



Executive Summary

Date: March 15, 2019
To: Sitka Community Members
From: CBS Affiliation Consultants on behalf of the CBS Negotiating Team
Re: Explanation of Key Sections and Terms in the SCH-SEARHC Affiliation Asset & Purchase Agreement and Lease Agreement

I. Introduction

About two-and-a-half years ago, CBS began a process to determine how to address ongoing financial challenges of the City resulting from trying to balance the need to ensure quality health care for the people of its community with the need to fund all the other obligations the City encounters. To fully assess its obligations, CBS conducted a thorough review of Sitka Community Hospital (“SCH”) operations, finances, and the health care and hospital industry. Throughout this timeframe, the City received opinions from nationally recognized health care assessment firms, including, Stroudwater, the University of Washington, and Quorum. The conclusions were uniform: the outlook for independent, unaffiliated critical access hospitals in the current and projected health care environment is dire, and SCH’s financial status is typical of those hospitals – that is, fragile and precarious. While the amount of time predicted prior to SCH’s closure differed slightly, the reviewers’ prediction of the ultimate outcome was unanimous: SCH will continue to decline, and the community will lose that health care resource without a significant ongoing subsidy from the City.

CBS then began an inquiry to determine how best to ensure that, despite SCH’s troubled status, the Sitka community retains access to quality health care services in the future. Through that process, CBS determined that some form of affiliation with an outside entity is the best strategy to ensure quality health care for the community while relieving the financial burden of operating SCH. After a series of discussions between SCH and SEARHC regarding a potential merger, CBS determined in January 2018 that it would be best to issue a Request for Proposal (RFP) to seek out all interested parties and forms of affiliation.

To facilitate the RFP, review, and selection process, CBS engaged the services of two consultants who have extensive expertise and experience in assisting communities in these kinds of transactions. Sarah Cave, principle of Sarah Cave Consulting, is a broadly experienced healthcare strategy consultant and Associate Program Director of the University of Washington’s Master of Healthcare Administration Program. Steve Huebner is a financial consultant who spent more than 35 years working with members of the “Big Four” accounting firms and now provides consulting and transactional services through his firm Huebner Advisory LLC.

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Cave and Huebner worked with CBS to develop and issue the RFP, inviting eligible entities to make formal proposals covering a broad array of affiliation options for providing sustainable health care in the Sitka Community (e.g., merger/acquisition, service line affiliation, management agreement). After an extensive review process and public meetings to consider the proposals, CBS chose to pursue the proposal from the SouthEast Alaska Regional Health Consortium, or SEARHC.

CBS negotiated and entered into a Letter of Intent, or LOI, describing their mutual commitment to negotiate in good faith for CBS to sell, and for SEARHC to purchase, the assets and operations of SCH. Pursuant to the LOI and at the direction of the CBS Assembly, CBS then appointed a team of qualified individuals, including members of SCH management and medical staff (Rob Allen and Roger Golub, M.D.), CBS management and counsel (Keith Brady and Brian Hanson), Cave and Huebner, and health care counsel Sandy Johnson (the Negotiating Team), to negotiate the terms of the transaction.

The CBS Negotiating Team receives its ultimate guidance and direction from the CBS Assembly which, in turn, represents the citizens of Sitka. The Assembly sets the Negotiating Team’s goals, reviews its work, and directs revisions and enhancements during the negotiating process. With the Assembly’s guidance, the CBS Negotiating Team has negotiated two critical agreements, the Asset Purchase Agreement (APA) and the Facility Lease Agreement (Lease) that will accomplish the hospital sale. Key terms of those agreements are discussed below.

II. Asset Purchase Agreement (APA)

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| Preamble and Section 1.5(a) | Hospital sales transactions are carried out in steps that are defined by the times they are to be begun and accomplished. These dates are repeated throughout the documents, so are important to understand at the outset of any review. | There are three different dates or times that apply to the agreements, and each has a specific purpose. When parties enter into a transaction like this one, they are not permitted to share all the information they need to finalize the transaction until it is <i>certain</i> that the deal will occur. A relationship cannot have certainty until the parties both sign or “execute” the agreements. |
| Execution Date, | Execution Date is the date on which all parties sign the agreements (Preamble). | So, the first date is the “ Execution Date ” when the parties sign the agreements. Once the agreements are signed by both parties, the parties can share the information that, prior to execution, was too confidential or sensitive to share with the other party. |
| Closing Date, | Closing Date is the date on which the CBS sends its final documents to SEARHC, and SEARHC sends its final documents to CBS, and all conditions of closing have been either satisfied or waived. | Even after they are signed, the agreements are not fully binding until the parties have shared all the information required to ensure the sale is appropriate for both parties. That sharing occurs between the Execution Date and the “ Closing Date, ” when final documents and all exhibits and schedules are compiled, and money changes hands. |
| Effective Time | Effective Time is the time at which the APA and the Lease | Once the deal has closed, the agreements can become effective and the parties are bound by the agreements. |

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| | become effective, so that CBS and SEARHC are bound by the agreements' terms. | That event occurs at a specific time, the "Effective Time," which for this deal occurs at 12:01 a.m. on the Closing Date. |
| <p>Sections 1.1 – 1.2 Assets and Excluded Assets</p> <p>Sections 1.3 – 1.4 Liabilities and Excluded Liabilities</p> | <p>An "asset" in an asset purchase agreement is a financial contract or physical object with value that is owned by an individual or company.</p> <p>Sections 1.1 – 1.2 thus define which items or contracts of value SEARHC is buying and which are being excluded from the transaction.</p> <p>A "liability" in an asset purchase agreement is a company's legal financial debts or obligations that arise during the course of business operations.</p> <p>Sections 1.3–1.4 thus define which debts or obligations SEARHC is assuming, and which are being excluded from the transaction.</p> | <p>Sections 1.1 through 1.4 list numerous assets and liabilities that are to be included or excluded in the transaction. When considered together, these provisions mean that SEARHC is buying the business of SCH – a hospital – but is not taking the facilities (buildings), cash, or accounts receivable.</p> <p>This means that the City will lease the building to SEARHC so that SEARHC can operate the portions of SCH's current services that will not immediately be moved to Mt. Edgecumbe Hospital (MEH) (see Section 6.15 below). Then, when the new hospital is completed, the City will still own the current SCH building to use as it wishes.</p> <p>And, SEARHC will assume responsibility for debts and obligations that arise after the transaction closes, but the City remains responsible for debts and obligations that arose before the transaction closes. That is, the City keeps the debts and obligations that it incurred when the City owned and operated SCH.</p> <p>SEARHC is acquiring the "personal property" of SCH, which is composed of the items at SCH that are movable, and not attached to the land. The requirements for personal property are discussed in the Lease, which is discussed later in this document.</p> |
| <p>Section 1.6 Consideration</p> | <p>"Consideration" is something of value that is given in return for a benefit gained under an agreement. Consideration can be in the form of cash or cash equivalents, promises that carry value, items and services – anything of value between the parties.</p> <p>A contract is not valid unless there is sufficient consideration exchanged, and in health care transactions, all consideration must reflect fair market value.</p> | <p>The APA includes three possible purchase options, each in the form of cash:</p> <ol style="list-style-type: none"> 1. Payment on closing of \$8,300,000 and a Facility Lease Payment of \$140,000/yr for 5 years 2. Payment on closing of \$1,346,000 (\$646,000 PERS termination payment and \$700,000 1st annual installment), <i>plus</i> 21 additional annual payments of \$700,000 (total payments equal to \$16,640,000); Lease Payment of \$1/yr (the total amount over the life of the payments includes additional amounts for the Lease) 3. Payment on closing of \$9,000,000 and Lease Payment of \$1/yr (the total amount of the payment includes additional amounts for the Lease) |

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| | | <p>Option 2 is the preferred option since the economics appear to be better than Options 1 or 3 when effective interest rates and investment rates are considered.</p> <p><u>Additional Information</u></p> <p>If SEARHC decides to cease operations in Sitka, CBS can “accelerate” payments due under the APA so that CBS would receive the remaining money owed in a lump sum. This provision protects CBS’s interest in the event of any discontinuance of operations by SEARHC.</p> |
| <p>Section 1.7 Escrow</p> | <p>“Escrow” is a financial arrangement in which a third party, often a bank, holds funds in safekeeping pending the completion of a contract or other obligation.</p> | <p>In health care transactions, it is common for the seller to place money in an escrow account, and for the buyer to place all or a part of the purchase money in an escrow account, to cover liabilities that might arise as the transaction is completed.</p> <p>For example, bills for items or services that were provided to SCH before closing will come due after closing, and those bills will be payable by SCH, not by SEARHC (because the liability was incurred prior to closing). The funds from the escrow account will pay those bills.</p> <p>Or, it is routine for a hospital to incur liability for adjustments to its cost report (a hospital’s annual report to Medicare about how much it costs the hospital to provide services). Those adjustments can occur up to 3 years after the cost report was submitted. Funds must be available to make those payments, and the escrow account typically holds those funds.</p> <p>Other types of liabilities arise on a routine basis after transactions close. It is the function of escrow accounts to pay those liabilities. In this transaction, there are two escrow accounts. The first will hold the purchase payments and rent payments from SEARHC, to be distributed to CBS; the second will hold amounts set aside by CBS to address liabilities such as the bills that come in for operations prior to closing and liabilities for amounts due to Medicare from cost reports or compliance issues.</p> |
| <p>Article 2 and 3 Representations and Warranties</p> | <p>A “representation” is an assertion as to a fact, true on the date the representation is</p> | <p>In a transaction, each party must rely on the other party to be truthful about key considerations to the agreement, such as the condition of a property being</p> |

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| | <p>made, that is given to convince someone to take some action, such as entering into an agreement.</p> <p>A “warranty” is a promise of indemnity, such as security or a money payment, if the representation is false.</p> | <p>purchased, or the validity of licenses held by an entity. If a party is not truthful, the other party can incur expenses that it would not otherwise be forced to bear.</p> <p>Therefore, in agreements like the APA and the Lease, each party lists certain conditions that it believes are important and requires the other party to make “representations” about the truth of those conditions. In this transaction, there are representations about CBS’ authority to sell the hospital, about ownership of the assets being sold, about the condition of assets being sold, and about numerous other important conditions to the sale.</p> <p>The agreements also require that the parties “warrant” that the representations are true. If a representation turns out to be false, the party that made the false representation will be liable under the terms of the agreement for such falsities, usually for breach or other specified penalty.</p> |
| <p>Sections 6.1, 6.2 and 6.3</p> <p>Covenants and Agreements</p> | <p>In contract usage, “covenant” refers to the parties’ obligations with respect to conduct between signing and closing.</p> <p>“Agreement” means "a mutual understanding between parties about their relative rights and responsibilities."</p> <p>For purposes of the APA, then, “Covenants and Agreements” means the parties’ obligations and understandings about how they should conduct themselves between signing and closing.</p> | <p>Section 6.1 addresses CBS’ obligations to conduct SCH operations as they are currently conducted, and to make no operational changes prior to closing.</p> <p>Section 6.2 gives SEARHC access to inspect the assets it is to acquire in this sale, and notes that SEARHC is not obligated to acquire assets if the acquisition would violate an agreement with a third party (that is, a party not a part of the APA).</p> <p>Section 6.3 says that, from the Execution Date through either the Effective Time or the termination of the APA (meaning if the deal does not close), neither CBS nor SEARHC will pursue any relationship with any entity that could take the place of this sale transaction; that is, neither party can “shop the deal” to try and get a better deal elsewhere.</p> |
| <p>Section 6.4</p> <p>Employees</p> | <p>Safeguarding of current SCH employees receives extensive treatment in the APA.</p> <p>Key features are discussed in “Comments.”</p> | <ol style="list-style-type: none"> 1. <i>All SCH employees in good standing as of the Effective Time will be offered employment in Sitka.</i> 2. Every SCH employee in good standing will be offered a position similar to his/her current position and with compensation and benefits commensurate to current SEARHC employees in Sitka. (Benefits start on day one.) The process of “job mapping”—that is, |

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| | | <p>comparing positions at SCH to positions at SCH – has been underway for some time to ensure this happens as intended.</p> <ol style="list-style-type: none"> 3. Compensation will not be reduced for one (1) year. 4. SCH employees must satisfy standard SEARHC hiring requirements. 5. SCH employees may transfer up to 80 hours of Paid Time Off (PTO) to their new SEARHC employment arrangement. 6. Employment will continue for at least one (1) year <i>and thereafter as long as the need for the employee’s skills continues to exist in Sitka</i>. SEARHC maintain the right to terminate for performance, conduct, or qualification reasons or for catastrophic events that impact SEARHC. 7. Employment provisions also apply to all employed medical staff who meet requirements for admission to the SEARHC medical staff. |
| <p>Section 6.15 SEARHC Service Commitments Interim Operations</p> | <p>This section describes the services SEARHC will provide in Sitka, the building of the new hospital, and the manner in which SEARHC will continue to provide access to services in the existing SCH during the period before the new hospital is completed.</p> <p><u>The section also sets out the manner in which CBS will monitor SEARHC’s performance as promised in the agreement.</u></p> <p>Key terms are described in “Comments.”</p> <p>Specifics are set out in Exhibits referenced in the agreement and will be included at the back of the agreement.</p> | <p>6.15(a) SEARHC will continue the services listed in <u>Exhibit B</u> and will begin transferring services to MEH on an agreed schedule.</p> <p>(b) SEARHC will provide acute care, OB, and ancillary services at MEH, and rehabilitation, long-term care, and outpatient services not otherwise available in Sitka at SCH.</p> <p>(c) SEARHC will fund maintenance and capital expenditures, provide equal access to services for all residents, develop enhanced medical expertise and specialties, engage in a collaborative transition process with CBS, and ensure equitable employment opportunities.</p> <p>(d) <u>Accountability for performance:</u> CBS understands the community’s need to be confident that this arrangement will promote the stability and quality of health care services in Sitka. Section (d) seeks to ensure that CBS can maintain vigilance over this process by requiring that the SEARHC CEO or a high-level executive will report to CBS on SEARHC’s performance of a full list of key performance indicators, which are listed in <u>Schedule 6.15(d)</u>. If SEARHC fails to perform, the City can enforce the contract through Section 9.12 (see below).</p> |
| <p>Section 6.16</p> | <p>Both CBS and SEARHC are</p> | <p>SEARHC is a private, not a public, organization, so it is</p> |

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| Community Health Council | <p>committed to making sure that Sitka gets the health care it needs and wants, and that Sitka’s health care system is responsive to the community’s needs.</p> <p>To promote that relationship, CBS and SEARHC designed a new kind of community participation model, the Community Health Council, which is described in this section.</p> | <p><i>not</i> subject to public meeting and public input requirements, as SCH and CBS are. However, SEARHC and CBS recognize that Sitka is a very involved community that cares deeply about its healthcare, and that for any health care organization, the input of its patients is critical to ensure that appropriate and satisfactory services are provided.</p> <p>To make sure SEARHC can get that appropriate input, CBS and SEARHC have created the “Community Health Council” (CHC). The CHC’s purposes are to:</p> <ul style="list-style-type: none"> • Participate in strategic planning and maintain a strong link to SEARHC’s executives and governing body. • Provide feedback and information concerning community needs and ensure those needs can be considered in SEARHC’s planning processes for Sitka; • Provide input about services, quality, and patient satisfaction; and • Provide input to ensure access to care, maintain hiring practices, and maintain core services. <p>Specific information on CHC operations is set out in the “Sitka Community Health Council Charter,” which is included as Exhibit I to the agreement.</p> |
| Section 6.21: Discontinuance of Operations | <p>CBS and SEARHC expect this arrangement for Sitka’s health care services to be permanent.</p> <p>To protect Sitka’s health care in case SEARHC decides to stop providing care in Sitka, CBS and SEARHC agreed to ensure that CBS can act to continue health care services in the event SEARHC departs.</p> | <p>There are two possible options:</p> <ol style="list-style-type: none"> 1. If SEARHC ceases providing all or any part of <i>acute care, long-term care, or ambulatory care services</i>, CBS will have the opportunity to provide those services before SEARHC offers the opportunity to anyone else. 2. If SEARHC ceases providing <i>all services</i>, CBS will have the opportunity to provide the services before SEARHC offers the opportunity to anyone else. In addition, all amounts remaining to be paid under Option 2 (see Section 1.6, Consideration, above) will be immediately due and payable to CBS. |
| Section 7.3: Break-Up Fees | <p>Break-up Fees are common in acquisition transactions and are intended to ensure that the parties bargain in good faith and do not use negotiations as leverage to get a better deal</p> | <p>The break-up provision in Section 7.3 is fairly standard, <i>except</i> that in a usual break-up provision, the fees apply only to the seller (CBS) and not to the buyer (SEARHC).</p> <p>This provision applies to both SCH and SEARHC, and so is an <i>equitable application of a standard acquisition term</i>:</p> <ul style="list-style-type: none"> • If SEARHC breaches so that the deal cannot |

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| | from the proposed buyer or a different suitor. | <p>close, SEARHC pays CBS; and</p> <ul style="list-style-type: none"> • If CBS breaches so that the deal cannot close, CBS pays SEARHC. |
| <p>Section 9.12: Dispute Resolution</p> | <p>“Dispute Resolution” describes the process for settling any disagreements between the parties.</p> <p>If SEARHC fails to meet the requirements under Section 6.15(d) (see above), this is the process that CBS can follow to seek relief.</p> | <p>The APA includes an equitable process for dispute resolution that gives both parties access to established and appropriate processes for solving disagreements:</p> <ul style="list-style-type: none"> • The first step is that CBS and SEARHC each appoint a representative, and those representatives get together to discuss the issue and develop solutions. • If the representatives do not agree on a solution within 30 days, the parties will consider whether they should go to mediation. • If there is still no resolution, either party may take the controversy to arbitration. <p>Sovereign Immunity. As a tribal organization, SEARHC possesses sovereign immunity, meaning that most state and federal laws cannot be enforced against SEARHC. Many tribal organizations do not, under any circumstances, waive their sovereign immunity.</p> <p><i>For this affiliation agreement, though, SEARHC has agreed to waive its sovereign immunity so that the agreement can be enforced through the process outlined above.</i></p> |
| <p>Following the Signature Page: Schedules and Exhibits (listed in the “Index to Exhibits and Schedules” immediately preceding page 1 of the APA)</p> | <p>For purposes of a contract, “schedules” are used to attach information at the end of the contract that would be too confusing or cumbersome to include in the main body of the agreement. Schedules often take the form of lists or descriptions of information.</p> <p>“Exhibits” are samples of documents that the parties intend to either execute or deliver at some point in the future. Exhibits can be instruments, notices, stand-alone agreements, or any other documents that the parties anticipate will be necessary to</p> | <p>The APA, at the time of closing, will include all the Schedules listed in the “Index to Exhibits and Schedules.” Before closing, though, certain information cannot be shared, or the gathering of certain information will not be complete. As a result, when the APA is distributed to the community, some schedules may not include all the information that will be present at the close of the transaction. (<u>Note</u>: Schedules and Exhibits are clarifying components for the substantive terms already outlined in the body of the APA.)</p> |

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| | fulfill the intent of the definitive agreement. | |

III. Facility Lease Agreement (the Lease)

The Lease and the APA are both required to accomplish the sale of SCH to SEARHC. The two documents work together, so that terms in one agreement must be consistent with terms in the other agreement with respect to the same subject. For example, the APA states in Section 1.1(a) that SEARHC is purchasing all personal property as part of the sale; and, the Lease states in Section 1.1 that the Lease does not include personal property purchased by SEARHC under the APA. Thus, the terms of the Lease do not apply to personal property.

Key provisions of the Lease are discussed in the table below.

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| <p>Section 1.1 Premises</p> | <p>“Premises” means “a building together with its grounds or other appurtenances forming the subject of a conveyance.”</p> <p>Here, the conveyance is the Lease of SCH facilities, as defined in the Lease.</p> | <p>The Premises being leased by SEARHC is comprised of “two buildings located on four lots with addresses of 209 Moller Avenue, 302 Gavan Street, 202 Brady Street and 204 Brady Street” in Sitka, AK.</p> <p>The Premises are being taken by SEARHC “as is”; that is, CBS is not required to perform any repairs prior to SEARHC’s occupation of the Premises.</p> |
| <p>Section 2.1 and 2.2 Term and Hold-over</p> | <p>The “term” of a lease is the period of time for which the lease is effective; that is, the duration of the lease.</p> <p>“Hold-over” refers to the situation that occurs when a tenant, or “Lessee,” remains in possession of leased premises after the term of the lease has expired or the lease has been terminated.</p> | <p>The term of this Lease begins at the Effective Time (as defined in the APA) and ends either 60 days after all SCH services are transferred to MEH or the new hospital, or the 5-yr anniversary of the Effective Time, or as otherwise permitted by the Lease (for example, if SEARHC defaults under the Lease).</p> <p>If SEARHC continues to possess the Premises after the Lease expires, the Lease will continue on a month-to-month basis, except that the rent will be set at an amount that reflects fair market value for the Premises on the date the Lease expires.</p> |
| <p>Section 3 Rent</p> | <p>“Rent” is the amount the Lessee, SEARHC, pays to the Lessor, the City, for the right to occupy the leased premises.</p> | <p>In this Lease, the amount set for the Rent depends upon which Consideration option (see APA Section 1.6(c), discussed above) the City chooses for the SCH sale.</p> <p>If the City chooses Option 1, which is payment of \$8.3 million as a one-time payment, the Rent will be set at \$11,666.66 per month (\$140,000.00 per year).</p> |

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| | | <p>If the City chooses Option 2 or Option 3, the Rent will be set at \$1 per year. It is permissible to set the Rent at this amount because in this type of transaction, additional rent amounts are considered to be paid through the overall payment price.</p> |
| <p>Section 5 Improvements</p> | <p>“Improvements” are activities that the Lessee, SEARHC, performs either to repair a current condition at the Premises or to add to the Premises in a way that increases the Premises’ value.</p> | <p>Under this Lease, SEARHC may make any improvements to the Premises that are required to satisfy building codes or other requirements that apply to operation of a hospital.</p> <p>However, if SEARHC wishes to make an Improvement whose value is greater than \$100,000, SEARHC must obtain approval from CBS to make the Improvement.</p> <p>SEARHC is responsible for obtaining and paying for any required permits and certificates to perform an Improvement.</p> |
| <p>Section 6.1 Personal Property</p> | <p>“Personal property” is the items on the Premises that are movable, and not attached to the land.</p> | <p>SEARHC is taking all personal property that is on the Premises at the Effective Time.</p> <p>If SEARHC determines that it no longer requires any of the personal property, SEARHC will attempt to offer the property to charities or other similar entities in furtherance of SEARHC’s goals of community support or other charitable objectives.</p> <p>If SEARHC leaves any personal property on the Premises at the end of the Lease, CBS may remove the personal property and SEARHC will reimburse CBS for the cost of removal.</p> |
| <p>Section 10. Insurance</p> | <p>This section addresses each party’s obligation to provide insurance on the Premises and with respect to activities carried out on the Premises.</p> | <p>SEARHC will maintain Commercial General Liability insurance coverage in amounts recommended by CBS’ insurer.</p> <p>CBS will maintain the property insurance on the buildings, improvements and fixtures.</p> |
| <p>Section 11 Care of Premises</p> | <p>This section addresses maintenance and repair obligations with respect to the Premises.</p> | <p>Though CBS retains ownership of the Premises during the Lease Term, SEARHC has agreed to maintain the Premises during the Lease term.</p> |

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IV. Transition Planning

CBS and SEARHC understand that, while the documents accomplishing this sale establish critical parameters for this relationship, the most important activity to make this combination a success will likely be the process of getting to know each other and put the new health care system for Sitka into effect. That process began with negotiations, during which both CBS and SEARHC vigorously negotiated to ensure that the City and SEARHC are protected, while also working together to reach an optimal and workable model for Sitka's health care future.

The next part of the process is probably even more important: the transition planning process. During transition planning, leaders, managers, and staff for both SCH and SEARHC gather to discuss the best way to combine these two hospitals in a way that works for Sitka. Toward that end, the two organizations have established a Transition Team structure.

The members of the Transition Planning Project Team will be organized into two main groups:

- A. A steering committee, called the Joint Transition Team; and
- B. Sub-committees called Workgroups, currently including areas and functions such as:
 - i. Medical Staff;
 - ii. Human Resources;
 - iii. Primary Care; and
 - iv. Rehabilitation Services.

The categories of Workgroups and the areas on which they focus will likely change during the transition process; however, the approach to establishing a single, integrated health system through teams comprised of qualified individuals from both CBS and SEARHC will not change. These teams have already begun planning to ensure a smooth integration for SCH and SEARHC.

V. Conclusion

The sale of SCH to SEARHC is a complex transaction involving multiple documents and multiple considerations for both organizations. We hope this document is helpful as the community becomes familiar with the outlines and operations of its new health care system.

We look forward to discussing these parameters at the upcoming Question and Answer session on March 20, 2019.