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<<John R. Lawrence, Analyst, Stephens, Inc.>>

We'll go ahead and get started. Thank you for sticking out with us for the last presentation of the day. We're pleased to have KAR Auction Services with us, as you know whole car auctions, as well as being in the IIA on the collision side. But we're very pleased to have the top management team with us today, Jim Hallett, the CEO; Eric Loughmiller, CFO and Jonathan Peisner, who tries to keep me straight from time-to-time with the IR team. But thank you guys for coming.

As you know, we've all been waiting for auction volumes to get better, they have. Stocks have done extremely well over the last year to 18 months. And now we'll just continue to wait for that cycle to get even better as we go forward.

So with a little update, we'll let the company start. And then we'll open it up for questions.

<<Eric M. Loughmiller, Chief Financial Officer & Executive Vice President>>

Thanks John. I'll start with just a few minute introduction, and then we'll get right into Q&A, as the format is set up that way.

We operate as John mentioned used car auction business named ADESA. And the ADESA operates 65 used car operations in U.S., Canada and Mexico. It's our largest business unit, contributing about $1.1 billion of revenue, and in 2013 adjusted EBITDA of $256 million out of the consolidated total of $538 million. It's a really strong business, we operate in duopoly, our primary competitor is Manheim Auctions, a subsidiary of Cox Media. And they are about, not quite, but close to twice our size relative to their total operations.

They operate predominantly in the used car sector. Unlike them, we also operate Insurance Auto Auctions and salvage auction business, which has 165 locations in the U.S. and Canada with over $800 million of revenue in 2013 and adjusted EBITDA of $219 million in 2013. So a very solid performer for us, and it's in that very steady performing salvage auction business, which we are always excited about, especially with the winter that we've just gotten through and the spring we're having now, weather conditions have been very positive for the collision business.

And then we have a floorplan financing business known as AFC. And AFC is focused on floorplan financing of inventory on the lots of the independent used car dealers. We do some non-traditional lending such as salvage buyers do some floor planning, or these boats, toys as I would call them, the RV or the Powersports type things, but a big portion substantially all of the portfolio is really geared at used automobiles. And a very significant portion, our automobiles purchased at auctions, not just ADESA, but any auction in the industry, because that gives us the best indication of fair market value at the time of loan.

So in that business we do 100% loan to value, on the wholesale value. And the average term of those loans will run 50 days to 60 days before payment. And we're very proud that we've gone an extended period of time with roughly 99% of the loans current, which means not even due. And it's been the really top performing portfolio for a number of years.

So we're very pleased with that, and it's been a great performer for us. So I think that gives you a background on the three business segments. As John mentioned, a big part of the investment story right now is, we're at the early stages, but into a cyclical recovery in the used car business. It's heavily driven by kind of the events of a few years ago, actually it started several years ago where we ended up with some disruption to the automobile space to financial services space, which all trickled through. And now we're actually coming off to the bottom where salvage is growing, leasing is growing, repossessions are probably looking like they are growing, because of subprime lending.

And on top of that, we have weather, this is conducive to wrecking cars. So all of our businesses are going in the right direction, and that's something we, Jim and I, have talked about looking forward for the last five years, really expect or wait when things started to look different than they had for the previous decade or so.

So with that, unless Jim wants to add anything, we'll just turn it over to John to start the fireside chat portion on this warm summer day.

<<John R. Lawrence, Analyst, Stephens, Inc.>>

Thanks. Let's start with just that whole idea of what do you think we are in this cycle and we know it was going to be sort of pushed out to the second half, but sort of talk about that a little bit and what's driving that?

<<James P. Hallett, Chief Executive Officer & Director>>

It's primarily being driven by the off-lease cars as you know when the markets start to melt down in 2008, 2009, leasing came to a standstill, and then as well our consumer credit froze, and two of the big drivers of our business of lease returns and repossessions. So what happened is, we ran those portfolios off with the drop being in 2011, 2012. But then leasing got rebooted in 2010. Also consumer credits started to loosen up in 2010. So what we're seeing now is we're seeing the third anniversary of the leases that were written in 2010. So those leases are now returning to the market and leasing is now back to almost 30% of our new car sales in the United States. And as these leased cars come…

<<John R. Lawrence, Analyst, Stephens, Inc.>>

How much?

<<James P. Hallett, Chief Executive Officer & Director>>

30%. As these leased cars returned, we ran a technology platform called OPENLANE. And what OPNELANE does is that provides private label sites for the OEMs, basically we're taking their brand and our technology to operate the system that's selling their vehicles online. There's I believe approximately 36 private label sites in the industry, we operate 33 of them. So we pretty much dominate this private label business, which means when those off-lease cars are coming back, they're primarily coming on the one of our private label sites that we're operating for the OEMs.

With that said, there's going to be about an additional 300,00 off-lease cars returned to the market this year. In 2015, that number will increase by another 700,000 vehicles. In 2016, that number will drop it by another incremental 500,000 vehicles. So you can see we've got some pretty heavy tailwinds behind us here as we go into the next two or three years.

And we started to tell you that this cyclical recovery was going to take place about a year ago. And we said that it would kind of start to happen in late 2013, early 2012 and we thought we would see the early signs that are more emphasis going into the second quarter, which we're in right now. And certainly, we're seeing those cars come back, we're seeing volumes increase, our volumes were up 7% in the first quarter, but primarily driven by off-lease cars. And we would expect that our volumes will continue to increase through the balance of this year.

So that's been the big driver of our whole car business or the ADESA business, and that's the one that I think that's a part of the business that most of our investors are focused on, more so than the insurance business and the finance business. Eric, do you want to add something there?

<<Eric M. Loughmiller, Chief Financial Officer & Executive Vice President>>

Yeah. As to where we are in the recovery, if you look at the volumes that we are looking forward to this year, we've estimated that number. But look at 2013, the industry was 8.7 million units and here we got in the first quarter of 2014. If I go back to 2009 and add the OPENLANE business to that number, the industry would have been at least or industry volumes would have been about $9.5 million. So where are we? We're close to, and by the way, if I go to the year prior to that, and you add an open lane, you would have been about 9.9 million units.

So we're 1 million units away from where we were, when this down cycle began. So we're still in the early stages of the cyclical recovery, starting to see evidence. Jim and I will tell you we're very pleased with our performance. But we're at the beginning stages of the cyclical recovery. And so we're looking forward to a lot more in the future.

<<James P. Hallett, Chief Executive Officer & Director>>

And just to give you maybe a little bit of context on these off-lease cars. Here we just talk about the funnel on how these vehicles sell, and when you think about these off-lease cars, when they returned, the first opportunity is to sell our cars to the person that drove the car. They have the option to buy a car residual value. If they passed on the vehicle, the second opportunity goes to

the grounding dealer, that's the dealer that checks the car, and he has the opportunity to buy the residual value. If it doesn't get sold the either one of those stops, then it goes to what we call one of these private label sites and we operate approximately 90% of those private label sites.

So that means that all off-lease cars that are going to be sold through the auction process, 90% of those private label sites are coming to us first. So we get first opportunity at the car, and we talk about the funnel if you will. So at the very top of the funnel, with first start for that car is to be offered and what we call a closed online sale.

A closed online sale would be Toyota dealers buying only Toyota cars, Ford dealers buying Ford cars, you get the picture. If it doesn't sell in that closed environment, then it moves to an online open environment, and when it moves to the online open environment, it means any franchise dealer can buy the vehicle that means about 18,000 franchise dealers in the United States, plus it's also offered to 38,000 independent dealers in United States.

So as it moves through the funnel, right. The economics also improved for us as well. Our lowest economic outcome is in that closed environment gets much better in an open environment than if the vehicle doesn't sell in an open environment, then the vehicle will ship to a physical auction. And when it gets to a physical auction, then we have the opportunity to increase our revenues by providing ancillary services.

We operate reconditioning shops, paint and body shops, mechanical shops. We do a number of services, perform a number of services, which got the revenue, I guess the best case scenario is, once it gets to the physical auction, that can then either be sold in our live online environment, or it can be sold by a physical buyer actually standing there in touching and feeling the car and buying the car. So that just gives you an idea of the final. As we talked about going through the funnel, these vehicles, the economics get better each step of the way.

So I guess what we'd say, the best economic outcome for us would be, sell the car in a physical auction, where we've been able to the ancillary services, where we've been able to sell it online, right. Now much of the discussion that we've been having with our investors over the course of the last year, really Eric, and most over the last few quarters is, how many of these vehicles will get sold at the top of the funnel and how many of them will make their way to the physical auction.

And I think what our investors are betting for them, maybe when managements betting for is, we're hopefully that more of these cars make the way to the physical auction and that's been much of the discussion that we've been having today I think, and that's been the bulk of our discussion. We felt that they're not making any more franchise dealers; there's somewhere in the order 17,000 to 18,000 franchise dealers in the country.

We feel that the franchise dealers can only absorb so many of these lease cars, off-lease cars. There's only so much volume they can absorb. And at what point in time, will they be passing on these cars, so that they get further through the funnel. And we said on our last conference call, our last earnings call, we were expecting to get more clarity on that during the second quarter. So I'm not about to report the results, because I don't know the results yet. But we're expecting that

in the second quarter and throughout the balance of the year that more and more of these cars will get to a physical auction. Yes, please.

Question-and-Answer Session

<Q>: [What about these dealers potentially opening up used whole dealerships]

<A – James P. Hallett>: Right, right. And there has been some talk about that, that some of the larger groups that you probably have met with have been talking about that, wanting to retail more and more of these cars. There is no question that some dealers are opening up some of these lots; some of them are keeping more and more cars for retail. But again, if that happens, there's trade-ins on those vehicles that usually are not kept for retail purposes that would come to us. So we're generating more trade-ins, right.

And so there's more transactions being generated. So it's not a bad thing. One, and I'd get your questions, just maybe, one other thing that I would drive your attention is when leasing stopped and got restarted, one of the things that got these leasing companies in a bad way was they were setting their residuals too high, trying to get to a monthly payment, because that's really what's all about, it's about owning half the car, right, and are paying for half the car. And they got very aggressive on residual values. And many of these leases, when they were being returned, they were upside down on these cars, sometimes often to the $2,000, $4,000 and $5,000 negative equity.

So when they got back into leasing, I say right size the residuals. So they took them down, unless a 10 point. So where a car would have been coming back with 50% residuals, now coming back with a 40% residual, while those residuals have kept back up now.

We have very short memories, right. They've kept back up now to where those cars aren't as attractive as residuals to the dealers when they first come back. So we think the franchises will start to eventually pass on more of these vehicles at a high residual to buy a matter of lower residual in the open sale.

And with that I'll take your question.

<Q>: [what is the metric for 300K in 2014 and 700k in 2015]

<A – James P. Hallett>: In 2014, there will be 300,000 more lease cars returned to the industry than they were in 2013. In 2015, there will be 700,000 more.

<Q>: [this is over 8.7]

<A – Eric M. Loughmiller>: You don't have that on your sale.

<A – Eric Loughmiller>: No, this is new car sales, leases written in 2011 that we would make sure in 2014 on 300,000 greater than the leases written in 2010, that's how we…

<Q>: [what is it based on]

<A – Eric Loughmiller>: Well, it's based on SAAR, the base number rounds up to $3 million in 2010 of leases written, that goes to $3.2 million, but it's rounded down. The $3.2 million goes to $3.9 million. This is actual and like we're telling you how many leases were written that will mature and $3.9 million goes to $4.4 million. Not all of those end up in the market, right. They just appoint who are some go to the consumers, some go to the grounding dealer, but obviously that's more cars than we've had coming back to the marketplace in many years.

<Q>: [thank you for that clarity. As this flow accrues, if I were to assume, how will it apply pressure on used car crisis]

<A – James P. Hallett>: No.

<Q>: [Question Inaudible]

<A – Eric M. Loughmiller>: It doesn't have a real material impact. When we used to sell vehicles, we take a fee for the car based on the selling price of the car. And those are usually in balance of $500 out of that. So the vehicle price would have to drop by $500 before we change our economic outcome on that car. And well, we're often asked, what would you prefer higher values for more transactions, we would take more transactions all day long, right Jim.

<A – James P. Hallett>: Absolutely.

<A – Eric M. Loughmiller>: It's a transaction based business. We do not take principle risk on the vehicle. So to the extent that it's the market condition. We are agnostic that is to price, you do get into customer satisfaction issues that, if not that they blame us for price, but had some price they just won't sell the car, right. And we do all its activity and don't get the revenue. But generally, we're agnostic that is to price. We want them now of number of transactions greater.

<Q>: [30% of new cars sold in the least figures where is the bottom]

<A – James P. Hallett>: Yeah. That's backed in 2007 levels. The last time, we had lease penetration of 30% – excuse me, last time, we had lease penetration of 30% was back in 2007.

<Q>: [how low did you go?]

<A – Eric M. Loughmiller>: They were down the low teens. I don't know the exact number, but I hope, but remember in the fourth quarter of 2008, you couldn't lease a car, you probably couldn't finance a car, because there was no financing to the gap to finance companies, that continued in early 2009 is when it was that low. It wasn't that, where leasing wasn't available on domestic vehicles. The good news is, they didn't go to zero, because the foreign manufacturers actually entered the leasing market in the U.S. in early 2009 in a way that they never participated in their 20 plus years of selling their mass quantity.

<A – James P. Hallett>: Yeah. You've seen a lot of the import manufacturers pick up some of that, and I think the number was at one point time of that, as well as 12% overall, and so it's a quite drop. But what you have is they had the imports, the Japanese and Korean manufacturers really coming into pick up some of that space that Toyota, Honda, Kia, Hyundai.

<Q>: [and they weren't leasing?].

<A – James P. Hallett>: And they weren't leasing previously. So this was a new opportunity for them to get involved in the leasing, and they have now continued to be in the leasing game, but which again, continues to be a greater driver for our business.

<Q – John R. Lawrence>: Jim, can you comment on either with the relationships you have, or from a regional standpoint, somewhat like ADESA Dallas, ADESA Boston, would they leave the curve in this sort of the funnel? I mean would you see that earlier in certain places of the country, because of the mix?

<A – James P. Hallett>: I don't think it's a regional thing, I think it's more on a national scale we have contracts in place with just about everyone of the manufacturers, we have a greater or lesser market share depending on the customer, depending on the market. But as we go into the formal, I think, it was a question of demand. If I am addressing your question properly here, I think, it was a question of there was a lot of pent of demand to be able to get more and more inventory, dealers have been starved for inventory through 2011 to 2012, we really hit that trough.

And now as these cars started coming into the funnel, the dealers were aggressively buying these cars and have continued to aggressively buy these cars. And to your point earlier, have continued to even focus on getting dedicated used car lots and they've been buying these cars really at higher than, may be a little bit higher than anticipated pace. But I guess that's kind of our pitch I guess as we think that pace is going to slowdown and ultimately help our economics and continue grow the business. Did I get your question?

<Q>: [outside of that mix shift and the funnel and how the cars come to you - how to you think about this impacts the economics of your business – purchasing on line vs attending physical auction?]

<A>: Yes, there's no question of the dealers are much more comfortable with buying cars online. But I think they're still comfortable with buying a late model off-lease car online, because that's an easy car to describe, it's usually three years old, it usually has 50,000 miles or 60,000 miles on it, it usually is able to give a very easy to understand, a easily read condition report. The average age of a vehicle on the road today is 11 years. So when you started selling cars that are five, six, seven, eight, nine, ten, eleven years old, those cars become much, much harder to sell online and we haven't gotten there yet.

So primarily, what you see being sold online I think now, it's primarily the off-lease cars. Selling those cars are, quite frankly, a very easy sell online. We reported last quarter that 37% of our vehicles were sold online for the quarter. If you went back five years, I think, that would have

less than 10%. Online only that 37% would have been remember in 2009, it was about 18% for us, of which half was online…

<A – Eric Loughmiller>: Yes.

<A – James P. Hallett>: Yes, because you are dealing with income in the half. Then couple of other points that I'd make, if I've got you right they're selling all their off-lease cars. I would just point out to you that we do a lot of repossession work, we've a company that focuses on forwarding and processing repossessions, the repossession market dropped by a million units with the freeze in consumer credit. Now, we are again short memories we're about to write and credit normal again, may be even more aggressively again, and so that repos are starting to come back and we absolutely dominate the repo market, we'd like to share that business.

The other thing that happened is, when we saw these commercial cars going away in 2009, we are very focused on the dealer business, this is the franchise and independent dealer trade-ins and over aged inventory. We grew that business from 25% of our business to 50% of our business and quite frankly that business has stuck with us even as these commercial volumes come back. So if the leasing business is going well, the repossession business is doing well, that dealer business is doing well, so we've got tailwinds that are back here on all segments of the business. I think so that to draw in that color. And then I think the other thing you asked was what about, I think you would refer in the multi-platform.

<Q>: Yeah, right.

<A – James P. Hallett>: Right. There has been an initiative by a number of customers to ask the industry participants, ourselves and our competitors to create what they call a multi-platform, which means rather than just listing by cars on the ADESA platform, I'd like to list my vehicles on, I hope – excuse me, on all the platforms, there's only three platforms in the industry.

So being our competitor, Manheim, they have the platform called OVE. And then SmartAuction is owned by Ally Bank and they have a platform.

And so can you create this multi-platform, can we list our cars on all the platforms, can they be seen in all the platforms, can they have interactive bidding on all the platforms. And some customers quite frankly are interested, some are very interested and there is been three or four they have been pushing it. And there is an industry we've gotten together. And we discussed how we might build that platform. And let me say – bless you, let me say that we are I think a long ways away from any results. We are still we've got to see that the table everybody is talking and playing nice.

We are trying to figure that but it's difficult. There you can imagine linking all these websites and having interactive bidding, and then, who retains the data and who sees what data of whose website and who got the buyer and yadi-yadi-ya, it goes on and on and on, I would say that the impact of that, I'm not sure if there is a lot to be gained through it quite frankly. There is only 57,000, 58,000 dealers that can buy cars in this country, 18,000 independents and I hope I did that math right, 18,000 independents and 38,000 in a course.

<A – James P. Hallett>: Of course, isn't that for you?

<A – Eric Loughmiller>: They have noted the 58,000 buyers and dealers that can do business in this country. We got 55,000 registered with us. So, all of the dealers in the country, there is only a handful that are registered with us.

<A – James P. Hallett>: 56,000 might be the number.

<A – Eric Loughmiller>: Maybe that's okay.

<A – James P. Hallett>: Okay. So, though I would say that we are not likely see anything happen this year. We may see a pilot get down sometime in 2015, but I wouldn't go much further than the say, there is no formal agreement. There is nothing in place. We haven't discussed how the economics would work. We certainly haven't got that task as they trade, right. I mean there is a lot of implications here, there is a lot of, as I would say build that would need to be turned to be able to get to a multi-platform. So, I hope I've answer your question fairly as I can.

I am going to remind us everybody or something that was said by Jim Hallett in February of 2012. In February 2012, following our acquisition of open line this online when you that everybody was question what you got and I think we forget this and we should probably as set it all day-to-day and we didn't. We don't care where they sell the car and where they buy the car as long as ADESA in the transaction.

And I think there has been a big focus many have focused on while you worry about the upstream, you worry about the top of the following work, no, no, we worry you are saying there going to transact wherever they transact, we're going to be part of it and we're going to club to see.

And that was in year-end call following 2011 where people asking us, are you worried about disintermediation of physical auction, there first answer was if it happens its going to happen with or without us. Let's collect the fees that are available to us, that fair reflection we probably should say that more often shouldn't we Jim.

<A – James P. Hallett>: Yes, absolutely. I think the thing is the OPENLANE transaction was the largest transaction we've did outside to buying the company itself. We paid $250 million for our company that had only cash flow positive of once, and its entire 12-year life span. So, people probably thought we are insane especially when look like about a 30 multiple that we paid for it.

But, it was so strategic to be able to get those private labels, right and get those programs and get per shot at the car, not only first shot, but get shot at a close, get a shot at open and then get a shot at in the physical auction. That it was just strategic that I would tell you not only it was at the most expensive, but the outcome of that is OPENLANE transformed our company overnight.

And not only just have a huge impact on our customers. And their perception of ADESA is the innovative technology leader, but I think I had more impact on our employees and just in terms

of way they felt about however investing in our future, because we knew that this business was going online.

< - Eric Loughmiller - >: All right, we are you ready. I am going to let you ask that question.

<Q>: [we haven't talked about insurance – about 40% right? So is that experiencing any type of recovery or is it a steady eddy business]

<A – James P Hallett>: Right. The steady eddy is a good word. The insurance business has been very steady. Our major competitors publicly traded and we share about the same market share between the two of this, we have 75% to 80% of the market, about 35% to 40% of fees. And that's what we referred to as a responsible to operate. And that business has performed very well and we've continued to grow that business and as we go into downturn, when that's lost 500,000 transactions, it was Insurance Auto Auctions that was actually growing and expanding and gaining in market share and growing in new customers through that period of time. Eric, You want to speak a little bit more of that?

<A – Eric M Loughmiller>: Yeah, the first quarter looks quite a bit different this year than a year ago, as we said in New York City, it was really digging out from Superstorm Sandy, I think a special name. And so a year ago, we had all of our Sandy volume, which lost money for us. And so this year, while the volume was a tough comp, if you exclude Sandy who are up significantly, and all the costs were profitable. So it's actually, I wouldn't call it a recovery, it has situations, it doesn't have the volatility on the volumes that we experienced with ADESA and especially, with the recession that we went through.

However, it's a more steady grower. So therefore, absent they spent, 2012 was extremely mild winter. So there were light volumes. 2013 was the normal winter, but we also had Sandy, which was kind of disruptive. In 2014, we are really back tomorrow. We had no negative catastrophes, we have a lot of volume, it's really just the normal volume for this time of the year.

Jim, you may comment that we are benefitting from a positive customer mix, so in the insurance business that we might highlight for you, without we don't name names though and we're reminding him, not you.

<A – James M Hallett>: We can talk a little bit about that. They'll go anywhere there to returning to CFO, a couple of things is all the major insurance companies, they even have three-year contracts. They've all been through the RFP cycle. And let me say, we did very well through those RFPs, we bought considerable market share. But more important than picking a market share, we grew this business most of our business is with the fastest growing insurance companies in there.

So if you took the 10 top insurance companies, six or seven of those are our best customers. So not only are we growing shares, but we're growing share with the insurance companies that are growing share as well. So it's really been a double whammy to work very, very well.

The other thing that I would just add just to understand the drivers of this business is recycle used parts are out of premium. And I know that some of you probably dive in on the LKQ and things like that always accepted. Our recycled parts are really driving the demand for salvage. And the web is a very strong international buyer base of both 30% of our vehicles were being shipped to that side of North America. We sold vehicles in over 100 countries last year, primarily salvage vehicles, and those are driving, if you look at salvage, you look at what we call the proceeds of salvage right and the proceeds are really driven by the acceptance of aftermarket recycled parts and the international demand for these vehicles.

<Q>: [you mentioned RFP so would State Farm be exclusive]

<A – James P. Hallett>: There are a lot of exclusives that I would say, there are probably, Copart probably has a couple what I would call exclusives that are near exclusives. I think we have a couple of the same near exclusives. But for the most part, nobody puts all the eggs in one basket, right. Excuse me, few put all their eggs in one basket, and the insurance business, more so than the whole car business is very cognitive of share, and how they break it up by region, how they break it by parts of the country. So I would say not a lot of exclusives.

<Q>: [you have a pretty robust outlook for free cash flow this year over 310mm range, pay down debt – maybe some commentary coming on organizing free cash flow can you give an update on that]

<A – James P. Hallett>: Go ahead, Eric.

<A – Eric Loughmiller>: Well first, our prioritization for the use of our cash flow is really looking first, we've announced that we do not intend to pay down debt other than mandatory payments on our term loan B. And they are not much in that category, as our mandatory payments. And our leverage is now just below three times for senior debt. And as we look at it with the free cash flow we're generating, we've allocated about 45% of that free cash flow to our annual dividend that totals about $140 million at the current rate.

And the remaining free cash flow, we would tell you, our priorities are first strategic growth. And in the M&A front, while we aren't talking about anything specific, we're looking at all of the targets and the things that make our business better and grow faster, and evaluating the timing of when those things might happen. We're looking at things that are related to new markets. Again, new market may be a geography, a product, a service, whatever it may be, or technology based offerings that we think could add to our auction, or enhance our operating efficiency.

And then with what's left, what's our ability to allocate more to shareholder return. So when you can expect, we think on every earnings call, there's an expectation that we address this topic. So the next time, we'll be somewhere in the first week of August, when we announce Q2 earnings, I cannot tell you what we'll be saying, but we'll give you more, we do know investors what more information, what clarity to the extent available on where we're going to allocate, and kind of our timing and things. So we'll see what we can tell you, but you can expect more on that, even as to tell you what the status is at the time of the discussions.

<A – James P. Hallett>: And Eric, you said this triggered me, but we've now just fully transformed our Board. And our Board comes together for the first time as a new Board on Tuesday next week, June 10. So we have transformed from private equity to independent directors with six new directors that come on, three came on in the last quarter, three more coming on at this annual meeting on Tuesday, that will be the first time that the Board has been together as an entire group. And even though we had a very detailed on-boarding process and their up speed on lot of the business, on a lot of the issues on hand, it will be an opportunity for us to really discuss a lot of these initiatives with them, kind of vet them out and prioritize them and we will meet with them a couple times over the next three months, I guess over the next quarter. And I think we'll have to more to say as time goes on here. But we're not going to sit on the cash and we're not paying down debt, so we hopefully expect something good to happen here.

<Q>: [in looking at your view in terms of allocating cash to shareholders, share buyback, what is your philosophy?]

<A – James P. Hallett>: I think everything is on the table and I'm not just trying to say that, fit in the sense here, I think there is, we do have specific targets in all of our businesses that we're looking at. We know that we want to have a premium dividend and return to shareholders. And we know that if we're sitting on cash and we're not spending and we're not being acquisitive, then there's been a discussion by many of our investors about would it be a share repurchase.

And I don't think it has to be one or the other. I don't necessarily, I think it will really come down prioritizing what we think adds the most value to the shareholder, but also what adds the most value to the company and self. Where is the best place that we can put that cash to work, that will give us the greatest return. So nothing of to take.

<A – Eric Loughmiller>: John, I think, we're right on schedule because we would like to catch a plane.

<Q>: It's good. Thanks.

<Q – John R. Lawrence>: Any other question.

<A – James P. Hallett>: But then I think we can probably take one more.

<A – Eric Loughmiller>: One more.

<A – James P. Hallett>: Or two but...

<Q – John R. Lawrence>: Yeah, I don't want to cut anyway short, because you stayed with us, we'll stay with you.

<A – James P. Hallett>: Right.

<Q>: Right are we all there?

<A – James P. Hallett>: John, did you have anything else?

<<John R. Lawrence, Analyst, Stephens, Inc.>>

Thanks. I think we'll end.

<<James P. Hallett, Chief Executive Officer & Director>>

Okay, well thank you very much, we'll see you then.

<<Eric M. Loughmiller, Chief Financial Officer & Executive Vice President>>

Thank you everyone.

<<James P. Hallett, Chief Executive Officer & Director>>

Thank you. John, thank you.

<<John R. Lawrence, Analyst, Stephens, Inc.>>

Thank you so much. Thanks Eric.

<<Eric M. Loughmiller, Executive Vice President and Chief Financial Officer>>

Thanks.