FIRE claims to document all who certified their completion of the two hours.

Would it be possible to complete our work up of this visual to share for further clarification and provide to you by Tuesday? If you do require a response sooner and/or have questions, please let me know.

Thank you,
Tanya

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From: Tom Moss
Sent: Friday, January 29, 2021 1:30 PM
To: Marie Dyer <marie.dyer.gmxb@statefarm.com>; Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Heather Hanselka

<heather.hanselka.g9aj@statefarm.com>
Subject: RE: HAAG video series

Can we track the chapters that each learner completes?

From: Marie Dyer
Sent: Friday, January 29, 2021 1:19 PM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Tanya E Potts <tanya.e.potts.gghu@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>; Marie Dyer <marie.dyer.gmxb@statefarm.com>
Subject: RE: HAAG video series

Tom,

I will have a new curriculum built for 2021 Refresher HAAG training. You can then communicate a deadline for learners to complete, and run a My Block report of completers and non-completers. Let me know which training you would like to include in the new refresher curriculum – one chapter, two chapters, or any combination for the 2 hours you are trying to hit.

Thank you,
Marie

From: Tom Moss
Sent: Friday, January 29, 2021 1:12 PM
To: Tanya E Potts <tanya.e.potts.gghu@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>; Marie Dyer <marie.dyer.gmxb@statefarm.com>
Subject: RE: HAAG video series

Awesome. So how will we know when they have completed 2 hours of training? Can we run a report? Or do we need to specifically assign segments for them to review?

Tom

From: Tanya E Potts
Sent: Friday, January 29, 2021 12:47 PM
To: Tom Moss <tom.moss.c4sg@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Heather Hanselka <heather.hanselka.g9aj@statefarm.com>; Marie Dyer <marie.dyer.gmxb@statefarm.com>; Tanya E Potts <tanya.e.potts.gghu@statefarm.com>
Subject: RE: HAAG video series

Good Afternoon –

After discussing with my master curriculum creator, Marie, we can do what is requested below or any combination of the Haag video series as a refresher for 2021.

We would still keep the original series published as is for all "new to role learners" and anyone who was interested in or needed to take the entire series.

Please let me know if you have any questions or would like to discuss further?

Thank you,
Tanya and Marie

From: Heather Hanselka
Sent: Friday, January 29, 2021 11:31 AM
To: Tom Moss <tom.moss.c4sg@statefarm.com>; Tanya E Potts <tanya.e.potts.gghu@statefarm.com>
Cc: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Subject: FW: HAAG video series

Hi -

I am bringing Tanya into this as her team will be working with L&D and she can make sure it meets your needs for reporting. I like the idea of having specific segments in and calling it a refresher but Tanya has some options for you.

Will we be able to track when they have completed 2 hours of the training? Or, should just add certain segments of the training under the 2021 HAAG Education Hail & Wind Assessment Video Series? Specifically, Chapter 1 - Hail and Wind Basics (4 segments and is ~ 1 hour and 28 minutes) and Chapter 2 - Composition Shingles (9 segments and is ~ 2 hours and 33 minutes.) If we add specific segments, we may want to call it 2021 HAAG Education Hail & Wind Assessment Video Series – Refresher.

The 2021 Quality Plan requires everyone to complete 2 hours of Haag refresher training.

Tom

From:	Scott Welsh [/O=STATEFARM/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=5D99B0B083AF4638BBA0385827DECF89]
Sent:	2/3/2022 4:49:58 PM
To:	Tom Moss [tom.moss.c4sg@statefarm.com]
CC:	Walter Phillips [walter.phillips.gg6l@statefarm.com]; Gregory E Jones [gregory.e.jones.gzwh@statefarm.com]
BCC:	Scott Welsh [scott.welsh.cx30@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]; Walter Phillips [walter.phillips.gg6l@statefarm.com]; Gregory E Jones [gregory.e.jones.gzwh@statefarm.com]
Subject:	RE: Wind Hail Claim Handling Sessions

Thank you Tom,

Appreciate you taking the lead in getting this training developed, presenters identified and set on the calendar.

Well done sir.

Scott

From: Tom Moss
Sent: Thursday, February 3, 2022 10:35 AM
To: John Thoma <john.thoma.jp2f@statefarm.com>; Tim Northquist <tim.northquist.cz3u@statefarm.com>; Adrian Mack <adrian.mack.h39l@statefarm.com>; Kevin Brotherton <kevin.brotherton.h50r@statefarm.com>; Jared Runnels <jared.runnels.juu8@statefarm.com>; Clint Mahan <clint.mahan.pgrb@statefarm.com>
Cc: Tom Moss <tom.moss.c4sg@statefarm.com>; Walter Phillips <walter.phillips.gg6l@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Tammy M Davidson <tammy.m.davidson.a55w@statefarm.com>; John Broadway <john.broadway.lwnj@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>
Subject: Wind Hail Claim Handling Sessions

Good morning all and thank you for your willingness to help present this year. You will be receiving a series of invitations from Tammy Davidson for the 2022 Wind Hail Claim Handling Sessions for the times shown below. If you have a conflict with one of the meetings, others can jump in and cover your topic, so no worries, we will just need to communicate as a team.

I will set a call for early next week for the presenters to visit and talk through the agenda. We will not have a PowerPoint presentation. Each of you will have a file(s) to review with the attendees and discuss your observations.

I will kick off the session with a discussion on the following topics:

OG 75-160
Repair – replace (contract discussion)
Reasonable consistent appearance
- Wind damage – widespread and scattered damage
- Wind repair – replace calculator (new tool)
- Management review
  - Small hail
  - Light wind

FME Guidelines sunset and moved to SCPs and OG

Kevin, we would love for you to bring in a file review on how we effectively used NearMap and perhaps a file where we missed the opportunity.

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Adrian, you crushed the discussion last year on a wear/tear example and we would love for you to cover this topic again.

Tim, we discussed having you show a hail file with good photos of hail, including collateral that supported a diligent investigation and then bring up a file where we paid for hail damage but the file documentation needed was not present.

Otto, we discussed having you show a wind file with good photos of wind that supported a diligent investigation and then bring up a file where we paid for wind damage but the file documentation needed was not present.

Clint will present an example of widespread scattered wind damage where the calculations did not hit 50% in the wind repair – replace calculator but the decision to replace the slope was warranted.

Jared has a few topics to cover on reparability, including potential over manipulation of shingles by contractors.

From: John Broadway
Sent: Thursday, February 03, 2022 10:05 AM
To: Anthony Richardson <anthony.richardson.hmad@statefarm.com>; Clint Mahan <clint.mahan.pgrb@statefarm.com>; Greg Robinson <greg.robinson.l420@statefarm.com>; Jared Runnels <jared.runnels.juu8@statefarm.com>; Jason Payne <jason.payne.i953@statefarm.com>; Jessica Rich <jessica.rich.p2ki@statefarm.com>; John Broadway <john.broadway.lwnj@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Tanya E Potts <tanya.e.potts.gqhu@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>
Subject: FW: Wind Hail Claim Handling Sessions

Working Copy of review session communications.

February 8, 2021

Subject: Wind Hail Claim Handling Sessions

To: Fire Section Managers - Proximity
Fire Section Managers - WCCS Deployed
Fire Section Managers - Hail Reconciliation Unit
Fire Section Managers - WCCS Stewardship
Fire Section Managers - BCFR

From: P&C Fire Claim Consultants

What you should know
In alignment with Our Commitment to Our Policyholders, P&C Claims Strategy Map, and 2022 Fire Claims Quality Plan , Consulting Services has partnered with Execution leadership to facilitate sessions where we will review common wind and hail loss scenarios and existing resources to provide guidance on wind and hail claim handling.

What You Need to Do
All Fire Claim Section Managers, Team Managers and Fire Claim Specialists in our WCCS Stewardship, WCCS Deployed, Hail Reconciliation Unit, Boat Commercial Farm Ranch and Fire Proximity segments should attend one of the following eight sessions as your schedule permits. Please note that the same information will be shared during each session.

Please cascade this information to your team members.

Wind Loss Sessions	Date	Time (CST)	iCalendar
Session #1	February 15, 2022	2:00 – 4:00 PM	Add invite
Session #2	February 17, 2022	2:00 – 4:00 PM	Add invite
Session #3	February 22, 2022	11:00 AM – 1:00 PM	Add invite
Session #4	February 24, 2022	2:00 – 4:00 PM	Add invite
Session #5	March 1, 2022	11:00 AM – 1:00 PM	Add invite
Session #6	March 3, 2022	11:00 AM – 1:00 PM	Add invite
Session #7	March 7, 2022	1:00 – 3:00 PM	Add invite
Session #8	March 9, 2022	1:00 – 3:00 PM	Add invite

Additional Details
For any questions regarding the sessions, please contact Nicole Manduca.

C: Kathy Ress, Tyrone Smith, Scott Welsh, P&C Claim Fire Consultants, P&C Claim Fire Claim Managers, Walter Phillips, Derek Miller, Adrian Mack, John Thoma, Kevin Brotherton, Clint Mahan, Jared Runnels, Tim Northquist

West. Neil, et al. v. SFF&CC, et al.

Hosier, Gary, et al. v. SFF&CC, et al.

P&C Claims
June 24, 2021

Fire Model Enhancement – Water & Wind/Hail

State Farm

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WEST-RFP44- Sub. Prod.000121

Water – Overview

Enterprise Guidelines
- Coverage
- Scope
- Estimatics
- Reconciliation

Began Dec.

Water Specialized Team
- Skill Development
- Front end handling
- Targeted Management Reviews
- Cabinet and Wood Flooring Focus

Initiated Jan.

New Items Scaled
- Skills Review and Development
- Updated QFC Template
- Estimatics Resource Guide

1st iteration Apr.

Water – Next Steps

Lessons Learned

- Coverage and Scope opportunities
- Timing of Management Reviews

Additional Testing in Progress

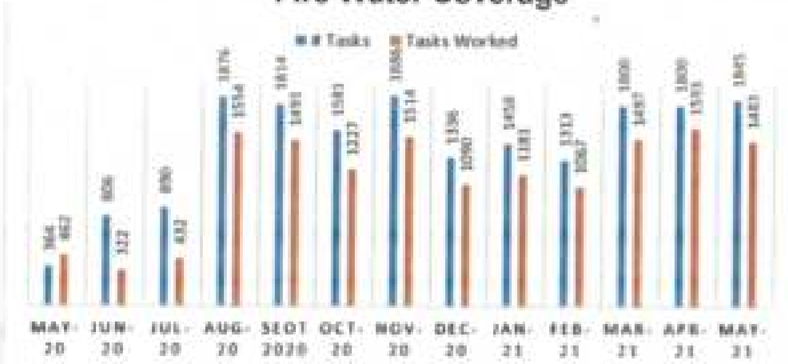
- SFPSP with HO-6 Claims
- Estimatics and Reconciliation strategies with Fire Proximity

Future Updates/Deliverables

- Florida Vendor Test
- Increase and Enhancements to Accelerated Management Reviews

Water – Measurements

Accelerated Management Reviews
Fire Water Coverage



note, March and April 2021 figures approximate

Wind/Hail – Initial Analysis & Prioritized Tactics

- Claim Handling Hygiene
- Small Hail (≤ 1") & Light Wind (≥ 50 mph)
- Early Team Manager Involvement

PERIL	HYPOTHESIS	METRIC	BASELINE	INDUSTRY BEST
Wind	Unnecessary roof replacement on minor wind damages (50 mph or less)	% Full Roof Replacement (FRR) on Severity 3 Wind	63%	5-10%
Hail	Unnecessary roof replacement on light hail damages (1" hail or smaller)	% Full Roof Replacement (FRR) on Severity 3 Hail	90%	5-10%

- **Data Set Analysis:** Texas, All Wind/Hail Losses (Cat and Non-Cat), 2017-2019
- **Baseline:** Analysis of 3-year data validated FRRs were paid at 63% frequency for Severity 3 Wind and 90% frequency for Severity 3 Hail
- **Industry Best:** Industry Best FRR on light wind and small hail averages a 5-10% frequency, therefore an internal quality improvement opportunity of 53-58% for light wind and 80-85% for small hail
- **Quality Play:** Establish parameters to engage Team Manager review when claim handler recommends full slope replacement or full roof replacement for claims with light wind (50 mph or less) or small hail (1" or smaller)

Wind/Hail Kick Off in Dallas County, TX June 26, 2020 → Expansion to Texas December 7, 2020 → Expansion to all States December 17, 2020

West. Neil, et al. v. SFF&CC, et al.

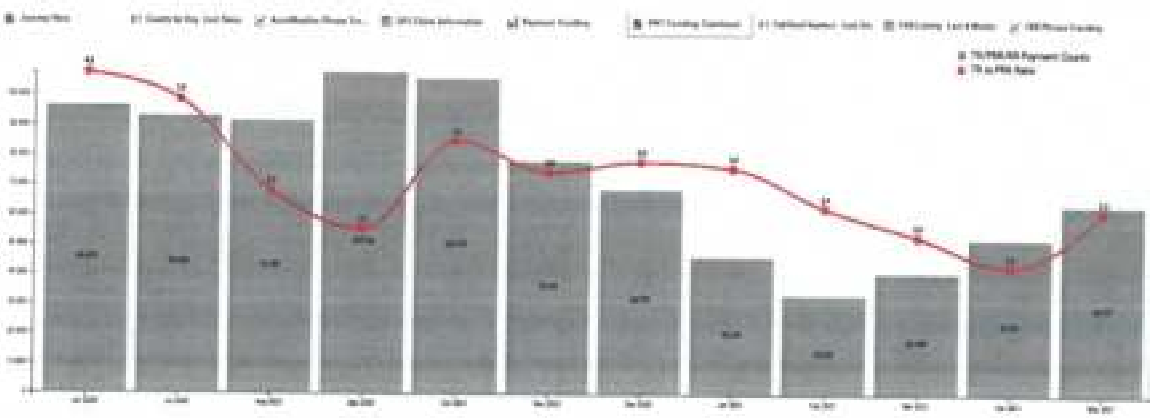
Hosier, Gary, et al. v. SFF&CC, et al.

Wind/Hail – Playbook

Fundamentals	Live Plays	Calibration
• Roof Skills Review • HAAG Refresher • Wind Loss Overview • Wind Evaluation Sheet • Art of the Conversation • Fire Data Accuracy Dashboard	• TM reviews on roof replacement recommendations (≤ 1", ≥ 50 mph, and Age & Condition) • Enhanced emphasis on Claim Handling Hygiene • Use of Structured Phrases to measure adoption • Weekly Monitoring & Surveying • Targeted Reinspections	• Age & Condition reviews in all states • ITEL vendor solution for shingle identification / availability • EagleView Connect Explorer • Policy Endorsement

Wind/Hail – February 2021 vs June 2021

Wind/Hail Total Roof to Partial Roof Replacement Ratio



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HOSIERGAR0074406PROD.0007_Exh. 13

Wind/Hail – Continuous Improvement

- **Wind/hail** peril NPI increased +$1.49B (+45.3%) YOY yet decreased -$74.0M (-1.5%) in the past three months. Jurisdictions with YOY increases greater than +$90M were Louisiana, Iowa, Alabama, Texas, and Georgia; Colorado experienced the largest decrease (-$110.9M). Pending counts decreased YOY (-16,108) yet increased in the past three months (+6,212).

"Our quality focus and claim handling are guided by and in support of ***Our Commitment to Our Policyholders***

Total Homeowners Wind/Hail Peril (including Catastrophe) Trends by Jurisdiction

[illegible]	[illegible]	[illegible]	Net Paid Indemnity			[illegible]		[illegible]		[illegible]		[illegible]	
			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Louisiana	18.4%	$1,115.8	+$870.2	+717.8%	+1,138.4%	+693.8%	+1,138.8%	+237.4%	+414.8%	+158.7%	+138.8%	-18.8%	+138.2%
Texas	8.8%	$521.3	+$87.4	+17.7%	-7.2%	-1.7%	-11.8%	+15.3%	-18.1%	-18.9%	+8.4%	-28.8%	+11.8%
Illinois	8.7%	$330.1	-$46.2	-8.0%	+10.2%	-22.1%	-4.2%	-14.2%	-8.2%	-8.2%	+2.0%	-66.7%	-46.7%
Iowa	8.2%	$360.0	+$290.5	+326.8%	+487.7%	+391.1%	+434.4%	+212.8%	+446.5%	[illegible]	-2.2%	-52.0%	-12.8%
Minnesota	4.7%	$267.7	+$28.8	+11.2%	+27.7%	+12.7%	+27.3%	+4.0%	+10.8%	+8.4%	+14.2%	+75.4%	+84.8%
Georgia	4.7%	$250.0	+$96.6	+61.8%	-24.5%	+38.2%	+15.6%	+21.8%	-10.2%	+12.8%	+62.2%	-17.1%	+80.2%
Alabama	3.9%	$214.4	+$121.1	+187.4%	+121.2%	+128.8%	+116.4%	+118.1%	+188.8%	+8.7%	+5.8%	+16.4%	+182.2%
Ohio	3.1%	$190.7	-$12.0	-6.4%	+63.1%	-11.9%	+47.8%	-16.8%	+12.7%	+5.7%	+31.8%	-43.9%	-19.4%
Oklahoma	3.0%	$182.3	+$8.7	+3.8%	+30.0%	-11.7%	+18.8%	-10.8%	+14.2%	-1.2%	+4.8%	-60.0%	-15.8%
Missouri	3.0%	$179.8	-$13.4	-6.5%	+12.0%	-27.3%	-6.2%	-38.0%	-28.0%	+18.3%	+27.8%	-62.2%	-69.3%
Colorado	2.7%	$163.3	-$114.4	-40.8%	-40.3%	-44.0%	-44.6%	-52.9%	-63.4%	+18.8%	+60.2%	-18.8%	-37.6%
Tennessee	2.8%	$165.4	-$24.3	-13.2%	+64.4%	-33.2%	+34.0%	-48.2%	-18.4%	+88.8%	+84.8%	-61.2%	-11.8%
Florida	2.6%	$155.5	+$16.0	+11.6%	+6.4%	-3.1%	-7.7%	+18.8%	-23.2%	-16.9%	+38.1%	+13.8%	+122.8%

[illegible]

Wind/Hail – Law of Recency

PERIL	HYPOTHESIS	METRIC	BASELINE	INDUSTRY BEST
Wind	Unnecessary roof replacement on minor wind damages (50 mph or less)	% Full Roof Replacement (FRR) on Severity 3 Wind	63%	5-10%
Hail	Unnecessary roof replacement on light hail damages (1" hail or smaller)	% Full Roof Replacement (FRR) on Severity 3 Hail	90%	5-10%

- **Data Set Analysis**: Texas, All Wind/Hail Losses (Cat and Non-Cat), 2017-2019
- **Baseline**: Analysis of 3-year data validated FRRs were paid at 63% frequency for Severity 3 Wind and 90% frequency for Severity 3 Hail
- **Industry Best**: Industry Best FRR on light wind and small hail averages a 5-10% frequency, therefore an internal quality improvement opportunity of 53-58% for light wind and 80-85% for small hail
- **Quality Play**: Establish parameters to engage Team Manager review when claim handler recommends full slope replacement or full roof replacement for claims with light wind (50 mph or less) or small hail (1" or smaller)

Questions?

ID	Name of Project	Summary Description	[illegible]	Work Initiation Status	Approved Project Phase	Anticipated Strategic Plan Outcome	Project Desired Start Date	Estimated Completion Date	PMO Assessment	Monthly Status	Actual Start Date	Actual Completion Date	Created	Project Status
[illegible]	[illegible]	[illegible]	[illegible]	Approved	In Progress [illegible]	Reduce Operating Expenses per Claim	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]

EXHIBIT

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IN THE DISTRICT COURT OF COMANCHE COUNTY
STATE OF OKLAHOMA

STATE OF OKLAHOMA
Comanche County
FILED in the
Office of the Court Clerk
AUG 20 2026
By Km
Deputy

NEIL & LACY WEST, Plaintiffs.	)	
v.	)	**Case No. CJ-2025-135**
STATE FARM FIRE & CASUALTY, & NANCY HOLCOMB INSURANCE AGENCY, INC Defendants.	)	

COURT ORDER ON PLAINTIFFS' VARIOUS MOTIONS FILED ON JULY 7th, 2026

NOW on this 20th day of August, 2026 the Court, after hearing argument from counsel and reviewing all of the relevant pleadings **GRANTS IN PART** the Plaintiffs' Motion to Strike State Farm's blanket Confidentiality Assertion; **GRANTS IN PART** Plaintiffs' Motion to De-Designate Documents Produced and **DENIES** the Motion to Lift the Protective Order, subject to the conditions set forth below.

FINDINGS OF FACT

1. On May 21, 2026, the Court entered the Protective Order governing the treatment of confidential material produced in discovery in this action.

2. The Protective Order permits a party to designate material "Confidential" only "after a bona fide determination made in good faith that the material is in fact trade secret or other confidential information as defined in paragraph 3."

3. Paragraph 3 of the Protective Order limits "Confidential" information to three enumerated categories: (a) "trade secret," which "shall have the same meaning as in 78 O.S. §86(4)"; (b) "confidential research, development or commercial information," meaning "information that is maintained in secrecy from third parties and which a party in good faith believes would result in substantial competitive harm if publicly disclosed"; and (c)

EXHIBIT
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"personal confidential information," meaning "a person's social security number, medical records, bank records, personnel records and tax information."

4. Paragraph 3(a)(ii) of the Protective Order expressly provides that "trade secret' shall explicitly not include any aspects of the handling of Plaintiffs' claim as first-party insureds, including but not limited to attempts to lower indemnity payments on Plaintiffs' claim, including the total roof replacement requested, and anything regarding denying or partially denying Plaintiffs' claim."

5. Paragraph 4 of the Protective Order establishes the procedure for challenging a designation and allocates the burden of proof. It provides that a designation shall not "create a presumption the document is, in fact, confidential or a trade secret entitled to protection," and that "[t]the burden of establishing that a document or testimony contains trade secret or personal confidential information and is entitled to the protection of this Protective Order shall remain on the party making the designation."

6. In response to the Court's order granting Plaintiffs' motion to compel, State Farm produced a large volume of documents. Plaintiffs represent that the production exceeds 800,000 pages and that State Farm designated every page "Confidential." State Farm represents that it produced "nearly 800,000 documents (millions of pages)," that it "has not designated all documents confidential," and that over 600,000 of the produced documents were reproduced from other litigation in which they are subject to confidentiality provisions of settlement agreements and/or protective orders entered by other courts. State Farm contends that not all documents turned over in discovery were labeled "confidential".

7. Plaintiffs objected to State Farm's designations, and State Farm declined to withdraw them. The parties disagree as to whether or not the "challenge" procedure outlined in paragraph 4 of the Protective Order has been complied with. Regardless, the parties have failed to resolve the dispute informally.

8. The documents Plaintiffs specifically identify as improperly designated concern State Farm's internal "FME" and "Wind/Hail" initiatives, tracking of roof replacements and indemnity savings, and managerial-approval requirements for full roof replacements.

CONCLUSIONS OF LAW

A. Governing standard and allocation of the burden

9. A protective order in Oklahoma issues under 12 O.S. §3226(C)(1), which authorizes the Court, "for good cause shown," to enter an order protecting a party "from annoyance, harassment, embarrassment, oppression or undue delay, burden or expense," including an order "that a trade secret or other confidential research, development or commercial information not be disclosed or be disclosed only in a designated way." (**Okla. Stat. Ann. tit. 12, § 3226**)

10. The Oklahoma Supreme Court has held that §3226(C) shifts the burden of showing 'good cause' to the party who opposes discovery. (**YWCA of Oklahoma City v. Melson, 1997 OK 81, 944 P.2d 304**) The burden of showing good cause "is statutorily placed on the party objecting to discovery and is part of that party's motion for a protective order." (**Crest Infiniti, II, LP v. Swinton, 2007 OK 77, 174 P.3d 996**) The Protective Order codifies this same allocation: designation creates no presumption of confidentiality, and

the burden of establishing that material is entitled to protection "shall remain on the party making the designation."

11. A party does not carry that burden with conclusory or blanket assertions. In (**Crest Infiniti, II, LP v. Swinton, 2007 OK 77, 174 P.3d 996**), the Oklahoma Supreme Court held that "blanket statements" were insufficient and that the party seeking protection "must show more than these blanket statements to satisfy their burden for a protective order." (**Crest Infiniti, II, LP v. Swinton, 2007 OK 77, 174 P.3d 996**)

B. Blanket designations.

12. Plaintiffs have raised the issue as to State Farm's blanket confidentiality designations. Under both Oklahoma law and Paragraph 4 of the Protective Order, the burden now rests on State Farm to justify, on a document or category basis, the confidentiality of the material it has designated. A designation applied uniformly to every page of the production, without regard to content, does not satisfy that burden.

C. Trade secret and confidential commercial information

13. The Protective Order adopts the statutory definition of "trade secret" in 78 O.S. §86(4): information that "derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use," and "is the subject of efforts that are reasonable under the circumstances to maintain its secrecy." (**Okla. Stat. Ann. tit. 78, § 86**)

14. Under Oklahoma law, protectable trade secrets and confidential information "must be the particular secrets of the [proprietor] as distinguished from the general secrets of the

trade," must possess "a substantial element of secrecy," and must "contain elements which are unique and, not generally known or used in the trade." (**Cent. Plastics Co. v. Goodson, 1975 OK 71, 537 P.2d 330**) "Matters of public knowledge in an industry cannot be appropriated by one as [its] secret." (**Cent. Plastics Co. v. Goodson, 1975 OK 71, 537 P.2d 330**) Applying §86(4), the Tenth Circuit has confirmed that the proponent must show the information is not readily ascertainable and provide evidence that it "conferred some type of competitive advantage or economic value"; generalized and conclusory evidence will not suffice. (**Double Eagle Alloys, Inc. v. Hooper, 134 F.4th 1078 (10th Cir. 2025)**)

15. To restrict disclosure of trade secret or "other confidential research, development, or commercial information," the proponent "must 'first establish that the information sought is a trade secret [or other confidential research, development, or commercial information]' and then 'demonstrate that its disclosure might be harmful," by "a particular and specific demonstration of fact, as distinguished from stereotyped and conclusory statements." (**Video Gaming Techs., Inc. v. Castle Hill Studios LLC, No. 17-CV-454-GKF-JFJ, 2019 WL 2514705 (N.D. Okla. June 18, 2019)**)

16. An insurer's internal claims-handling policies, procedures, and business strategies are not automatically protectable. Internal corporate documents do not automatically merit protective orders, and a protective order does not exist to prevent "negative publicity" or reputational injury; such material qualifies as confidential commercial information only when the proponent couples it with a particularized showing of competitive harm. (**Video Gaming Techs., Inc. v. Castle Hill Studios LLC, No. 17-CV-454-GKF-JFJ, 2019 WL 2514705 (N.D. Okla. June 18, 2019)**)

17. Independent of these authorities, Paragraph 3(a)(ii) of the Protective Order removes from the "trade secret" category any aspects of the handling of Plaintiffs' claim as first-party insureds, including attempts to lower indemnity payments on Plaintiffs' claim, the total roof replacement requested, and anything regarding denying or partially denying Plaintiffs' claim. Documents falling within Paragraph 3(a)(ii) are, by the terms the parties agreed to, not trade secrets and may not be designated Confidential on that basis.

D. Confidentiality of discovery is distinct from sealing of court records.

18. The Court agrees with State Farm that the standard governing confidentiality designations of discovery material differs from the standard governing the sealing of records filed with the Court. Under Oklahoma law, "discovery documents produced in private litigation are not public records and would not, under the Open Records Act, otherwise be available for public inspection and copying, unless the documents are filed of record or admitted into evidence." (**Good v. Farmers Ins. Co., 2023 OK CIV APP 28, 536 P.3d 961**)

19. When material is filed with the Court, however, it becomes subject to the presumption of public access, and sealing is governed by the Oklahoma Open Records Act. (**Mitchell v. Mitchell, 2021 OK CIV APP 17, 491 P.3d 759**) Court records are public unless a statute requires confidentiality, and the Court "may seal a record or portion of a record only if a compelling privacy interest exists which outweighs the public's interest in the record." A sealing order must be public and must (1) make findings of fact, (2) state conclusions of law specific enough to reveal the legal basis for sealing, (3) use "the least restrictive means for achieving confidentiality," and (4) be "narrowly tailored so that only the portions of the record subject to confidentiality are sealed and the remainder of the record

is kept open." (**Okla. Stat. Ann. tit. 51, § 24A.30**) Any order removing material from the public record must also contain a statement that removal "is necessary in the interests of justice" and a "specific identification of the material" withheld. (**Okla. Stat. Ann. tit. 51, § 24A.29**) Strict compliance with these requirements "is mandatory in all cases." (**Good v. Farmers Ins. Co., 2023 OK CIV APP 28, 536 P.3d 961**) The "interests of justice" finding is "a very high standard for good reason and is required in every case," and speculative harm will not support closure. (**Good v. Farmers Ins. Co., 2023 OK CIV APP 28, 536 P.3d 961**; **Nichols v. Jackson, 2001 OK CR 35, 38 P.3d 228**)

20. This distinction cuts both ways. It defeats Plaintiffs' contention that the presumption of public access to court records, standing alone, requires the wholesale de-designation of unfiled discovery. It equally defeats State Farm's suggestion that the good-faith designation standard excuses it from justifying challenged designations: the challenge procedure in Paragraph 4 and 12 O.S. §3226(C), not the sealing statutes, supply the standard, and under that standard the burden of justification remains on State Farm. (**YWCA of Oklahoma City v. Melson, 1997 OK 81, 944 P.2d 304**)

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that State Farm's blanket designation of its entire production as "Confidential" is STRICKEN. A uniform, undifferentiated designation applied to every page of the production does not reflect the "bona fide determination made in good faith" that Paragraph 1 of the Protective Order requires, and it does not satisfy State Farm's burden under 12 O.S. §3226(C) and Paragraph 4 of the Protective Order. (**YWCA of Oklahoma City v. Melson, 1997 OK 81, 944 P.2d 304**; **State ex rel. Oklahoma State Bd. of Med. Licensure & Supervision v. Rivero, 2021 OK 31, 489 P.3d 36**.

Further, the Court finds that Exhibit numbers: **2-7, 9, 11, 12, 14-16, 24, 26-38, 40-42 and 44-45** identified in Plaintiff's Reply, filed on August 6th, 2026 shall be de-designated and removed from the protective order as the exhibits identified above do not contain any protected information as outlined in the protective order. Further, the exhibits listed above shall be treated like normal documents exchanged in the course of discovery.

Re-designation on a particularized basis. Within thirty (30) days of the date of this Order, State Farm shall review its production and re-designate as "Confidential" only those documents, or portions of documents, that it has determined in good faith fall within one of the three categories defined in Paragraph 3 of the Protective Order. For each document or reasonably defined category of documents it re-designates, State Farm shall identify the applicable Paragraph 3 category. Any document not re-designated within that period shall no longer be subject to the Protective Order and is DE-DESIGNATED, consistent with Paragraph 4 of the Protective Order.

First-party claim-handling materials. Consistent with Paragraph 3(a)(ii) of the Protective Order, any document concerning the handling of Plaintiffs' own claim as first-party insureds — including attempts to lower indemnity payments on Plaintiffs' claim, the total roof replacement requested, and the denial or partial denial of Plaintiffs' claim — may not be designated "Confidential" as a "trade secret" and is DE-DESIGNATED to the extent so designated on that basis.

Burden on any maintained designation. For any designation State Farm maintains and Plaintiffs continue to challenge, State Farm bears the burden of establishing, by a particular and specific demonstration of fact, that the material falls within a Paragraph 3 category and that its disclosure would cause a cognizable competitive or other legally protectable harm.

Documents subject to other courts' orders. In its re-designation, State Farm shall separately identify any documents it contends remain confidential solely by reason of a protective order or settlement agreement entered in other litigation. The de-designation directed by this Order does not, of its own force, disturb a confidentiality obligation independently imposed by another court; any dispute regarding such documents shall be addressed under the Paragraph 4 procedure with reference to the terms and jurisdiction of the order said to govern them.

Meet and confer/further challenges. The parties ***SHALL MEET AND CONFER IN PERSON AND IN GOOD FAITH*** regarding any designations that remain in dispute following State Farm's re-designation, in accordance with Paragraph 4 of the Protective Order. Any designation the parties cannot resolve shall be submitted to the Court for determination, at which time the burden of justifying the designation shall rest on State Farm. The Court further admonishes the parties that future discovery disputes could result in attorney fees, sanctions or the appointment of a discovery master.

The Protective Order remains in effect. Plaintiffs' request to lift or dissolve the Protective Order in its entirety is DENIED. The Protective Order was entered on the parties' agreement and provides an orderly mechanism, in Paragraph 4, for resolving the very dispute presented here; the appropriate remedy for over-designation is application of that mechanism and the de-designation directed above, not wholesale dissolution. Except as modified by this Order, the Protective Order remains in full force and effect.

Sealing of court records. Plaintiffs' request for a prospective order prohibiting all future under-seal filings absent a particularized showing of harm is DENIED. Nothing in this Order relieves any party of the obligation to satisfy 51 O.S. §§24A.29 and 24A.30 before any material is filed under seal or removed from the public record. Any request to seal a filed record shall be made by motion, shall be evaluated on a case-by-case basis under the compelling-privacy-interest standard, and shall be granted only upon the findings of fact, conclusions of law, least-restrictive-means, and narrow-tailoring requirements those statutes impose. (**Good v. Farmers Ins. Co., 2023 OK CIV APP 28, 536 P.3d 961**)

IT IS SO ORDERED this 20th day of August, 2026.

Grant Shepard
JUDGE OF THE DISTRICT COURT

CLERK TO MAIL A COPY OF THIS ORDER TO ALL PARTIES AND FILE A CERTIFICATE OF MAILING

I, ROBERT MORALES, District Court Clerk in and for Comanche County, Oklahoma, hereby certify that the foregoing is a true, correct, and complete copy of the instrument herewith set out as appears of record in the Court Clerk's office of Comanche County, Oklahoma. This 20 day of August 20 26
ROBERT MORALES, District Court Clerk
By ______ Deputy