

HOUSTON INDEPENDENT SCHOOL DISTRICT  
2815 CAMPBELL ST.  
HOUSTON, TEXAS 77026

October 11, 2006

Scott Davidson, Principal  
Adjusters International  
17130 N Dallas Parkway; Ste 210  
Dallas, TX 75248

Dear Scott:

Houston Independent School District (HISD) is the 7<sup>th</sup> largest school district in the nation and largest in Texas with over 210,000 students and 306 schools. Earlier this year, we suffered a large rain event which affected over 50 of our schools. We were fortunate to have had the foresight in 2004 by entering into a three-year agreement with Adjusters International (AI), which enabled you to become involved in our claim in the earliest stages.

I called AI on the morning of the rain event and AI responded promptly, professionally and efficiently with your resources. Within three weeks, AI had prepared the estimates for over 50 schools and were able to break it out between the National Flood Insurance Policy(s) and the multi-peril property policy. These estimates (scopes of work) were provided to our Facilities Management and Operations Department in order to initiate repairs. During this time HISD developed a phenomenal relationship with your company, your adjusters and your staff. AI's professionalism led to a good working relationship with our insurance company's adjuster.

There was never a time when I could not reach either you or a member of your staff to have my questions or concerns addressed. Thank you for taking my calls when you were out of the continental US.

To conclude, HISD simply does not have the internal resources to handle a catastrophic property claim involving so many facilities at one time. Our Agreement, what you refer to as the "Emergency Standby Contract", is of benefit to HISD as our claim is documented accurately, faster and finalized in a more reasonable time frame than we could do on our own. I believe that we picked an excellent company, AI, to provide adjusting services for the major catastrophe that befell our school district this year.

Sincerely,



Kermit Falgout, Risk Manager  
Houston Independent School District

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