

Wednesday April 22, 2020

Meeting of Investment Committee of Life Insurance Company of Alabama

Members present: Clarence Daugette, President, Ray Renfrow EVP & Chief Marketing Officer, Alie Renfrow Causey, Chief Investment Officer, Mr. Warren Cobb, Steve Keck, Exec. V.P. & Secretary

The meeting was held in the Florence T. Daugette Board Room

Reports from NEAM were provided by Kelly Sullivan and reports from SSA were provided by Alton Cogart.

Alton indicated that the portfolio had outperformed the benchmark by 2.24% and that there is an unrealized gain in the portfolio in excess of \$5 million currently. He further indicated that the equity market is extremely volatile right now. Uncertainty reigns and it is expected that the GDP will experience a drop of at least 6%. Due to the pandemic he wouldn't be surprised to see some bonds downgraded and potentially end up on the other than temporarily impaired list and pointed to Noble Energy, which is already on the watch list.

Kelly reviewed the current position of the portfolio as well as the outlook. She indicated that spreads have stretched considerably in the last 2 months. Liquidity has begun to dry up as well. It was discussed that we should continue to hold cash for liquidity.

There are no compliance issues, all items out of compliance have been granted a waiver.

The committee accepted the reports of Ms. Sullivan and Mr. Cogart.