

Question:

Thank you for the shareholder value created over the past year. Please consider returning to a AGM in person in the future. My question relates to the use of IHC's excess liquidity.... how would you prioritize between special dividends, share buybacks or acquisitions going forward? Are there many other small specialty health companies that could fit with the IHC platform? Thank you for your consideration. Jon Old, Long Meadow Investors, LLC.

Answer:

IHC's senior management is considering all uses of excess liquidity, including special dividends, share buybacks or acquisitions going forward. At this time, we have not determined a priority, but we do not currently anticipate pursuing any significant acquisitions. We are not sure if your second question refers to acquisitions of small specialty health companies that could fit with the IHC platform or you are asking if we compete with companies of this type. As previously noted, we do not anticipate pursuing any significant acquisitions as we are pleased with our current infrastructure and our organic growth. With respect to competitors, we have a competitive advantage over brokers because we not only distribute products, but we also create, price, file and underwrite the risk which allows us to be innovative and first to market. We believe we have a competitive advantage of many carriers because specialty health is our primary business, we have a very experienced management team, and our carriers are rated A- (Excellent) by AM Best.