IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

BILLY & LACY HURSH, *Plaintiffs*, v. **STATE FARM FIRE AND CASUALTY COMPANY**; **MARK D. WELTY**; *and* **MARK D. WELTY INSURANCE AGENCY, INC.**, *Defendants*.	Case No. CJ-2025-2626 Honorable Amy Palumbo **FILED** DISTRICT COURT OKLAHOMA COUNTY, OKLAHOMA October 27, 2026 7:56 AM RICK WARREN, COURT CLERK Case Number CJ-2025-2626

PLAINTIFFS' MOTION TO ENFORCE THIS COURT'S SEPTEMBER 1, 2026 MINUTE ORDER DENYING STATE FARM'S MOTION TO QUASH JON FARNEY'S DEPOSITION

COMES NOW, the Plaintiffs, by and through their counsel, Whitten Burrage hereby submits to this Court Plaintiffs' Motion to Enforce this Court's September 1, 2026 Minute Order Denying State Farm's Motion to Quash Jon Farney's Deposition ("Motion"). 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.").

On September 1, 2026, after hearing arguments of the parties and briefing by the parties, denied State Farm's Motion to Quash Jon Farney's deposition, ordering the deposition must take place in thirty (30) days and is limited to four hours, with the ability to request more time if needed. *See* Ex. 1, 09-01-2026 Min. Order. On October 9, 2026, the parties presented an agreed order to this Court, laying out the parameters in place for the four-hour Farney deposition to take place on

October 19, 2026, which would cover both this case and *West v. State Farm*, CJ-2025-135. *See* Ex. 2, 10-09-2026 Farney Order.

Thereafter, the parties agreed to move the deposition from October 19, 2026, and despite numerous emails discussing resetting the deposition before this case goes to trial from Plaintiffs, Plaintiffs have been unable to receive any new dates regarding Farney's deposition, requiring Court guidance. Trial is fast approaching for December 7, 2026, and pretrial is November 19, 2026 and Plaintiffs need to depose Farney before pretrial takes place, as evidenced by this Court denying State Farm's Motion to Quash. Ex. 1.

Farney was presented with information that State Farm was intentionally reducing indemnity, putting pressure on front line claim reps not to replace roofs, and engaging in Unfair Settlement Practices Act Violations, yet did nothing to stop State Farm from engaging in these tactics. For example, an October 26, 2021 Property & Casualty Fire Claim Roof document was created for a Senior Executive Offsite ("SEO") meetings which the CEO attends. *See* Ex. 3, 10-26-2021 P&C Roof SEO Doc, HUR00158701–19, at 701. *See also* Ex. 4, 10-27-2026 Min. Order. Knowing that SEO is presented to the CEO and other senior executives, let's analyze the document and admissions made in it, which confirm the accuracy of Plaintiffs' allegations related to State Farm's intentional reductions of indemnity:

> State Farm has been trending significantly above the industry [in] the percentage of roof replacements for small hail and light wind, meaning we are totaling more roofs than the other carriers across the insurance industry.
> …
> Wind/Hail quality tactics action steps were implemented in Jan. 2021 for all states after a 6-moth approach in the state of Texas. A primary tactic step requires claim team manager approval for full roof replacements for damage potentially caused by small hail and light wind. [Caution should be exercised here. **Our adversaries could say this places pressure on front line claim reps to not replace a roof.]**
> …
> YOY R12 Cat and NCAT Wind Closed Without Payment (CWP) to Reported ratio is up 17 points (39.5), and R12 Cat and NCAT Hail CWP to Reported Ratio is up

> 13 points (39.3). [Does this suggest that CWP is a positive — that we consider this improvement? A higher CWP should be considered evidence of greater accuracy — **the implication is that we are intentionally reducing indemnity dollars and celebrating greater numbers of CWP**.]
> …
> Customers are telling us: They do not know /want more information on what to expect throughout the entire claim process. They are confused by the/would like more information on the inspection – options to resolve their claim. There is a lack of ongoing/would like more frequent -communication and follow-up throughout the life of the claim. [**These bullets potentially implicate Unfair Claims Practices Act, potentially**.
> …
> General sentiments gathered from thousands of conversations with agents revolve around the following themes: **Agents prefer State Farm replace roofs instead of repair based on the value of the State Farm policy they sold to customers and remove the disruption to their agency and loss of customers related to the roofing coverage decisions.**

Ex. 3 at HUR158702-05, 07 (emphasis added).

State Farm knew its tactics aimed at wind and hail were intentionally reducing indemnity and that its agents "prefer State Farm replace roofs instead of repair based on the value of the State Farm policy they sold," meaning the value represented to the insureds is materially different than the coverage State Farm provides, which is negligent procurement. This is in stark contrast to claims State Farm made in opposing Plaintiffs' first motion to compel, claiming it "never attempts to arbitrarily reduce total roof replacements or indemnity payments to meet industry standards." *See e.g.* State Farm Resp. to Pls.' First Mot. to Compel, Oct. 23, 2025) at 11–12. Plaintiffs are entitled to ask the CEO under oath why he failed to prevent these tactics from being implemented, why State Farm used an industry standard to reduce claim payments without changing its policy, and why State Farm and its agents did all of this in secret to financially benefit at the expense of insureds like Plaintiffs.

Plaintiffs respectfully request this Court enter a 4(h) Order enforcing the September 1, 2026 Minute Order that Jon Farney must be deposed in fifteen (15) days to allow the Plaintiffs sufficient

time to supplement Plaintiffs' Responses to the pending Summary Judgment motions filed by State Farm and Welty Agency with Farney's testimony, as Plaintiffs responses to the pending summary judgements are due November 2, 2026, to be heard on November 13, 2026.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on the 27th day of October, 2026, a true, correct, and exact copy of the foregoing document was emailed and/or mailed to the following persons:

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S/Reggie Whitten
Reggie Whitten

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IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

Hursh — Petitioner(s) — Attorney(s) for Petitioner: Paige Whitten, Michael Burrage, Blake Sonne, Hannah Whitten, John Sanders, Ryan Delaney

FILED IN DISTRICT COURT OKLAHOMA COUNTY
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--vs.

Case No. CJ-2025-[redacted]2626

State Farm, et. al — Respondent(s) — Attorney(s) for Respondent: Lance Leffel, David Herbert

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SEP 02 2026
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COURT MINUTE

Date: 9-1-2026 Judge Amy Palumbo

Hearing On: State Farm's Motion to Quash Jon Farney Notice & Mot. for PO

Ruling By Court:

State Farm's Motion to Quash Jon Farney & Motion for protective Order is denied. The deposition of Mr. Farney is to take place within the next 30 days. The deposition is limited to 4 hours and the parties can request more time later if needed.

Counsel for Plaintiffs

The Court

Counsel for State Farm

Lance E. Leffel

Exhibit 1

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

OCT - 9 2026
RICK WARREN
COURT CLERK
42

BILLY & LACY HURSH,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	Case No. CJ-2025-2626
	)	Hon. Amy Palumbo
STATE FARM FIRE & CASUALTY COMPANY; MARK D. WELTY; and MARK D. WELTY INSURANCE AGENCY, INC.,	)	
	)	
Defendants.	)	

AGREED ORDER FOR DEPOSITION OF JON FARNEY

Plaintiffs, Billy and Lacy Hursh ("Plaintiffs"), and Defendants, State Farm Fire & Casualty Company ("State Farm"); Mark D. Welty and Mark D. Welty Insurance Agency (hereinafter "the Parties") submit this Agreed Order memorializing their agreement for the completion of the deposition of Jon Farney in accordance with the Order of this Court dated September 1, 2026, attached hereto as Ex. 1. In support of this Agreed Order, the Parties state as follows:

1. On September 1, 2026, the Parties appeared through counsel for a hearing on Defendant State Farm's Motion for Protective Order and to Quash Plaintiffs' Deposition Notice of State Farm's Chief Executive Officer Jon Farney ("State Farm's Motion to Quash").

2. After hearing the argument of counsel in open court, the Court denied State Farm's Motion to Quash and ordered the Parties to complete the deposition of Mr. Farney within 30 days. The Court further ordered that the deposition of Mr. Farney be limited to four hours, allowing the Parties to request more time if needed. *See* September 1, 2026 Minute Order, Exhibit 1 (the *Hursh* Order).

3. On August 14, 2026, the Honorable Grant Sheperd, Judge of the District Court in and for Comanche County, entered an Order allowing the deposition of Mr. Farney in *Neil and Lacy West v. State Farm Fire and Casualty Company and Nancy Holcomb Insurance Agency,* Case No. CJ-2025-135 (the "*West* Order"). The *West* Order limited the duration of Mr. Farney's deposition to four hours, and the subject matter of inquiry for the

Exhibit 2

deposition to: (a) State Farm's Fire Model Enhancement initiative; (b) the Fix Profit Task Force; and (c) information regarding these matters not fully covered with prior deponents.

4. Following the entry of this Court's September 1, 2026, Order and the *West* Court's August 14, 2026, Order, the Parties conferred in good faith to discuss a fair, equitable and efficient means for completing the deposition of Mr. Farney.

5. The Parties considered that Plaintiffs in both the *West* and *Hursh* cases are represented by the same counsel and that the testimony sought from Mr. Farney in each case is identical or substantially similar.

6. The Parties further considered the need to complete the ordered depositions of Mr. Farney without undue delay through further motion practice or appellate relief while balancing the need to protect the witness from unnecessary expense or burden.

7. Notwithstanding any now filed, pending or future De-Designation Motion, or any order granting such motions in whole or in part, the designation, treatment, use, disclosure, and provisional filing under seal of the Farney Documents shall be governed exclusively by this Agreed Order. In the event of any conflict between this Agreed Order and any order resolving a De-Designation Motion, this Agreed Order shall control with respect to the Farney Documents and testimony concerning their contents.

8. Considering these factors, the Parties reached an agreement, as set forth in this Agreed Order, for the completion of Mr. Farney's deposition on the following terms:

   a. The Parties agree to conduct one deposition of Mr. Farney that shall apply to both the *Hursh* and *West* cases and shall satisfy compliance with the *Hursh* and *West* Orders;

   b. The single deposition shall be limited to four hours on the record, forgoing requests for additional time absent extraordinary circumstances arising during the deposition warranting such relief which may be presented by Motion to the Court;

   c. The Parties may inquire into Mr. Farney's personal knowledge of all issues relevant to the claims and defenses at issue in the *Hursh* and *West* cases consistent with 12 O.S. § 3226(A)(1);

   d. State Farm's agreement to forgo further motion practice or appellate relief with respect to Mr. Farney's ordered deposition shall not constitute an admission, concession, or waiver by State Farm that plaintiffs in any other case are entitled to depose Mr. Farney, or that any testimony he provides pursuant to this Agreed Order is relevant, material, proportional, or admissible in the *Hursh* or *West* cases, or in any other proceeding. State Farm expressly reserves and does not waive all objections to the relevance, materiality, and admissibility of Mr. Farney's testimony for any and all purposes.

e. State Farm agrees to conduct a targeted search for wind/hail-related documents and communications including Mr. Farney regarding the Fix Profit Task Force; Fire Model Enhancement and SEO (Senior Offsite Executive) meetings (the "Farney Documents"), which Plaintiffs have claimed are relevant in the *Hursh* and *West* cases, with responsive documents produced one week in advance of the scheduled deposition;

f. To allow for completion of the search and production of the Farney Documents in *Hursh* and *West,* the Parties agree the examination of Mr. Farney will be completed on October 19, 2026, in Bloomington, Illinois, or on any other date mutually agreed to by the Parties.

g. State Farm's production of the Farney Documents described above in subparagraph (e) is made solely in the interest of compromise, and to facilitate the timely completion of Mr. Farney's deposition in the *Hursh* and *West* cases. Neither this Agreed Order nor State Farm's production made pursuant to it shall constitute an admission, concession, or waiver by State Farm that the Fix Profit Task Force, Fire Model Enhancement, or any document or communication produced in connection with this agreement is relevant, material, proportional, or admissible in the *Hursh* or *West* cases, or in any other proceeding. State Farm expressly reserves and does not waive all objections to the relevance, materiality, and admissibility of such documents and communications for any and all purposes.

h. Based on the nature and timing of the subject matter, State Farm reasonably anticipates that the Farney Documents may include recent, nonpublic business and financial analyses; information concerning State Farm's internal operations, performance, and business initiatives; and communications involving State Farm's President and Chief Executive Officer and other senior leaders concerning these matters. State Farm maintains that any such Farney Documents may constitute sensitive business or financial information not generally known outside State Farm, and State Farm may designate certain Farney Documents "confidential" to the extent warranted under the terms of the *Hursh* and/or *West* protective orders. To permit the production of the Farney Documents and the orderly completion of Mr. Farney's deposition without threshold motion practice, Plaintiffs agree that, until the completion of Mr. Farney's deposition, they will not challenge the confidentiality of any Farney Document that State Farm designates "confidential" and will treat it as such under the applicable protective order(s). This interim treatment does not constitute an admission by Plaintiffs that any specific document warrants a confidential designation and is without prejudice to either Party's right, after the deposition, to challenge or defend the designation of any particular document under the applicable protective order. Pending final resolution of any such challenge, as further set forth in subparagraph (i) below, the document at issue will continue to be treated in accordance with its designation. Plaintiffs agree that any filed, pending or future De-Designation Motion does not constitute a challenge to the confidentiality designation of any Farney Document. No general de-designation of documents, restriction on confidentiality designations, or restriction on filings under seal entered in response to any De-Designation Motion shall apply to the Farney Documents.

The confidentiality of the Farney Documents shall instead be determined separately under the procedures established in this Agreed Order and the applicable protective orders, and the parties shall continue to adhere to 12 O.S. § 3226(C)(2), 51 O.S. § 24A.29, and any applicable local rules when seeking to seal materials entered into the judicial record.

i. To the extent Plaintiffs seek to challenge the confidentiality designation of any Farney Document after conclusion of Mr. Farney's deposition, Plaintiffs shall follow the challenge procedures set forth in the *Hursh* and *West* protective orders. If any Court de-designates any of the Farney Documents, State Farm is entitled to seek further review of any such order, via an application for a writ of mandamus/prohibition or other available avenues for review. Upon notice from any party of intent to appeal a ruling regarding de-designation the Parties shall not use or disseminate the challenged documents and shall further treat the documents or information as "confidential" until resolution of such objection or appeal.

j. Subject to the rights reserved in subparagraphs (h) and (i), the protective orders in *Hursh* and *West* shall govern the use and disclosure of the Farney Documents, including the substance of information contained in those documents, that State Farm designates "confidential" under those orders. Any confidential Farney Document shall be used solely in connection with the prosecution of the *Hursh* and *West* cases, and for no other purpose, and in no other case, matter, or proceeding, except as otherwise permitted by the applicable protective order, by written agreement of the Parties, or by court order.

k. Nothing in this Agreed Order purports to presumptively entitle either Party to file the Farney Documents under seal. A confidential designation alone is not sufficient to justify sealing any Farney Document entered into the judicial record, and a Party must first seek and obtain permission from this Court before such a document may be entered into the judicial record under seal.

IT IS ORDERED, ADJUDGED AND DECREED as stated above.

AMY PALUMBO

HONORABLE AMY PALUMBO
JUDGE OF THE DISTRICT COURT

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AS FILED OF RECORD
IN DISTRICT COURT

OCT - 9 2026

RICK WARREN COURT CLERK
Oklahoma County

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CC: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]
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Subject: SEO Fire Claims Service & Quality Update
Attachments: 10.26.21 SEO Fire Claims Service Quality Updated.docx; Law Department Feedback.msg

Hello Kathy and Greg,

Attached is the revised version of the summary for use at the SEO. There are a couple of edits I wanted to point out. Redacted – AC the law department recommends Redacted – AC. If those changes are acceptable to you I can accept the changes and resend a clean copy of the summary.

I have also attached their emails with the draft containing their comments for context behind the edits I have incorporated to ensure you are comfortable with the adjustments.

Please let me know if you have any questions.

Thanks,

Scott

Exhibit 3

EXHIBIT 133

P&C Claims | Fire Claims Roofs - Quality & Service

October 26, 2021

Headlines

- State Farm has been trending significantly above industry in roof replacements for small hail and light wind, meaning we are totaling more roofs than ~~the industry recognized standards and~~ carriers across the insurance industry. We continue to evaluate the quality of our claim handling based on the circumstances of each claim and policy coverages available.
- Questions and concerns about wind/hail and roof quality claim handling practices continue to surface from Market Area leadership and with agents from across the country.
- Claim handling capabilities have improved with 1) the automated use of weather data, 2) up skilling specific to wind and hail causation and scoping, and 3) introduction of quality management intervention for review of total roofs for small hail and wind losses.
- Claim handling skills in Wind/hail claim handling overall is improving. Fire Estimate Difference (FED) Error Frequency Rates have positively trended down in 2021. Non-catastrophe wind/hail Paid Severity is up 4.2% YOY, with increases in wind (+3.4%) and hail (+4.2%) severity. Non-catastrophe severity is trending below the range of historical CAGR results.
- Fire customer satisfaction is down overall the last five years, with greater drop is satisfaction the last two years since the pandemic. The Fire CES has improved since spring 2022, yet still under the 4.0 target.
- The Fire Claims Service Call to Action implemented in June focuses on proactive communication with customers and agents to ensure understanding of the claim process and details of the adjustment. Improvement is needed in more consistent communication with agents.
- Continuous quality surveys and reinspections continue with an upcoming targeted survey on claim files with an engineer and those with appraisals.
- An end-to-end Fire Claim Operating Model review has been initiated with a Phase 1 focus on 1) Reduce overall handoffs and the number of claim handlers on any one claim, 2) Evaluate overall resource approach and resource mix (internal and external), and 3) integrate technology into the claim process that enhances the customer and agent experience. Phase

Context: Fire Quality Claim Handling in Roofing

State Farm and Industry Trends

State Farm has been trending significantly above the industry the percentage of roof replacements for small hail and light wind, meaning we have been totaling more roofs than the other carriers across the insurance industry. When the enhanced quality work kicked off, the following State Farm results against industry were noted. It is important to recognize that policy coverages may vary from carrier to carrier and State Farm continues to evaluate each claim based on the individual circumstances of the loss and coverages available.

- *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. (Data Set Analysis: Texas, All Wind/Hail Losses (Cat and Non-Cat), 2017-2019).

Redacted – AC

Commented [SW1]: Law Department recommends

Redacted – AC

Redacted – AC

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We are committed to diligently investigating, reasonably evaluating, and acting promptly to resolve the claim to ensure the policyholders obtain all benefits available and provided by the insurance policy. The expectations we have for the claim staff

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P&C Claims | Fire Claims Roofs - Quality & Service

October 26, 2021

remain unchanged and we are committed to providing the customers who have experienced a loss with remarkable claim services in alignment with Our Commitment to Our Policyholders.

Questions and concerns about wind/hail and roof quality claim handling practices continue to surface from Market Area leadership and with agents from across the country. Agents have been engaging in the claim handling investigation and quality claim handling decisions separate from [should this be "in contravention to"] the Statement of Policy Claims Services Reference Guide (statefarm.org) where "*State Farm prohibits [agents] from attempting to influence the amount or timing of claim payment*". General sentiments gathered from thousands of conversations with agents revolve around the following themes:

- Agents prefer State Farm replace roofs instead of repair based on the value of the State Farm policy they sold to customers and remove the disruption to their agency and loss of customers related to the roofing coverage decisions.
- Neighbor's insurance companies replace roofs, yet State Farm did not identify covered damage or covered damage is less than the deductible making it a difficult conversation for the agent.
- Roofing contractors are negatively portraying State Farm to customers and agents impacting the State Farm brand in the local markets; State Farm agents indicate "reputable roofing contractors" do not agree with our damage investigation and evaluation.
- Some claim leaders are overturning initial roofing decisions leading to the conclusion overall claim handling decisions are inaccurate.
- In some cases, findings of damage or the scope of damage changes from the original decision when engineers are engaged or appraisal provision pursued, creating a lack of confidence.

What did we change in our wind/hail quality claim handling?

- Automatically downloading weather data to file to identify atmospheric weather events as an additional evidentiary information in the damage investigation
- Consulting Services, Reinspection Shared Services, and Claims Training developed additional training to be completed by all fire claim specialists who are responsible for scoping and writing building estimates based on Reinspection findings on scoping opportunities. Wind & Hail Training in 2020 and refresher in 2021 was conducted for State Farm fire claim teams. External claim resource vendors also implemented wind & hail training with their employees. Additional Estimatics scoping and pricing training has continued throughout the year and continues.
- Wind/Hail quality ~~tactics~~ action steps were implemented in Jan. 2021 for all states after a 6-month approach in the state of Texas. A primary ~~tactic~~ step requires claim team manager approval for full roof replacements for damage potentially caused by small hail and light wind. [Caution should be exercised here. Our adversaries could say this places pressure on front line claim reps to not replace a roof.]
- Wind/Hail Quality Claim Training and Calibration sessions were conducted across Fire Claims in March/April and July 2021; Roof Skills Assessments were conducted to target improvement areas at the macro and individual level and execute on action plans and additional training.
- Rolled out the Roof and Exterior Inspection Assist Program (REIAP) as an inspection option for claim handlers to assist in the claim adjustment of roof and exterior structural damage when an inspection and scope is needed. A soft rollout occurred on October 13, 2020 for Maryland, Georgia, Illinois and New Mexico. The program went live for the US (less 5 states) fully on March 8, 2021. REIAP vendors conduct an inspection and scope of the losses and submits with photographs to a claim handler to review for damage, estimate preparation and settlement of the loss with the customer.

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What are the current results?

Fire Estimate Difference Error Frequency Trends

Accuracy in wind/hail claim handling overall is improving related to improve coverage application, scoping of the loss and estimate reconciliation. Fire Estimate Difference (FED) Error Frequency Rates have positively trended down in 2021.

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P&C Claims | Fire Claims Roofs - Quality & Service

October 26, 2021

- Wind Peril – 6.82% YTD and 5.43% 3Q 2021 FED Finding Error Frequency continues to improve due to more accurate Coverage Application and Scoping. 4Q 2020 FED Frequency Error rate was 7.84%.
- Hail Peril – 6.92% YTD and 5.66% 3Q 2021 3Q 2021 FED Finding Frequency Error continues to improve due to more accurate Coverage Application and Scoping. 4Q 2020 FED Frequency Error rate was 9.17%.

Total Roof to Partial Roof Trends

Improved quality claim handling is being realized over time in identifying wind and hail damage to roof surfaces as the proportion of total roof replacements to partial roof replacements/repairs. [Accuracy is not necessarily improved by a lower TR to PRR ratio. If the facts of each TR claim support a TR, then our accuracy needs no improvement.] A single hail event with larger hail stones or higher wind speeds will result in greater TR to PRR ratios as experienced in May and June following April and May spring hail events primarily in OK and TX. This rate also peaks with higher category hurricane events.

TR to PRR trends are as follows:

- From April to Dec 2020, the rate of Total Roof Replacements to Partial Roof replacements was 3.21 to 1.
- From Jan to Sept 2021, the rate of Total Roof Replacements to Partial Roof replacements is 1.95 to 1.
  - The analysis does not account for the severity of events and included catastrophe and non-catastrophe roof payments.

Wind & Hail Loss Trends (September 2021)

- YOY R12 Cat and NCAT Wind Closed Without Payment (CWP) to Reported ratio is up 17 points (39.5), and R12 Cat and NCAT Hail CWP to Reported Ratio is up 13 points (39.3). [Does this suggest that CWP is a positive – that we consider this improvement? A higher CWP should be considered evidence of greater accuracy – the implication is that we are intentionally reducing indemnity dollars and celebrating greater numbers of CWP.]
- Non-catastrophe Wind/Hail Paid Severity is up 4.2% YOY, with increases in wind (+3.4%) and hail (+4.2%) severity. Non-catastrophe severity is trending below the range of historical CAGR results.
- Non-catastrophe NPI decreased -$186.2M YOY, influenced by decreases in wind (-$130.6M) and hail losses (-$55.4M). NPI was -0.9% less than the prior five-year average.
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Market Area Claims (MAC) Quality Claim Handling Communication Approach

A Market Area Claims Partnership was formed in late 2020 to work with agency leadership to address customer points of concern and trends following a historical 2020 [Some context necessary here. Why was it "historical"? COVID?]. Ongoing market area executive sessions (12 across 6 market areas) were completed YTD, following a Feb. 2021 MAC kick off. Executive conversations focused on fire quality claim handling ~~tactics~~ specific to roof claims. 12 Navigating Fire Claims & Catastrophe Response general sessions were offered in April 2021 where market area leaders could attend any session. Quality claim handling and the use of new inspection vendors were key topics of these sessions. Participation in the sessions ran ~35% overall of VPAs and Sales Leaders. 489 General Sessions were co-hosted with agents focusing on roof quality claim handling and updated approaches through August 25, 2021, with various levels of agent participation. The

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Wind/Hail Quality Claim Handling video was released to agents and their teams in May 2021. [Question to FCC – did we review the script/video?]

Throughout 2021, Fire claims leaders continued discussions with VPA, sales leaders and agent groups across the country to discuss wind/hail claim handling issues. During these meetings, claims leadership continued to educate on current roof claim handling practices, coverage and benefits afforded under the State Farm policies, industry standards of reparability [Again caution – industry standards are not our standard of performance. Paying what we owe on each claim is.], provided updates on the claim handling quality improvements, and discussion regarding the progress of the service call to action plans.

Targeted Quality Control Reviews

We have allotted a significant amount of oversight activity with layered methods to measure and calibrate for accuracy. Weekly surveys for quality and service are conducted, targeted surveys specific to a geography, a peril, or just roofs, reinspections (@3500 per month), and complaints diagnosis are all part of macro and micro quality oversight. Individual, team, section, division and vendor results are reviewed, and action taken to improve related to specific findings. Using this feedback loop, we have adjusted quickly to address the findings in these reviews.

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Overall findings from continuous targeted surveys conducted YTD with roofs across the U.S. indicate:

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Roof Scope of Loss and Claims Process – Matching

Scope of Loss

We have communicated the following Internal Guidance for Adjusting Staff: We are committed to diligently investigating, reasonably evaluating and acting promptly to resolve the claim to ensure the policyholders obtain all benefits available and provided by the insurance policy. The expectations we have for the claim staff remain unchanged and we are committed to providing the customers who have experienced a loss with remarkable claim services in alignment with Our Commitment to Our Policyholders.

Operations Guide 75-10

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Claim handlers should use judgment on each claim when determining whether replacement of [??] exterior building materials provides a reasonably consistent appearance with undamaged materials of the same type on the exterior of the home.

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We may choose to replace a slope(s) instead of repairing the slope(s) if (1) the materials are no longer available, such as a T-lock shingle, (2) the cost to repair the slope(s) or roof is over a majority of the value to replace the slope(s) or roof, (3) a shingle repair would not allow for a reasonably consistent appearance, or (4) attempting repairs to the shingles would damage more shingles and the roof cannot be repaired.

Claim Process – Matching

Our claim staff will work with the insured and the contractor of insured's choice to determine the scope of repair, including consideration of undamaged property and final scope of repair.

Reasonably Consistent Appearance

- The contract's loss settlement provision has no language requiring payment for matching material or appearance.
  - Claim teams look to loss jurisdiction and determine if there are any laws/regulations related to matching/reasonably uniform appearance (RUA) codes and will comply with laws/regulations.
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Material considerations

- State Farm's Roofing Locator Service (RLS) and Siding Locator Service (SLS) are web-based search tools designed to assist claim handlers by providing a resource for identifying roofing and siding products.
  - When an issue of identifying a reasonably consistent appearance shingle arises, claim handlers may submit a physical sample of the product for inspection by the State Farm program administrators.
  - The Locator Services Job Tool provides direction on whether a similar or comparable siding or roofing material may be available that may provide for a "reasonably consistent appearance."
  - The RLS and SLS provide the adjuster a resource to identify if there is a similar/comparable product available for repair or replacement.
- Oftentimes, contractors submit shingles to Independent Testing Evaluation Laboratory (ITEL). ITEL was founded to provide independent and estimated pricing and matching services utilizing their lab. ITEL's roofing services are widely used by industry roofing companies for estimating on all types of flooring, roofing, and siding. ITEL's matching services help locate many types of current and discontinued siding and roofing products.

Customer Experience and Service & Quality Survey Results

Our mission in Claims is to be the industry leader in helping people recover from the unexpected while delivering on Our Commitment to Our Policyholders. In June 2021, Fire Claims implemented and has since made progress on action plans to improve the customer and agent experience. We are seeing improvements in Customer Experience Survey (CES). Fire CES is trending from a March low of 3.4 to 3.5 in August (target for Fire CES is 4.0), remaining fairly flat from June to August. The YTD Fire Complaint Analysis indicate 63% of formal complaints are made related to 1) Disagrees with valuation, 2) Claim denied/not covered, 3) Dissatisfied with payment, and 4) Deductible and Coverage. The 2021 YTD Fire Complaint to Claim ratio is 1.56% compared to 1.13% in 2020.

Targeted quality and service reviews indicate customers are not satisfied with roof repairs versus replacements related to wind/hail losses, making it more critical for simple and empathetic communication

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explaining the scope of the loss, damage covered under the loss, and reparability of the damage. Service scans confirm claim handlers communicate with a customer's contractor post-inspection in place of our customers, not meeting service expectations to maintain proactive updates with the customer.

As we execute on quality claim handling to fulfill Our Commitment to Our Policyholders, opportunities exist to consistently deliver upon our customer service expectations and communications with policyholders. Customers are telling us:

- They ~~do not know~~want more information on what to expect throughout the entire claim process.
- They ~~are confused by the~~would like more information on the inspection options to resolve their claim.
- They~~re is a lack of ongoing~~would like more frequent communication and follow-up throughout the life of the claim.

~~[These bullets potentially implicate Unfair Claims Practices Act, potentially. Can we claim Self-Evaluative Privilege on this document, and if so, let's label this accordingly]~~

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Additional findings included:

- Damage inspection options are not consistently optimized based on claim characteristics to ease customer choice.
- Some customers have experienced multiple claim handlers on an individual claim.
- Claim leadership would benefit from more efficient approaches to identify and coach claim handlers for real-time service intervention.

What we are doing to improve the experience:

- Explaining coverage/causation/damage estimate in a way a customer understands.
- Engaging the agent when there is no coverage/partial coverage.
- Leveraging the use of customer-focused infographics to reinforce the verbal communication to explain the various processes involved throughout the life of a claim in a repetitive way for customers.
  - On eligible losses for Homeowners Building claims, policyholders receive a Homeowners Building Settlement and Replacement Cost Benefit resource, through an automated email On October 19, 2021, the Roof and Exterior Inspection Assist Program (REIAP) Infographic was automated Fire Claims Infographics (statefarm.org) for qualifying claims.
  - Policyholders are manually emailed a Homeowners Building Estimate infographic to help explain the estimate, depreciation, reconciliation and replacement cost benefits. A large loss infographic called My Home Has Significant Damage is also manually emailed for qualifying claims. Both of these resources will be automated in future ECS releases.
- Continuing to use the Fire Estimating page on within ABS to provide details in one location for agents and links to the infographics for agent use.
- Updating our approach to verbally explain how price fluctuations may occur and the purpose of estimate reconciliation.
- Consistently engaging the customer as we interact with the contractor.
- Limiting the number claim handlers on high complexity losses.

Service Call to Action

We developed the Fire Service Call to Action based on the deep dive into our customer experience surveys, our file surveys, reinspection data and feedback from the complaint activity. The Service Call to Action focuses on service and responsiveness to improve communication with customers and agents to ensure understanding of the claim process and details of the adjustment.

A biweekly service call to action playbook is released to fire claim leadership with updates on ~~tactics~~ action items to execute upon and actual progress on executing service and quality ~~tactics~~ plans related to roof claims outcome. The playbook sets expectations and provides direction to leadership on quality and services

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objectives for the week with examples of successful outcomes. An ECR Vendor set of ~~tactics~~ expectations and results are also addressed on a biweekly basis.

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Fire Claims leadership conducts biweekly service & quality surveys on individual fire claims to measure progress and areas needing improvement related to the Service Call to Action.

- The rolling-4 month [???] survey of [???] current composite scores for proactive contact with customers during key points of the claim process decreased from 93% to 92% (This means our claim handlers continue to make improvement in voice-to-voice contact with customers).
- Refreshed ~~tactics are focusing~~focus on improvement with proactive agency outreach with a current composite score of 58%, down from 62%.
- Our Overall Quality Composite Score (whether the decision on the evaluation of the claim was documented) is up slightly to 97% (from 96%) the past week reflecting photo and file documentation supports the accuracy of the claim decision.
- The Home Estimate Infographic presently is manually emailed at a rate of 75% up from 71% in the past survey period. The estimatics infographics are being automated in a future Enterprise Claim System release.

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Learn and Adapt

Quality Claim Handling

- OG 75-160, Wind/Hail Roofing Guidelines (statefarm.org) is updated to provide clarification to when there is scattered wind damage. The clarification states the following and is intended to assist the claim handler in their repair vs. replacement analysis for wind damage.
- New Operation Guide Language:
  - For wind losses, test squares do not apply. Wind damage may be concentrated to a specific area(s) of the slope(s) or may be widespread and scattered damage throughout a slope(s). The inspection should document the total number of wind damaged shingles to each slope and the areas of wind damage. Consider the extent and location of the wind damage in determining whether repair or replacement of the slope(s) is warranted. If there are multiple areas of wind damage scattered throughout a slope(s), claim handlers should exercise judgment in determining if replacement of the wind damage slope(s) is warranted. The claim file should be documented to reflect the basis for the repair/replace decision of the wind damaged slope(s). An upcoming targeted survey on claim files using engineers and those with appraisals will help identify potential areas of recalibration specific to damage identification and scoping the loss. [Has FCC reviewed and approved this language?]

Service Call to Action

Call to Action ~~tactics work~~ will be expanded to most fire perils in 4Q 2021. Automation of infographics is being prioritized.

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MAC Partnership

The partnership will be refreshed to develop a systematic approach to agency outreach and visitations to further deepen education and awareness and strengthen the relationship between Claims and Agents.

Fire Operating Model End-to-End Review

An end-to-end Fire Claim Operating Model review has been initiated with a Phase 1 focus on 1) Reducing overall handoffs and the number of claim handlers on any one claim, 2) Evaluating overall resource approach and resource mix (internal and external), and 3) integrating technology into the claim process that enhances the customer and agent experience. Phase One work to commence in 1Q 2022.

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From: Scott Welsh [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=CX30]
Sent: 10/26/2021 5:33:17 PM
To: Scott Welsh [scott.welsh.cx30@statefarm.com]
Subject: FW: Law Department Feedback
Attachments: 10.26.21 SEO Fire Claims Service Quality Update.docx

From: Mark Cavanaugh <mark.cavanaugh.lnms@statefarm.com>
Sent: Tuesday, October 26, 2021 11:39 AM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tim Marron <tim.marron.ifet@statefarm.com>
Subject: RE: 10.26.21 SEO Fire Claims Service & Quality Update

PRIVILEGED AND CONFIDENTIAL
ATTORNEY CLIENT COMMUNICATION
ATTORNEY WORK PRODUCT

Redacted – AC

From: Scott Welsh
Sent: Tuesday, October 26, 2021 11:24 AM
To: Tim Marron <tim.marron.ifet@statefarm.com>
Cc: Mark Cavanaugh <mark.cavanaugh.lnms@statefarm.com>
Subject: RE: 10.26.21 SEO Fire Claims Service & Quality Update

Hello Tim and Mark,

Redacted – AC

Thank you again for your help and please let me know.

Scott

From: Tim Marron <tim.marron.ifet@statefarm.com>
Sent: Tuesday, October 26, 2021 10:33 AM
To: Scott Welsh <scott.welsh.cx30@statefarm.com>
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Subject: FW: 10.26.21 SEO Fire Claims Service & Quality Update

Privileged and confidential
Attorney client communication

Scott,

Redacted – AC

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October 26, 2021

Headlines

- State Farm has been trending significantly above best-in-class in roof replacements for small hail and light wind, meaning we are totaling more roofs than the industry recognized standards and across the insurance industry. [C Redacted – AC
  Redacted – AC
- Questions and concerns about wind/hail and roof quality claim handling practices continue to surface from Market Area leadership and with agents from across the country.
- Claim handling capabilities have improved with 1) the automated use of weather data, 2) up skilling specific to wind and hail causation and scoping, and 3) introduction of quality management intervention for review of total roofs for small hail and wind losses.
- **Redacted - AC**
  Redacted - AC FED) Error Frequency Rates have positively trended down in 2021. Non-catastrophe wind/hail Paid Severity is up 4.2% YOY, with increases in wind (+3.4%) and hail (+4.2%) severity. Non-catastrophe severity is trending below the range of historical CAGR results.
- Fire customer satisfaction is down overall the last five years, with greater drop is satisfaction the last two years since the pandemic. The Fire CES has improved since spring 2022, yet still under the 4.0 target.
- The Fire Claims Service Call to Action implemented in June focuses on proactive communication with customers and agents to ensure understanding of the claim process and details of the adjustment. Improvement is needed in more consistent communication with agents.
- Continuous quality surveys and reinspections continue with an upcoming targeted survey on claim files with an engineer and those with appraisals.

Context: Fire Quality Claim Handling in Roofing

Redacted – AC

- *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. (Data Set Analysis: Texas, All Wind/Hail Losses (Cat and Non-Cat), 2017-2019).
- Redacted – AC 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). ["Industry Best" does not necessarily mean replacing fewer roofs. Quality improvement should not be measured by reducing number of roof replacements. Other measures, such as estimates more closely matching reinspections, should be the measure. This language is similar to what we've seen with indemnity metrics on Auto side. We measure quality based on the facts of each individual claim, not based on how we do versus industry and especially not based on totalling fewer roofs.]

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Commented [TM3] Redacted – AC
Redacted – AC

Commented [TM4] Redacted – AC
Redacted – AC

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Our focus is on improving towards with industry recognized standards for causation and repair/replace estimates. [Our focus should be on improving accuracy of our estimates and damage assessments, not on getting closer to industry averages. We assess damage based on mertis of each claim.] We are committed to diligently investigating, reasonably evaluating, and acting promptly to resolve the claim to ensure the policyholders obtain all benefits available and provided by the insurance policy. The expectations we have for the claim staff remains unchanged and we are committed to providing the customers who have experienced a loss with remarkable claim services in alignment with Our Commitment to Our Policyholders.

Questions and concerns about wind/hail and roof quality claim handling practices continue to surface from Market Area leadership and with agents from across the country. Agents have been engaging in the claim handling investigation and quality claim handling decisions separate from Redacted – AC the Statement of Policy Claims Services Reference Guide (statefarm.org) where "*State Farm prohibits [agents] from attempting to influence the amount or timing of claim payment*". General sentiments gathered from thousands of conversations with agents revolve around the following themes:

- Agents prefer State Farm replace roofs instead of repair based on the value of the State Farm policy they sold to customers and remove the disruption to their agency and loss of customers related to the roofing coverage decisions.
- Neighbor's insurance companies replace reverse roofs, yet State Farm did not identify covered damage or covered damage is less than the deductible making it a difficult conversation for the agent.
- Roofing contractors are negatively portraying State Farm to customers and agents impacting the State Farm brand in the local markets; State Farm agents indicate "reputable roofing contractors" do not agree with our damage investigation and evaluation.
- Some claim leaders are overturning initial roofing decisions leading to the conclusion overall claim handling decisions are inaccurate.
- In some cases, findings of damage or the scope of damage changes from the original decision when engineers are engaged or appraisal provision pursued, creating a lack of confidence.

What did we change in our wind/hail quality claim handling?

- Automatically downloading weather data to file to identify atmospheric weather events as an additional evidentiary information in the damage investigation
- Consulting Services, Reinspection Shared Services, and Claims Training developed additional training to be completed by all fire claim specialists who are responsible for scoping and writing building estimates based on Reinspection findings on scoping opportunities. Wind & Hail Training in 2020 and refresher in 2021 was conducted for State Farm fire claim teams. External claim resource vendors also implemented wind & hail training with their employees. Additional Estimatics scoping and pricing training has continued throughout the year and continues.
- Wind/Hail quality tactics were implemented in Jan. 2021 for all states after a 6-month approach in the state of Texas. A primary tactic requires claim team manager approval for full roof replacements for damage potentially caused by small hail and light wind. Redacted - AC Redacted - AC
- Wind/Hail Quality Claim Training and Calibration sessions were conducted across Fire Claims in March/April and July 2021; Roof Skills Assessments were conducted to target improvement areas at the macro and individual level and execute on action plans and additional training.
- Rolled out the Roof and Exterior Inspection Assist Program (REIAP) as an inspection option for claim handlers to assist in the claim adjustment of roof and exterior structural damage when an inspection and scope is needed. A soft rollout occurred on October 13, 2020 for Maryland, Georgia, Illinois and New Mexico. The program went live for the US (less 5 states) fully on March 8, 2021. REIAP vendors conduct an inspection and scope of the losses and submits with photographs to a claim handler to review for damage, estimate preparation and settlement of the loss with the customer.

What are the current results?

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Fire Estimate Difference Error Frequency Trends

Accuracy in wind/hail claim handling overall is improving related to improve coverage application, scoping of the loss and estimate reconciliation. Fire Estimate Difference (FED) Error Frequency Rates have positively trended down in 2021.

- Wind Peril – 6.82% YTD and 5.43% 3Q 2021 FED Finding Error Frequency continues to improve due to more accurate Coverage Application and Scoping. 4Q 2020 FED Frequency Error rate was 7.84%.
- Hail Peril – 6.92% YTD and 5.66% 3Q 2021 3Q 2021 FED Finding Frequency Error continues to improve due to more accurate Coverage Application and Scoping. 4Q 2020 FED Frequency Error rate was 9.17%.

Total Roof to Partial Roof Trends

Improved quality claim handling is being realized over time in identifying wind and hail damage to roof surfaces as the proportion of total roof replacements to partial roof replacements/repairs. Redacted - AC Redacted - AC Redacted - AC A single hail events with larger hail stones or higher wind speeds will result in greater TR to PRR ratios as experienced in May and June following April and May spring hail events primarily in OK and TX. This rate also peaks with higher category hurricane events.

TR to PRR trends are as follows:

- From April to Dec 2020, the rate of Total Roof Replacements to Partial Roof replacements was 3.21 to 1.
- From Jan to Sept 2021, the rate of Total Roof Replacements to Partial Roof replacements is 1.95 to 1.
  - The analysis does not account for the severity of events and included catastrophe and non-catastrophe roof payments.

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  - The Locator Services Job Tool provides direction on whether a similar or comparable siding or roofing material may be available that may provide for a "reasonably consistent appearance."
  - The RLS and SLS provide the adjuster a resource to identify if there is a similar/comparable product available for repair or replacement.
- Oftentimes, contractors submit shingles to Independent Testing Evaluation Laboratory (ITEL). ITEL was founded to provide independent and estimated pricing and matching services utilizing their lab. ITEL's roofing services are widely used by industry roofing companies for estimating on all types of flooring, roofing, and siding. ITEL's matching services help locate many types of current and discontinued siding and roofing products.

Customer Experience and Service & Quality Survey Results

Our mission in Claims is to be the industry leader in helping people recover from the unexpected while delivering on Our Commitment to Our Policyholders. In June 2021, Fire Claims implemented and has since made progress on action plans to improve the customer and agent experience. We are seeing improvements in Customer Experience Survey (CES). Fire CES is trending from a March low of 3.4 to 3.5 in August (target for Fire CES is 4.0), remaining fairly flat from June to August. The YTD Fire Complaint Analysis indicate 63% of formal complaints are made related to 1) Disagrees with valuation, 2) Claim denied/not covered, 3)

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Dissatisfied with payment, and 4) Deductible and Coverage. The 2021 YTD Fire Complaint to Claim ratio is 1.56% compared to 1.13% in 2020.

Targeted quality and service reviews indicate customers are not satisfied with roof repairs versus replacements related to wind/hail losses, making it more critical for simple and empathetic communication explaining the scope of the loss, damage covered under the loss, and reparability of the damage. Service scans confirm claim handlers communicate with a customer's contractor post-inspection in place of our customers, not meeting service expectations to maintain proactive updates with the customer.

As we execute on quality claim handling to fulfill Our Commitment to Our Policyholders, opportunities exist to consistently deliver upon our customer service expectations and communications with policyholders. Customers are telling us:

- They do not know what to expect throughout the entire claim process.
- They are confused by the options to resolve their claim.
- There is a lack of ongoing communication and follow-up throughout the life of the claim.

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Additional findings included:

- Damage inspection options are not consistently optimized based on claim characteristics to ease customer choice.
- Some customers have experienced multiple claim handlers on an individual claim.
- Claim leadership would benefit from more efficient approaches to identify and coach claim handlers for real-time service intervention.

What we are doing to improve the experience:

- Explaining coverage/causation/damage estimate in a way a customer understands.
- Engaging the agent when there is no coverage/partial coverage.
- Leveraging the use of customer-focused infographics to reinforce the verbal communication to explain the various processes involved throughout the life of a claim in a repetitive way for customers.
  - On eligible losses for Homeowners Building claims, policyholders receive a Homeowners Building Settlement and Replacement Cost Benefit resource, through an automated email On October 19, 2021, the Roof and Exterior Inspection Assist Program (REIAP) Infographic was automated Fire Claims Infographics (statefarm.org) for qualifying claims.
  - Policyholders are manually emailed a Homeowners Building Estimate infographic to help explain the estimate, depreciation, reconciliation and replacement cost benefits. A large loss infographic called My Home Has Significant Damage is also manually emailed for qualifying claims. Both of these resources will be automated in future ECS releases.
- Continuing to use the Fire Estimating page on within ABS to provide details in one location for agents and links to the infographics for agent use.
- Updating our approach to verbally explain how price fluctuations may occur and the purpose of estimate reconciliation.
- Consistently engaging the customer as we interact with the contractor.
- Limiting the number claim handlers on high complexity losses.

Service Call to Action

We developed the Fire Service Call to Action based on the deep dive into our customer experience surveys, our file surveys, reinspection data and feedback from the complaint activity. The Service Call to Action focuses on service and responsiveness to improve communication with customers and agents to ensure understanding of the claim process and details of the adjustment.

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A biweekly service call to action playbook is released to fire claim leadership with updates on tactics to execute upon and actual progress on executing service and quality tactics related to roof claims outcome. The playbook sets expectations and provides direction to leadership on quality and services objectives for the week with examples of successful outcomes. An ECR Vendor set of tactics and results are also addressed on a biweekly basis.

Fire Claims leadership conducts biweekly service & quality surveys on individual fire claims to measure progress and areas needing improvement related to the Service Call to Action.

- The rolling-4 monih [???] survey ~~most of~~ [???] current composite scores for proactive contact with customers during key points of the claim process decreased from 93% to 92% (This means our claim handlers continue to make improvement in voice-to-voice contact with customers).
- Refreshed tactics are focusing on improvement with proactive agency outreach with a current composite score of 58%, down from 62%.
- Our Overall Quality Composite Score (whether the decision on the evaluation of the claim was documented) is up slightly to 97% (from 96%) the past week reflecting photo and file documentation supports the accuracy of the claim decision.
- The Home Estimate Infographic presently is manually emailed at a rate of 75% up from 71% in the past survey period. The estimatics infographics are being automated in a future Enterprise Claim System release.

Learn and Adapt

Quality Claim Handling

- ~~Clarification to~~ OG 75-160, Wind/Hail Roofing Guidelines (statefarm.org) ~~are~~ is updated to provide clarification to when there is scattered wind damage. The clarification states the following and is intended to assist the claim handler in their repair vs. replacement analysis for wind damage.
- New Operation Guide Language:
  - For wind losses, test squares do not apply. Wind damage may be concentrated to a specific area(s) of the slope(s) or may be widespread and scattered damage throughout a slope(s). The inspection should document the total number of wind damaged shingles to each slope and the areas of wind damage. Consider the extent and location of the wind damage in determining whether repair or replacement of the slope(s) is warranted. If there are multiple areas of wind damage scattered throughout a slope(s), claim handlers should exercise judgment in determining if replacement of the wind damage slope(s) is warranted. The claim file should be documented to reflect the basis for the repair/replace decision of the wind damaged slope(s). An upcoming targeted survey on claim files using engineers and those with appraisals will help identify potential areas of recalibration specific to damage identification and scoping the loss. **Redacted - AC**

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Service Call to Action

Call to Action tactics will be expanded to most fire perils in 4Q 2021. Automation of infographics ~~are~~ is being prioritized.

MAC Partnership

The partnership will be refreshed to develop a systematic approach to agency outreach and visitations to further deepen education and awareness and strengthen the relationship between Claims and Agents.

Fire Operating Model End-to-End Review

An end-to-end Fire Claim Operating Model review has been initiated with a Phase 1 focus on 1) Reducinge overall handoffs and the number of claim handlers on any one claim, 2) Evaluatinge overall resource

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approach and resource mix (internal and external), and 3) integrating technology into the claim process that enhances the customer and agent experience. Phase One work to commence in 1Q 2022.

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IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA
FILED IN DISTRICT COURT
OKLAHOMA COUNTY

Hursh
Petitioner(s)

Hannah Whitton, Michael Burrage, Brad Beskin
Attorney(s) for Petitioner

OCT 26 2026

--vs.

RICK WARREN
COURT CLERK

Case No. CJ-2025-2626

State Farm, et. al. 78
Respondent(s)

Lance Leffel, David Herber
Attorney(s) for Respondent

COURT MINUTE

Date: 10-26-2026 Judge Palumbo

Hearing On: State Farm's Brief in Support of Attorney-Client Priv. & Work
Ruling By Court: Product Protections to [redacted] HUB00158701-19

This Court finds HUB00158701-19 was not created in anticipation of litigation and is not protected work-product, nor attorney-client privileged. State Farm is entitled to its appellate rights but the request for a stay pending appeal is denied.

Exhibit 4

Plaintiffs' Counsel

The Court

Defendants' Counsel