

Wednesday June 24, 2020

Meeting of Investment Committee of Life Insurance Company of Alabama

Members present: Clarence Daugeette, 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. Daugeette Board Room

The focus of this meeting was the recent ALM analysis performed by NEAM. Due to the current level of surplus held by the company the traditional ALM metric does not have much meaning. Reinvestments are critical due to asset cash flows being earlier than liability cash flows. The dollar duration of the market value of assets and liabilities is over \$2 million, which represents the marked to market valuation exposure per 100bps change in interest rates. However, only a portion of the assets are needed to support liabilities. Mark Yu explained that the company asset allocation requires a top-down, holistic enterprise approach focusing on RBC sensitivity, while monitoring micro metrics throughout the optimization process.

It was noted in the remaining time that the company currently has good liquidity.

The committee accepted the reports of Ms. Sullivan.