

**QUARTERLY MEETING OF THE
BOARD OF DIRECTORS**

Tuesday, May 7, 2019

The 2019 first quarter meeting of the Board of Directors of Life Insurance Company of Alabama convened at noon, Tuesday May 7, 2019 at the Gadsden Country Club, 1884 Rainbow Dr, Gadsden, Alabama. The meeting was called to order by the Chairman, Clarence W. Daugette, III who presided over the meeting. The invocation was given by Herman Warren Cobb.

ROLL CALL:

The Roll Call revealed that members of the Board were present as follows:

Rosalie Renfrow Causey	M. Lynn Lowe
Herman Warren Cobb	Anne Daugette Renfrow
Clarence W. Daugette, III	Raymond R. Renfrow, Jr.
Alburta D. Lowe	Gerald Ray Smith, Jr.

Directors Emeritus Present:

Lucian Newman, MD

The Chairman declared a quorum present and the meeting duly qualified for the transaction of business.

MINUTES:

The Chairman asked the pleasure of the Board concerning the reading of the minutes from the previous meeting. M. Lynn Lowe moved that the minutes not be read and upon second by Herman Warren Cobb the motion carried unanimously.

ELECTION OF OFFICERS:

The Chairman recommends the following new officers be approved:

Tim Cole – Vice President IT
Scott Jones – Vice President IS
Zach Lindsey – Vice President Policyholder Services

The chairman further proposed that the normal election of officers be moved to November. The existing slate of officers, elected in 2018 for 2019, will remain until then.

Raymond Renfrow, Jr. made a motion to approve the recommendation. The motion was seconded by Gerald Ray Smith, Jr. and carried unanimously by the board.

ELECTION OF COMMITTEES:

In the form of a motion, the Chairman of the Board made a recommendation to add Gerald Ray Smith, Jr. to the Compensation Committee and to add H. Warren Cobb to the Corporate Governance Committee for the following year. Upon a second by Alburta D. Lowe, the motion was passed unanimously by the board.

COMMITTEE REPORTS:

Compensation Committee

H. Warren Cobb presented, in the form of a motion, a 4% salary increase for Officers, as well as the adjustments to Tim Cole, Scott Jones and Zach Lindsey for being promoted to Vice President. The motion was seconded by Gerald Ray Smith and passed unanimously by the board.

Audit Committee

Gerald R. Smith, Jr., Chairman of the Audit Committee reported that the committee had met recently to review the annual report from the external auditors, Thomas Howell & Ferguson. The audit went well and both the auditors and the actuaries issued unqualified opinions. It was noted that the audit was relatively clean and there were no items of concern. It was also reiterated that the responses to the state examination should be turned into actions.

M. Lynn Lowe made a motion to approve the Audit report. Upon a second from Anne D. Renfrow, the motion carried unanimously.

Investment Committee:

Chief Financial Officer Rosalie Renfrow Causey introduced Kelly Sullivan and Nico Santini from NEAM. She informed the board that the portfolio quality continues to maintain an A status. She further indicated that the duration has reduced to 7.06, has a book yield of 4.15% and that the capital charge ratios (BCAR, RBC and AVR) have all improved. It was also mentioned that at this time there is a \$2.5 million unrealized gain in the portfolio. She further indicated that there are signs that the Fed is not likely to increase rates to as to avoid inflation and avoid a recession.

Mrs. Causey moved in the form of a motion that the Board approve all the transactions taken by the Company regarding bonds and stock sold, redeemed or otherwise disposed of during the quarter. The motion was seconded by Raymond R. Renfrow, Jr. and passed unanimously by the Board.

H. Warren Cobb made a motion to approve the Investment report. Upon a second from Anne D. Renfrow, the motion carried unanimously.

QUARTERLY FINANCIAL REPORT:

At the time of the board meeting a completed financial report was not ready. The system conversion and other activities made it difficult to complete the reports on time. However, at the time of the board meeting it was noted that all signs were indicating a loss for the quarter of less than \$500,000.

MARKETING REPORT:

Executive Vice President Raymond R. Renfrow, Jr. reported that production for 1st quarter 2019 was up slightly compared to the same quarter in 2018. Currently the primary focus of the marketing department has been recruiting, more agents means more sales. Plans for the upcoming Mariners Trip Cruise were being finalized and he expressed his excitement to see everyone on the ship in Italy.

It was further reported that at this time there are no new products to introduce. Product development had been put on hold until the new system was running.

NEW BUSINESS:

J. Steven Keck reported that he had performed the required annual asset adequacy testing. The company passed all tests, and there were no scenarios of concern. He also presented copies of the external auditors report for any board members review.

President and Chief Executive Officer, Clarence W. Daugette, III, presented the attached resolution to include Rosalie Renfrow Causey as a signatory on the corporate bank accounts. There was also discussion about making changes to the 401(k) plan to add Rosalie Renfrow Causey as a trustee. Additionally, he presented the attached resolutions regarding the cancellation of the safe deposit box at Regions bank and the establishment of a safe deposit box at RiverBank and Trust, as well as those authorized to access the safe deposit box.

There being no further business and upon motion duly made and seconded, the meeting adjourned.

J. Steven Keck, Secretary