

# CAMARA & SIBLEY LLP

4400 POST OAK PKWY, SUITE 2700, HOUSTON, TEXAS 77027  
T: 713.966.6789 - F: 713.583.1131

JOE SIBLEY - SIBLEY@CAMARASIBLEY.COM - EXT. 3002

August 28, 2020

LIFE INSURANCE COMPANY OF ALABAMA  
c/o M. Lynn Lowe, Registered Agent  
302 Broad Street  
Gadsden, AL 35901

Sent via *facsimile* to (256)-399-0667

Re: Notice Of Request To Conduct Inspection Of Records Pursuant To AL CODE § 10A-2-16.02.

To Whom It May Concern:

My firm represents the following shareholders of Life Insurance Company of Alabama ("LICOA"): Mitchell Partners, L.P., The Herr Foundation, The Julie M. Herr Revocable Trust, The Jeffrey M. Herr Trust, Trondheim Capital Partners LP, MTP 401K Plan, Bjornsund Ventures LLC, Maureen Peterson, Nate Tobik, Conant Family Foundation, and Emily Clark (together, the "Shareholders"). As you know, the Shareholders maintain an ownership interest in LICOA of 93,991 of the LINS class shares and 3,811 shares of the LINS class shares.

By this demand letter, the Shareholders – who have been record owners more than 180 days prior to this request – are hereby providing you notice that, pursuant to AL Code § 10A-2-16.02(b), they intend to conduct an inspection of LICOA's books, papers, records of account, minutes, and record of shareholders. The Shareholders specifically demand the following records:

1. A copy of the purchase agreement (and any other agreements) with the members of the Mayo Clark family for the purchase of LICOA shares as referenced in the Board Minutes dated June 17, 2020.
2. Any and all correspondence or other documents referring or relating to the purchase of the LICOA shares of the Mayo Clark family as referenced in the Board Minutes dated June 17, 2020.
3. An itemization of legal expenditures for 2019 to the present.
4. Copies of any analyses/memoranda/calculations/communications prepared in connection with the share repurchase from the Mayo Clark family
5. Copies of any analyses/memoranda/calculations/communications prepared in connection with determining whether it was in the best interest of LICOA for Clarence Daugette to take advantage of the LICOA share opportunities that

## CAMARA & SIBLEY LLP

were offered during 2020 and not LICOA.

6. Any documents responsive to any request previously submitted by any of the Shareholders from 2019 to the present which has not been previously produced.

The purposes of the inspection by Shareholders of the LICOA records demanded are as follows:

1. Independently assessing and verifying the value of the Shareholders' shares;
2. Independently verifying and assessing whether the issues relating to nepotism and to compensation and expenses identified by the State of Alabama Department of Insurance are still ongoing or have been cured;
3. Determining whether LICOA's business is being properly conducted;
4. Determining whether LICOA's officers and/or directors have engaged in tortious conduct such as shareholder oppression, nepotism, waste, usurpation of corporate opportunities, or other breaches of fiduciary duty;
5. Determining whether LICOA, its officers, and/or directors have engaged in securities fraud;
6. Communicating with other LICOA shareholders regarding matters of corporate governance;
7. Assessing and verifying the value of the Shareholders' shares in a status quo scenario;
8. Assessing the value of the Shareholders' shares in a scenario where the company cuts costs;
9. Assessing the value of the Shareholders' shares in a scenario where the company sells to an acquirer;
10. Assessing the value of the Shareholders' shares in a scenario where the company suffers a loss because of an interest rate increase or a credit market shock;
11. Determining whether Shareholders should seek representation on the Board;
12. Determining whether Shareholders should make one or more shareholder proposals on a platform that compares the status quo of LICOA with a sale of the company or with cost-cutting to improve performance; and
13. Sharing with other LICOA shareholders the range of possible values realized depending on the path that the company chooses.

The Shareholders designate and authorize Camara & Sibley LLP and its attorneys and other employees, and any other persons designated by any of the foregoing, acting alone or in any combination, to conduct the inspection and copying requested by this letter.

The AL Code § 10A-2-16.03 provides that "the right to copy records under Section 10A-2-16.02 includes, if reasonable, the right to receive copies made by photographic, xerographic, or other means." Given nationwide concerns about "social distancing," I would prefer that you email the requested records to me within the five business days provided for in the statute.

CAMARA & SIBLEY LLP

In the absence of prompt notice to the contrary, the Shareholders will assume that the LICOA agrees that this demand complies in all respects with the requirements of AL Code § 10A-2-16.02. The Shareholders reserve the right to withdraw or modify this request at any time. If LICOA does not respond to this letter or fails to permit inspection and copying of the demanded materials as required by AL Code § 10A-2-16.02, the Shareholders will seek appropriate relief to the fullest extent permitted under law.

Please contact me with any further questions.

Respectfully,

/s/ Joe Sibley

Joe Sibley