Risk Factors Comparison 2024-02-21 to 2023-02-28 Form: 10-K

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You should carefully consider the following risks and all of the other information set forth in this annual report on Form 10- K before deciding to invest in any of our securities. If any of the following risks actually occurs, our business, financial condition or results of operations would likely suffer. In such case, the trading price of our securities, including our common stock, could decline due to any of these risks, and you may lose all or part of your investment. **Strategic and Operational Risks Related to Our Business We are subject to competition in many of the markets in which we operate and we may not be able to compete effectively. Some markets in which we operate or which we believe may provide growth opportunities for us are highly competitive, and are expected to remain highly competitive. We compete on the basis of quality, customer service, product and service selection, and pricing. Our competitive position in various market segments depends upon the relative strength of competitors in the segment and the resources devoted to competing in that segment. Due to their size, certain competitors may be able to allocate greater resources to a particular market segment than we can. As a result, these competitors may be in a better position to anticipate and respond to changing customer preferences, emerging technologies and market trends.** In addition **, new competitors and alliances may emerge** to ~~cycle~~ **take market share away,** and **as** we **enter into** ~~may not succeed in winning a~~ new **lines of** ~~customer' s~~ business, **due to acquisition** ~~in which case we receive no revenues and may receive no reimbursement for~~ - **or otherwise** ~~such expenses.Even if we succeed in developing a relationship with a potential new customer~~ ,we **face competition from new players with different competitive dynamics.We** may ~~not~~ be ~~successful~~ **unable to maintain our competitive position** in ~~obtaining contractual commitments after the selling cycle or~~ **our market segments,especially against larger competitors.We may also invest further to upgrade our systems** in ~~maintaining contractual commitments after the implementation cycle~~ **order to compete.If we fail to successfully compete** , ~~which may have a material adverse effect on~~ our business, **financial position and** results of operations ~~and financial condition~~ **may be adversely affected** .To the extent the availability of free or relatively inexpensive information increases,the demand for some of our solutions may decrease.Public sources of free or relatively inexpensive information have become increasingly available recently,particularly through the Internet,and this trend is expected to continue.Governmental agencies in particular have increased the amount of information to which ~~the~~ **they** ~~effects~~ **provide free public access. Public sources** of **free or relatively inexpensive information may reduce** the ~~COVID- 19 pandemic~~ **demand for our solutions. To the extent that customers choose not to obtain solutions from us** and **instead rely** ~~resulting global disruptions~~ on **information obtained at little or no cost from these public sources,** our business and **results of** operations ~~discussed~~ **may be adversely affected. If we are unable to develop successful new solutions or if we experience defects, failures and delays associated with the introduction of new solutions, our business could suffer serious harm. Our growth and success depend upon our ability to develop and sell new solutions. If we are unable to develop new solutions, or if we are not successful** in **introducing and / or obtaining regulatory approval or acceptance for new solutions, or products we develop face sufficient pricing pressure to make** ~~Item~~ - **them unattractive to pursue** ~~7 of Part II~~ , ~~" Management'~~ we may not be able to grow our business,or growth may occur more slowly than we anticipate.In addition,significant undetected errors or delays in new solutions may affect market acceptance of our solutions and could harm our business,financial condition or results of operations.In the past,we have experienced delays while developing and introducing new solutions,primarily due to difficulties in developing models,acquiring data and adapting to particular operating environments.Errors or defects in our solutions that are significant,or are perceived to be significant,could result in rejection of our solutions,damage to our reputation,loss of revenues,diversion of development resources,an increase in product liability claims,and increases in service and support costs and warranty claims.We typically face a long selling cycle to secure new contracts that require significant resource commitments,which result in a long lead time before we receive revenues from new relationships.We typically face a long selling cycle to secure a new contract and there is generally a long preparation period in order to commence providing the services.We typically incur significant business development expenses during the selling cycle and we may not succeed in winning a new customer' s **business** ~~Discussion Analysis of Financial Condition and Results of Operations~~ , ~~" and~~ in ~~the risk factors below, additional~~ **which case we receive no revenues and may receive no reimbursement** ~~or~~ **for** ~~unforeseen~~ **such expenses. Even if we succeed in developing a relationship with a potential new customer, we may not be successful in obtaining contractual commitments after the selling cycle or in maintaining contractual commitments after the implementation cycle, which may have a material adverse** ~~effects~~ - **effect on** ~~from the COVID- 19 pandemic and the global economic climate may give rise to or~~ **our** ~~amplify many of the risks discussed below. Risks Related to Our Business~~ **business , results of operations and financial condition.** We could lose our access to data from external sources, which could prevent us from providing our solutions. We depend upon data from external sources, including data received from customers and various government and public record services, for information used in our ~~databases~~ **data repositories** . In general, we do not own the information in these ~~databases~~ **data repositories** , and the participating organizations could discontinue contributing information to the ~~databases~~ **data repositories** . Our data sources could withdraw or increase the price for their data for a variety of reasons, and we could also become subject to legislative, judicial, or contractual restrictions on the use of such data, in particular if such data is not collected by the third parties in a way that allows us to legally use and / or process the data. ~~In addition, some~~ **We are also reliant on internal controls** of ~~our customers have been, and in~~ **third parties to ensure the accuracy of** ~~the~~ **their data** ~~future may continue to be, stockholders of our company~~ . If **a third party suffers reputational damage from** ~~our customers' percentage of ownership of our common stock decreases, or they cease to be stockholders of our company, there can~~ - **an underlying issue, we may** ~~be no~~

~~assurance that our customers will continue~~ **discontinue using** ~~to provide data to the~~ **their services** ~~same extent or on the same terms~~. If a substantial number of data sources, or certain key sources, were to withdraw or be unable to provide their data, or if we were to lose access to data due to government regulation **, decline in reputation** or if the collection of data became uneconomical, our ability to provide solutions to our customers could be impacted, which could materially adversely affect our business, reputation, financial condition, operating results, and cash flows. Agreements with our data suppliers are short- term agreements. Some suppliers are also competitors, which may make us vulnerable to unpredictable price increases and may cause some suppliers not to renew certain agreements. Our competitors could also enter into exclusive contracts with our data sources. If our competitors enter into such exclusive contracts, we may be precluded from receiving certain data from these suppliers or restricted in our use of such data, which would give our competitors an advantage. Such a termination or exclusive contracts could have a material adverse effect on our business, financial position, and operating results if we were unable to arrange for substitute data sources. We derive a substantial portion of our revenues from U. S. P & C primary insurers. If there is a downturn in the U. S. insurance industry or that industry does not continue to accept our solutions, our revenues will decline. Revenues derived from solutions we provide to U. S. P & C primary insurers account for a substantial portion of our total revenues. During the year ended December 31, ~~2022~~ **2023**, approximately 69 % of our revenue was derived from solutions provided to U. S. P & C primary insurers. Also, our invoices for certain of our solutions are linked in part to premiums in the U. S. P & C insurance market, which may rise or fall in any given year due to loss experience and capital capacity and other factors in the insurance industry that are beyond our control. In addition, our revenues will decline if the insurance industry does not continue to accept our solutions. Factors that might affect the acceptance of these solutions by P & C primary insurers include the following: • changes in the business analytics industry ~~,~~ **;** • changes in technology ~~,~~ **;** • our inability to obtain or use state fee schedule or claims data in our insurance solutions ~~,~~ **;** • saturation of market demand ~~,~~ **;** • loss of key customers ~~,~~ **;** • industry consolidation ~~,~~ **;** and • failure to execute our customer- focused selling approach. A downturn in the insurance industry, pricing pressure or lower acceptance of our solutions by the insurance industry could result in a decline in revenues from that industry and have a material adverse effect on our financial condition, results of operations and cash flows. Acquisitions, other strategic relationships and dispositions of our business, and related integration and separation risks, could result in operating difficulties and other harmful consequences, and we may not be successful in achieving the anticipated benefits of such transactions. Our long- term business strategy includes growth through acquisitions and other strategic relationships. Future acquisitions may not be completed on acceptable terms and acquired assets, data or businesses may not be successfully integrated into our operations, and we may ultimately divest unsuccessful acquisitions or investments. Moreover, from time to time we may also undertake dispositions of certain businesses or assets. Any acquisitions, investments and dispositions will be accompanied by the risks commonly encountered in such transactions. Such risks include, among other things: • failing to implement or remediate controls, procedures and policies appropriate for a larger public company at acquired companies that prior to the acquisition lacked such controls, procedures and policies ~~,~~ **;** • paying more than fair market value for an acquired company or assets, or receiving less than fair market value for disposed businesses or assets ~~,~~ **;** • failing to integrate or separate the operations and personnel of the acquired or disposed businesses in an efficient, timely manner ~~,~~ **;** • assuming potential liabilities of an acquired company ~~,~~ **;** • managing the potential disruption to our ongoing business ~~,~~ **;** • distracting management focus from our core businesses ~~,~~ **;** • failing to retain management at the acquired company ~~,~~ **;** • difficulty in acquiring suitable businesses, including challenges in predicting the value an acquisition will ultimately contribute to our business ~~,~~ **;** • possibility of overpaying for acquisitions, particularly those with significant intangible assets that derive value using novel tools and / or are involved in niche markets ~~,~~ **;** • impairing relationships with employees, customers, and strategic partners ~~,~~ **;** • incurring expenses associated with the amortization of intangible assets particularly for intellectual property and other intangible assets ~~,~~ **;** • incurring expenses associated with an impairment of all or a portion of goodwill and other intangible assets due to changes in market conditions, weak economies in certain competitive markets, or the failure of certain acquisitions to realize expected benefits ~~,~~ **;** and • diluting the share value and voting power of existing stockholders. The anticipated benefits of many of our acquisitions may not materialize. Future acquisitions or dispositions could result in the incurrence of debt, contingent liabilities or amortization expenses, or write- offs of goodwill and other intangible assets, any of which could harm our financial condition . We typically fund our acquisitions through...... impact on the demand for our solutions . We may incur substantial additional indebtedness in connection with future acquisitions. In order to finance acquisitions, which are an important part of our long- term growth strategy, we may incur substantial additional indebtedness and such increased leverage could adversely affect our business. In particular, the increased leverage could increase our vulnerability to sustained, adverse macroeconomic weakness, limit our ability to obtain further financing and limit our ability to pursue other operational and strategic opportunities. Further, the Federal Reserve has increased its benchmark interest rate multiple times in ~~2022~~ **2023** in a bid to reduce rising inflation rates in the United States ~~, and it is expected that additional rate hikes may be adopted in the future~~. These interest rate increases have resulted in higher short- term and long- term borrowing costs. The increased leverage, potential lack of access to financing and increased expenses could have a material adverse effect on our financial condition, results of operations and cash flows. ~~growth.~~ There may be consolidation in our end customer market,which could reduce the use of our services.Mergers or consolidations among our customers could reduce the number of our customers and potential customers.This could adversely affect our revenues even if these events do not reduce the aggregate number of customers or the activities of the consolidated entities.If our customers merge with or are acquired by other entities that are not our customers,or that use fewer of our services,they may discontinue or reduce their use of our services.The adverse effects of consolidation will be greater in sectors that we are particularly dependent upon,for example,in the P & C insurance sector.Any of these developments could materially adversely affect our business,financial condition,operating results,and cash flows. ~~If~~ **Financial and Economic** Risks Related to Our ~~Intellectual Property .~~ **Business** General economic,political and market forces and dislocations beyond our control could reduce demand for our solutions and harm our business.The demand for our solutions may be impacted by domestic and international factors that are beyond our control,including macroeconomic,political and market conditions,the energy transition driven by climate change and decarbonization,the availability of short- term and long- term funding and capital,the level and volatility of interest rates,currency exchange rates,and inflation.Any one or more of these factors may contribute to reduced activity and prices in the securities markets generally and could result in a reduction in demand for our solutions,which could have ~~and assets for which risk is transferred in market transactions could have an adverse impact on the demand for our solutions.~~ Our financial position may be impacted by audit examinations or changes in tax laws or tax rulings.Our existing corporate structure and tax positions have been implemented in a manner **in** which we believe is compliant with current prevailing tax laws.However,changes in existing tax laws or rulings,including Federal,State and International,could have a significant impact on our effective tax rate,cash tax positions and deferred tax assets and liabilities.Tax audit examinations with an adverse outcome could have a negative effect in the jurisdictions in which we operate.Furthermore,the Organization for Economic Co-operation and Development (OECD) ~~has issued Pillar Two model rules for a global minimum~~ **released its Base Erosion and Profit Shifting (BEPS) action plans which may also lead to future** tax **reform** ~~of 15 %~~ that ~~has been agreed upon~~ **could affect our results.In addition,our tax positions are impacted by fluctuations** in ~~principle by over 140~~ **our earnings and financial results in the various** countries ~~.Although~~ **in which** we do **business.** ~~not expect Pillar~~ Cybersecurity **and Product / Technology Risks Related to Our Business** Fraudulent or unpermitted data access and other cyber- security or privacy breaches may negatively impact our business and harm our reputation. Security breaches in our facilities, computer networks, and ~~databases~~ **data repositories** may cause harm to our business and reputation and result in a loss of customers. Many of our solutions involve the storage and transmission of proprietary information and sensitive or confidential data **, which are significantly complex with various uses across businesses and locations. With a large number of inter- related systems, keeping the technology current and managing vulnerabilities is challenging** . As with other global companies, our systems are regularly subject to cyber- attacks, cyber- threats, attempts at fraudulent access, physical break- ins, computer viruses, attacks by hackers and similar disruptive problems. As cyber- threats continue to evolve, we are required to expend significant additional resources to continue to modify and enhance our protective measures and to investigate and remediate any information security vulnerabilities and incidents. Despite efforts to ensure the integrity of our systems and implement controls, processes, policies and other protective measures, we may not be able to anticipate or detect all security breaches **or fraudulent access attempts** , nor may we be able to implement guaranteed preventive measures against such security breaches **or fraudulent access attempts** . Cyber- threats are rapidly evolving and we may not be able to anticipate, prevent or detect all such attacks and could be held liable for any security breach or loss. Third- party contractors, including cloud- based service providers, also may experience security breaches involving the storage and transmission of proprietary information. If users gain improper access to our ~~databases~~ **data repositories** , they may be able to steal, publish, delete or modify confidential third-party information that is stored or transmitted on our networks. Our business relies on the secure processing, transmission, storage and retrieval of confidential, proprietary and other information in our computer and data management systems and networks, and in the computer and data management systems and networks of third parties. In addition, to access our network, products and services, our customers and other third parties may use personal mobile devices or computing devices that are outside of our network environment and are subject to their own cybersecurity risks. In addition, customers', employees' or other' s misuse of and / or gaining fraudulent or unpermitted access to or failure to properly secure our information or services could cause harm to our business and reputation and result in loss of customers. Any such misappropriation and / or misuse of or failure to properly secure our information could result in us, among other things, being in breach of certain data protection and related legislation. A security or privacy breach may affect us in the following ways: • deterring customers from using our solutions; • deterring data suppliers from supplying data to us; • harming our reputation; • exposing us to liability; • increasing operating expenses to correct problems caused by the breach; • affecting our ability to meet customers' expectations; and / or • causing inquiry from governmental authorities. Incidents in which consumer data has been fraudulently or improperly acquired or viewed, or any other security or privacy breaches, have in the past occurred, and may in the future occur and could go undetected. The number of potentially affected consumers identified by any future incidents is inherently uncertain. Any such incident could materially adversely affect our business, reputation, financial condition, operating results and cash flows. In addition, media or other reports of perceived security vulnerabilities to our systems or those of our third- party suppliers, even if no breach has been attempted or occurred, could also adversely impact our reputation and materially impact our business. We could face claims for intellectual property infringement...... results, and cash flows. We may lose key business assets, through the loss of data center capacity or the interruption of telecommunications links, the internet, or power sources, which could significantly impede our ability to do business. Our operations depend on our ability, as well as that of third- party service providers to whom we have outsourced several critical functions, to protect data centers, whether in cloud or dedicated environments, and related technology against damage from hardware failure, fire, flood, power loss, telecommunications failure, impacts of terrorism, breaches in security (such as the actions of computer hackers), natural disasters, or other disasters. Certain of our facilities are located in areas that could be impacted by coastal flooding, earthquakes or other disasters. The online services we provide are dependent on links to telecommunications providers. In addition, we generate a significant amount of our revenues through telesales centers and websites that we utilize in the acquisition of new customers, fulfillment of solutions and services and responding to customer inquiries. We may not have sufficient redundant operations to cover a loss or failure in all of these areas in a timely manner. Certain of our customer contracts provide that our online servers may not be unavailable for specified periods of time. Any damage to our or our third- party service provider' s data centers, failure of our telecommunications links or inability to access these telesales centers or websites could cause interruptions in operations that materially adversely affect our ability to meet customers' requirements, resulting in decreased revenue, operating income and earnings per share. **A technology vendor that provides critical services, such as cloud- based infrastructure, creates a single point of failure resulting in pricing or contract lock- in risk. As our operations migrate to a cloud- based**

information technology infrastructure and delivery model (distributed computing infrastructure platform for business), systems are consolidated into a smaller number of large infrastructure suppliers. We cannot easily switch cloud providers, meaning that any disruption of or interference with our use of a particular supplier, would impact our operations and our business would be adversely impacted. Any of the few of these suppliers could suffer an outage which would in turn result in an outage for one or more of our products. These suppliers could also be subject to regulatory actions, or conflicts of interest which could force us to seek alternative suppliers in a short time period, at an economic disadvantage. Generative AI use by our customers or other third parties could result in the replacement of our existing products and / or solutions or the reduction of their relevance. For a subset of our products we rely on proprietary or copyrighted material which could be fed into generative AI large language models without our knowledge. This could result in duplication of our products or solutions by generative AI tools and reduce the relevance or value proposition of such products or solutions. Our own use of AI, including but not limited to generative AI, to enhance our products could lead to unanticipated consequences such as ethical, compliance, privacy- observing, bias- reducing, and / or intellectual property issues. Increasing use of AI, including but not limited to generative AI models, in our internal systems may create new attack methods for adversaries and raise ethical, technological, legal, regulatory, and other challenges, which may negatively impact our brands and demand for our products and services. Our business policies and internal security controls may not keep pace with these changes as new threats emerge, or the emerging cybersecurity regulations in jurisdictions worldwide. Additionally, we are actively adding new generative AI features to our services. Because the generative AI landscape is developing and inherently risky, no assurance can be given that such strategies and offerings will be successful or will not harm our reputation, financial condition, and operating results. Product features that rely on generative AI may be susceptible to unanticipated security threats from sophisticated adversaries. We use analytical models to assist our customers in key areas, such as underwriting, claims, reserving, and catastrophe risks, but actual results could differ materially from the model outputs and related analyses. We use various modeling techniques (e. g., scenarios, predictive, stochastic and / or forecasting) and data analytics to analyze and estimate exposures, loss trends and other risks associated with our products. We use the modeled outputs and related analyses to assist customers with decision- making (e. g., underwriting, pricing, claims, reserving, reinsurance, and catastrophe risk). The modeled outputs and related analyses are subject to various assumptions, uncertainties, model errors and the inherent limitations of any statistical analysis, including the use of historical internal and industry data. In addition, the modeled outputs and related analyses may occasionally contain inaccuracies, perhaps in material respects, including as a result of inaccurate inputs or applications thereof. Climate change and other variables may make modeled outcomes less certain or produce new, non- modeled risks. Consequently, actual results may differ materially from our modeled results. If, based upon these models or other factors, we provide inaccurate information to customers, or overestimate the risks we are exposed to, new business growth and retention of our existing business may be adversely affected which could have an adverse effect on our results of operations and financial condition. Legal, Regulatory and Compliance Risks Related to **Our Business** ~~Legal, Regulatory and Compliance Matters~~ We will continue to rely upon proprietary technology rights, and if we are unable to protect them, our business could be harmed. Our success depends, in part, upon our intellectual property rights. To date, we have relied primarily on a combination of copyright, patent, trade secret, and trademark laws and nondisclosure and other contractual restrictions on copying and distribution to protect our proprietary technology. This protection of our proprietary technology is limited, and our proprietary technology could be used by others without our consent. In addition, patents may not be issued with respect to our pending or future patent applications, and our patents may not be upheld as valid or may not prevent the development of competitive products. Businesses we acquire also often involve intellectual property portfolios, which increase the challenges we face in protecting our strategic advantage. Any disclosure, loss, invalidity of, or failure to protect our intellectual property could negatively impact our competitive position, and ultimately, our business. Our protection of our intellectual property rights in the U. S. or abroad may not be adequate and others, including our competitors, may use our proprietary technology without our consent. Furthermore, litigation may be necessary to enforce our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others. Such litigation could result in substantial costs and diversion of resources and could harm our business, financial condition, results of operations, and cash flows. Regulatory developments could negatively impact our business. Because personal, public and non-public information is stored in some of our ~~databases~~ **data repositories** , we are vulnerable to government regulation and adverse publicity concerning the use of our data. We provide many types of data and services that already are subject to regulation under the Fair Credit Reporting Act, Gramm- Leach- Bliley Act, Driver' s Privacy Protection Act, the European Union' s General Data Protection Regulation, the Dodd Frank Wall Street Reform and Consumer Protection Act and to a lesser extent, various other federal, state, and local laws and regulations. These laws and regulations are designed to protect the privacy of the public and to prevent the misuse of personal information in the marketplace. However, many consumer advocates, privacy advocates, and government regulators believe that the existing laws and regulations do not adequately protect privacy. They have become increasingly concerned with the use of personal information, particularly social security numbers, department of motor vehicle data and dates of birth. As a result, they are lobbying for further restrictions on the dissemination or commercial use of personal information to the public and private sectors. Similar initiatives are under way in other countries in which we do business or from which we source data. We have implemented various measures to comply with the data privacy and protection principles of the European Union' s General Data Protection Regulation, however, there can be no assurances that such methods will be deemed fully compliant. If we are unable to comply with the data privacy and protection principles adopted pursuant to the General Data Protection Regulation, it will impede our ability to conduct business between the U. S. and the E. U. which could have a material adverse effect on our business, financial position, results of operations or cash flows. The following legal and regulatory developments also could have a material adverse effect on our business, financial position, results of operations or cash flows: • amendment, enactment, or interpretation of laws and regulations which restrict the access and use of personal information and reduce the supply of data available to customers; • changes in cultural and consumer attitudes to favor further restrictions on information collection and sharing, which may lead to regulations that prevent full utilization of our solutions; • failure of our solutions to comply with current and future laws and regulations; and • failure of our solutions to adapt to changes in the regulatory environment in an efficient, cost- effective manner. Our financial position may be impacted by...... countries in which we do business. We are subject to antitrust, consumer protection, intellectual property and other litigation, as well as governmental investigations, and may in the future become further subject to such litigation and investigations; an adverse outcome in such litigation or investigations could have a material adverse effect on our financial condition, revenues and profitability. We participate in businesses (particularly insurance- related businesses and services) that are subject to substantial litigation, including antitrust, consumer protection and intellectual property litigation. In addition, our insurance specialists are in the business of providing advice on standard contract terms, which if challenged could expose us to substantial reputational harm and possible liability. We are subject to the provisions of a 1995 settlement agreement in an antitrust lawsuit brought by various state Attorneys General and private plaintiffs, which imposes certain constraints with respect to insurer involvement in our governance and business. Our failure to successfully defend or settle any litigation or resolve any governmental investigation could result in liability that, to the extent not covered by our insurance, could have a material adverse effect on our financial condition, revenues and profitability. Given the nature of our business, we may be subject to litigation or investigation in the future. Even if the direct financial impact of such litigation or investigations is not material, settlements or judgments arising out of such litigation or investigations could include further restrictions on our ability to conduct business, including potentially the elimination of entire lines of business, which could increase our cost of doing business and limit our prospects for future growth. ~~Risks Related~~ **We could face claims for intellectual property infringement, which if successful could restrict us from using and providing our technologies and solutions** to ~~International~~ **our customers** .There has been substantial litigation and other proceedings,particularly in the U.S.,regarding patent and other intellectual property rights in the information technology industry.There is a risk that we are infringing,or may in the future infringe,the intellectual property rights of third parties.We have,from time- to- time,been subject to litigation alleging intellectual property infringement.We monitor third-party patents and patent applications that may be relevant to our technologies and solutions and we carry out freedom to operate analysis where we deem appropriate.However,such monitoring and analysis has not been,and is unlikely in the future to be,comprehensive,and it may not be possible to detect all potentially relevant patents and patent applications.Since the patent application process can take several years to complete,there may be currently pending applications,unknown to us,that may later result in issued patents that cover our products and technologies.As a result,we may infringe existing and future third- party patents of which we are not aware.As we expand our ~~operations there Operations~~ **operations** there is a higher risk that such activity could infringe the intellectual property rights of third parties.Third- party intellectual property infringement claims and any resultant litigation against us or our technology partners or providers,could subject us to liability for damages,restrict us from using and providing our technologies and solutions or operating our business generally,or require changes to be made to our technologies and solutions.Even if we prevail,litigation is time consuming and expensive to defend and would result in the diversion of management' s time and attention.If a successful claim of infringement is brought against us and we fail to develop non- infringing technologies and solutions or to obtain licenses on a timely and cost- effective basis,this could materially adversely affect our business,reputation,financial condition,operating results,and cash flows. We are subject to ~~competition in many of~~ **extensive procurement laws and regulations, including** ~~the~~ **those that** ~~markets in which we operate and we may not be able~~ **enable the U** ~~to compete effectively~~ . **S. government to terminate contracts** ~~Some markets in which we operate or which we believe may provide growth opportunities~~ for **convenience** ~~us are highly competitive, and are expected to remain highly competitive. We compete on the basis of quality, customer service, product and service selection, and pricing~~ . Our ~~competitive position in various market segments depends upon the relative strength of competitors in the segment and the resources devoted to competing in that segment. Due to their size, certain competitors may be able to allocate greater resources to a particular market segment than we can. As a result, these competitors may be in a better position to anticipate and respond to changing customer preferences, emerging technologies and market trends. In addition, new competitors and alliances may emerge to take market share away, and as we enter into new lines of~~ business ~~, due to acquisition or otherwise, we face competition from new players with different competitive dynamics. We may be unable to maintain our competitive position in our market segments, especially against larger competitors. We may also invest further to upgrade our systems in order to compete. If we fail to successfully compete, our business, financial position~~ and **reputation could** ~~results of operations may~~ be adversely affected **if we or those we do business with fail to comply with or adapt to existing or new procurement laws and regulations which are constantly evolving** . **We and others with which we do business must comply with laws and regulations relating to the award, administration and performance of U. S. government contracts. Government contract laws and regulations affect how we do business with our customers and impose certain risks and costs on our business. A violation of these laws and regulations by us, our employees, or others working on our behalf, such as a supplier or a joint venture partner, could harm our reputation and result in the imposition of fines and penalties, the termination of our contracts, suspension or debarment from bidding on or being awarded contracts, loss of our ability to perform services and civil or criminal investigations or proceedings. In addition, costs to comply with new government regulations can increase our costs, reduce our margins, and adversely affect our competitiveness. Government contract laws and regulations can impose terms, obligations or penalties that are different than those typically found in commercial transactions. One of the significant differences is that the U. S. government may terminate any of our government contracts, not only for default based on our performance, but also at its convenience. Generally, prime contractors have a similar right under subcontracts related to government contracts. If a contract is terminated for convenience, we typically would be entitled to receive payments for our allowable costs incurred and the proportionate**

share of fees or earnings for the work performed. However, to the extent insufficient funds have been appropriated by the U. S. government to a particular program to cover our costs upon a termination for convenience, the U. S. government may assert that it is not required to appropriate additional funding. If a contract is terminated for default, the U. S. government could make claims to reduce the contract value or recover its procurement costs and could assess other special penalties, in some cases in excess of the contract value, exposing us to liability and adversely affecting our ability to compete for future contracts and orders. In addition, the U. S. government could terminate a prime contract under which we are a subcontractor, notwithstanding the fact that our performance and the quality of the products or services we delivered were consistent with our contractual obligations as a subcontractor. Similarly, the U. S. government could indirectly terminate a program or contract by not appropriating funding. The decision to terminate programs or contracts for convenience or default could adversely affect our business and future financial performance. General Risk Factors related to our Business Our operations are subject to additional risks inherent in international operations **. With operations in 19 countries, we provide services to the insurance industry worldwide, including operations in various developing nations. Both current and future foreign operations could be adversely affected by unfavorable geopolitical developments, including legal and regulatory changes; tax changes; changes in trade policies; changes to visa or immigration policies; regulatory restrictions; government leadership changes; political events and upheaval; sociopolitical instability; social, political or economic instability resulting from climate change; and nationalization of our operations without compensation. Adverse activity in any one country could negatively impact operations, increase our loss exposure under certain of our insurance products, and could, otherwise, have an adverse effect on our business, liquidity, results of operations, and financial condition depending on the magnitude of the events and our net financial exposure at that time in that country** . Conducting extensive international operations subjects us to risks that are inherent in international operations, including challenges posed by different pricing environments and different forms of competition; lack of familiarity and burdens of complying with foreign laws, legal standards, regulatory requirements, tariffs and other barriers; unexpected changes in regulatory requirements, taxes, trade laws, tariffs, export quotas, custom duties, or other trade restrictions; differing technology standards; difficulties in collecting accounts receivable; difficulties in managing and staffing international operations; varying expectations as to employee standards; potentially adverse tax consequences, including possible restrictions on the repatriation of earnings; and reduced or varied protection for intellectual property rights in some countries. In addition, our international operations subject us to obligations associated with anti- corruption laws and regulations, such as the U. K. Bribery Act 2010, the U. S. Foreign Corrupt Practices Act and regulations established by the U. S. Office of Foreign Assets Control. Government agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against companies for violations of export controls, anti- corruption laws or regulations, and other laws, rules, sanctions, embargoes, and regulations. Moreover, international operations could be interrupted and negatively affected by economic changes, geopolitical regional conflicts, terrorist activity, political unrest, civil strife, acts of war, and other economic or political uncertainties. All of these risks could result in increased costs or decreased revenues, either of which could have a material adverse effect on our financial condition, results of operations and cash flows. We **may fail to attract and retain enough qualified employees to support our operations, which could have an adverse effect on our ability to expand our business and service our customers. Our business relies on** ~~are~~ **large numbers** ~~subject to the increased risk~~ of ~~exchange~~ **skilled employees and our success depends on our ability to attract, train and retain a sufficient number of qualified employees. If our attrition** rate **increases** ~~fluctuations. As a result of our operations outside of the U. S.~~ , ~~we face greater exposure to movements in currency exchange rates, which may cause~~ our ~~revenue and~~ operating **efficiency** ~~results to differ materially from expectations. Our operating results could be negatively affected depending on the amount of revenue~~ and **productivity may decrease** ~~expense denominated in foreign currencies~~ . **We compete for employees not only with** ~~As exchange rates vary, revenue, cost of revenue, operating expenses, and~~ other **companies** ~~operating results, when remeasured~~ in ~~U. S. dollars, may differ materially from expectations. Although we may apply certain strategies to mitigate foreign currency risk, these strategies may not eliminate~~ our **industry, but also with companies in** ~~exposure to foreign exchange rate fluctuations and would involve costs and risks of their~~ - **other** ~~own~~ **industries** , such as ~~ongoing management time~~ **software services, engineering services and financial services companies, and there is a limited pool of employees who have the skills and training needed to do our work. If our business continues to grow, the number of people we will need to hire will increase. We will also need to increase our hiring if we are not able to maintain our attrition rate through our current recruiting and retention policies. Increased competition for employees could have** ~~and~~ - **an** ~~expertise~~ **adverse effect on our ability to expand our business and service our customers** , ~~external~~ **as well as cause us to incur greater personnel expenses and training** costs ~~to implement~~ **. Physical and transition risks associated with climate change and its consequences could disrupt operations, threaten** the **safety of employees, or negatively impact our financial performance. While we seek to be a** ~~strategies~~ **strategic partner to the global insurance industry in analyzing risks related to climate change** and **building resilience, we recognize that there are inherent risks wherever business is conducted. Climate- related events and its associated risks including acute physical risk such as heatwave, hurricane / cyclone, inland flooding, and wildfire, and chronic physical risk such as sea level rise and water stress could disrupt our operations and threaten the safety of our employees. Transition risks associated with achieving a lower- carbon global economy encompassing policy and legal risk such as** potential ~~accounting implications~~ **costs associated with the introduction of mandatory global carbon pricing and potential regulatory mandates involving climate- related reporting obligations, technology risk such as the potential increase in costs associated with a mandated transition to low- emissions technologies, market risk such as the potential impacts of a market shift in customer demand toward low- carbon solutions, and reputation risk such as potential impacts on our business from increasing stakeholder expectations related to real or perceived deficiencies associated with our climate leadership, strategy, performance, or disclosures could negatively impact our financial performance.**

We are transitioning to a new Enterprise Resource Planning system and our ability to manage our business and monitor results is highly dependent upon information and communication systems. A failure of these systems or the ERP implementation could disrupt our business and results of operations. We are highly dependent upon a variety of internal computer and telecommunication systems to operate our business, including our enterprise resource planning (" ERP ") systems. In order to continue support of our growth, we are making significant technological upgrades to our information systems. We are in the process of implementing a company- wide, single ERP software system and related processes to perform various functions and improve on the efficiency of our global business. This is a lengthy and expensive process that will result in a diversion of resources from other operations. Continued execution of the project plan, or a divergence from it, may result in cost overruns, project delays or business interruptions. In addition, divergence from our project plan could impact the timing and / or extent of benefits we expect to achieve from the system and process efficiencies. Any disruptions, delays or deficiencies in the design and / or implementation of the new ERP system, or in the performance of our legacy systems, particularly any disruptions, delays or deficiencies that impact our operations, could adversely affect our ability to effectively run and manage our business and adversely affect our reputation, competitive position, business, results of operations and financial condition . Risks Related to Our Common Stock If there are substantial sales of our common stock, our stock price could decline. The market price of our common stock could decline as a result of sales of a large number of shares of our common stock in the market, or the perception that these sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem attractive. As of December 31, ~~2022~~ **2023** , our ten largest shareholders owned 40. 3 % of our common stock, including 2. 5 % of our common stock owned by our Employee Stock Ownership Plan or ESOP. Such stockholders are able to sell their common stock in the public market from time to time without registration, and subject to limitations on the timing, amount and method of those sales imposed by securities laws. If any of these stockholders were to sell a large number of their common stock, the market price of our common stock could decline significantly. In addition, the perception in the public markets that sales by them might occur could also adversely affect the market price of our common stock. Pursuant to our equity incentive plans, options to purchase approximately ~~4~~ **2** , ~~037~~ **732** , ~~798~~ **670** shares of common stock were outstanding as of February ~~24~~ **16** , ~~2023~~ **2024** . We filed a registration statement under the Securities Act, which covers the shares available for issuance under our equity incentive plans (including for such outstanding options) as well as shares held for resale by our existing stockholders that were previously issued under our equity incentive plans. Such further issuance and resale of our common stock could cause the price of our common stock to decline. Also, in the future, we may issue our securities in connection with investments and acquisitions. The amount of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then outstanding common stock. Our capital structure, level of indebtedness and the terms of anti- takeover provisions under Delaware law and in our amended and restated certificate of incorporation and bylaws could diminish the value of our common stock and could make a merger, tender offer or proxy contest difficult or could impede an attempt to replace or remove our directors. We are a Delaware corporation and the anti- takeover provisions of the Delaware General Corporation Law may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our certificate of incorporation and bylaws may discourage, delay or prevent a change in our management or control over us that stockholders may consider favorable or make it more difficult for stockholders to replace directors even if stockholders consider it beneficial to do so. Our certificate of incorporation and bylaws: • authorize the issuance of " blank check " preferred stock that could be issued by our Board of Directors to increase the number of outstanding shares to thwart a takeover attempt ~~,~~ **;** • prohibit cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of the stock to elect some directors ~~,~~ **;** • require that vacancies on the Board of Directors, including newly created directorships, be filled only by a majority vote of directors then in office ~~,~~ **;** • limit who may call special meetings of stockholders ~~,~~ **;** • prohibit stockholder action by written consent, requiring all stockholder actions to be taken at a meeting of the stockholders ~~,~~ **;** and • establish advance notice requirements for nominating candidates for election to the Board of Directors or for proposing matters that can be acted upon by stockholders at stockholder meetings. In addition, Section 203 of the Delaware General Corporation Law may inhibit potential acquisition bids for us. As a public company, we are subject to Section 203, which regulates corporate acquisitions and limits the ability of a holder of 15 % or more of our stock from acquiring the rest of our stock. Under Delaware law, a corporation may opt out of the anti- takeover provisions, but we do not intend to do so. These provisions may prevent a stockholder from receiving the benefit from any premium over the market price of our common stock offered by a bidder in a potential takeover. Even in the absence of an attempt to effect a change in management or a takeover attempt, these provisions may adversely affect the prevailing market price of our common stock if they are viewed as discouraging takeover attempts in the future. Item 1B. Unresolved Staff Comments