

ANNUAL MEETING OF THE STOCKHOLDERS
Monday, May 8, 2017

The Annual Meeting of Stockholders of Life Insurance Company of Alabama convened at 11:00 a.m. Monday, May 8, 2017 in Daugette Auditorium of the Life of Alabama Building, 302 Broad Street, Gadsden, Alabama, the date, time and place having been set by the Board of Directors at their meeting held February 21, 2017. President Clarence W. Daugette, III presided as Chairman.

The Chairman called the meeting to order promptly at 11:00. He welcomed everyone to the meeting and recognized guests.

The invocation was given by Herman Warren Cobb.

AFFIDAVIT REGARDING NOTICE OF MEETING:

The Chairman called on Senior Vice President and Secretary J. Steven Keck for certification of the following affidavit.

I, J. Steven Keck, Secretary of Life Insurance Company of Alabama, hereby certify that notice of the Annual Meeting and Proxy material were mailed on Monday, April 3, 2017, to all stockholders of record of both classes at the close of business on March 8, 2017.

REPORT OF PROXY COMMITTEE:

Zach Lindsey, Chairman of the Proxy Committee, reported that 51,862 shares of Common Stock was represented in person and 17,394 shares of Common Stock represented by written proxy for a total of 69,256 which is 79.10% of the total number Common Stock outstanding.

The Chairman thereupon declared a quorum represented in person and by written proxy and the meeting duly qualified for the transaction of business.

MINUTES:

The Chairman asked the pleasure of the Stockholders concerning reading of the minutes of the last meeting. Alburta D. Lowe, a holder of Common Stock of the Corporation moved the minutes not be read. Upon second by Raymond R. Renfrow, also a holder of Common Stock, the motion carried unanimously.

REPORT OF OFFICERS:

President Clarence W. Daugette, III reported on several key factors from the 2016 financial statement. He also noted that the Company rating by A. M. Best remained a B++ which is the result of the Company's financial strength, operating performance, asset quality and capitalization and claim paying ability.

The Chairman called on Rosalie Renfrow Causey, Vice President & Chief Investment Officer, to give a report on the Company's investment portfolio. Mrs. Causey made a few remarks then called on John Inzer and Reid Lynch to review the investment portfolio which included the equity performance and fixed investments for the 2016 fiscal year.

Executive Vice President Raymond R. Renfrow, Jr. reported on "Sales Performance Then and Now". He reported that premium production was up 15% and the goal is to make Life 25% of the premium production. He also noted that we have had the best A&H production in 5 years and the Lapse Ratio has decreased from 41% to 22% over the last 25 years. He also noted that agent recruitment was up. He recognized the home office management team and employee group for their outstanding performance in working with the agents.

Senior Vice President & Secretary J. Steven Keck reported on Home Office operations. He reported on the new Admin System that is being put in and stated that it should be in by the beginning of 2018. He then introduced the officers and gave an overview of the department functions they manage.

ELECTION OF DIRECTORS:

The Chairman recognized Alburta D. Lowe, a holder of Common Stock of the Corporation, who nominated the following nine persons for election to the Board of Directors as shown on the Proxy:

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

Dr. Lucian Newman, Jr., has reached the age of 80, and as stated in the By-Laws, has been made Director Emeritus along with Robert W. Echols.

Raymond R. Renfrow seconded the nomination and moved the nomination be closed.

The proxies were voted by M. Lynn Lowe, Gerald R. Smith, Jr. and Clarence W. Daugette, III. The vote was as follows:

	FOR	AGAINST
Shares of Common Stock voting in person	51,862	-0-
Shares of Common Stock voting by Proxy	17,394	-0-
Total shares of Common Stock voted	69,256	-0-

The Chairman declared the same duly elected.

APPOINTMENT OF THOMAS, HOWELL, FERGUSON, PC:

The Chairman recommended the firm of Thomas, Howell, Ferguson, PC, as shown in the Proxy, to conduct the NAIC required certified audit.

Gerald Ray Smith, also a holder of Common Stock of the Corporation, moved in favor of the recommendation and upon second by Anne D. Renfrow, the vote was as follows:

	FOR	AGAINST
Shares of Common Stock voting in person	51,862	-0-
Shares of Common Stock voting by Proxy	17,394	-0-
Total shares of Common Stock voted	69,256	-0-

ACTIONS RATIFIED:

The Chairman recommended that all actions of the Stockholders, Board of Directors and Board Committees be ratified.

M. Lynn Lowe moved in favor of the recommendation and upon second by Anne D. Renfrow, the vote was as follows:

	FOR	AGAINST
Shares of Common Stock voting in person	51,862	-0-
Shares of Common Stock voting by Proxy	17,366	28
Total shares of Common Stock voted	69,228	28

ANNOUNCEMENTS:

The Chairman announced that lunch would be served in the auditorium immediately following adjournment. He then gave the benediction and blessing.

ADJOURNMENT:

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



 J. Steven Keck, Secretary

**QUARTERLY MEETING OF THE
BOARD OF DIRECTORS**

Monday, May 8, 2017

The 2017 first quarter meeting of the Board of Directors of Life Insurance Company of Alabama convened at noon, Monday May 8, 2017 in the Rutledge Library, Life of Alabama building, 302 Broad Street, Gadsden, Alabama. The meeting was called to order by the Chairman, Clarence W. Daugeette, 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
Herman Warren Cobb
Clarence W. Daugeette, III
Alburta D. Lowe
M. Lynn Lowe

Thomas W. Miller
Anne Daugeette Renfrow
Raymond R. Renfrow, Jr.
Gerald Ray Smith, Jr.

Directors Emeritus Present:

Robert W. Echols, Jr.
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. Alburta D. Lowe moved that the minutes not be read and upon second by M. Lynn Lowe the motion carried unanimously.

ELECTION OF OFFICERS:

The Chairman recommends the following slate of officers be approved:

Clarence W. Daugeette, III, President / Chief Executive Officer
M. Lynn Lowe, Executive Vice President & Treasurer
Raymond R. Renfrow, Jr., Executive Vice President & Chief Marketing Director
J. Steven Keck, Senior Vice President / Chief Risk Officer & Secretary

Rosalie Renfrow Causey, Vice President & Chief Investment Officer
Hoyt R. Casey, Vice President
Katrina Hulsey, Vice President
Jeff Casey, Vice President & Chief Technology Officer
Michael P. Causey, Vice President & Agency Director
Ken Lewis, Vice President & Marketing Director
Libby Belyeu, Assistant Vice President & Assistant Treasurer
Debbie Edmondson, Assistant Vice President

M. Lynn Lowe made a motion to approve the slate of Officers as read. The motion was seconded by H. Warren Cobb and carried unanimously by the board.

ELECTION OF COMMITTEES:

In the form of a motion, the Chairman of the Board made a recommendation to make no changes to the Committees for the following year. Upon a second by Anne D. Renfrow, the motion was passed unanimously by the board.

COMMITTEE REPORTS:

Compensation Committee

Thomas W. Miller, Compensation Committee Chairman reported that they had met and approved in the form of a motion a special bonus for non-officers. Although, the company did not declare a profit bonus this quarter, a bonus in recognition of the hard work of the dedicated employees of the company was recommended. The total bonus in aggregate equals \$16, 500. The motion was seconded by Anne D. Renfrow and carried unanimously.

Thomas W. Miller, Chairman of the Compensation Committee approved in the form of a motion a 4% salary increase for Officers. 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 and reviewed the outstanding items requiring corrective action previously identified by the internal and external auditors and the state examiners. Items that are still under review are:

- The Executive Committee and the Internal Auditors are working on updating the Travel Policy
- The Chief Investment Officer and Investment Committee are working on updating the Investment Policy with the assistance of Alton Cogert, SAA Investment Consultant.

- Management has put in place a new Payroll procedure; whereas, J. Steven Keck, Senior VP & Secretary will verify once a month payroll reports.

Mr. Smith also mentioned that the Audit Committee held a conference call at their quarterly meeting with External Auditors Thomas Howell & Ferguson to review the yearly report.

Investment Committee:

Vice President & Chief Investment Officer, Rosalie Renfrow Causey, reviewed the Company's equity investment portfolio as of March 31, 2017 indicating that the market value of the portfolio was \$5,401,116 with yield of 4.58%. The market value of the bond portfolio was \$101,764 with an overall yield of 4.99%.

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 as shown on Schedule D-Part 4 (Items One Attached) of the Quarterly Statement. The motion was seconded by M. Lynn Lowe 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:

Vice President, Katrina D. Hulsey, CPA joined the meeting and reviewed highlights of the Quarterly Statement.

- Net Income for 1st Quarter 2017 - \$64,919

Mrs. Hulsey provided the Impaired Securities Review. There were no new securities with an NAIC designation of 6 that would require the write down of their book value.

OLD BUSINESS:

Senior Vice President & Secretary J. Steven Keck reported:

- The Enterprise Risk Management (ERM) process/project is progressing. As part of the project, the Chairman recommended in form of a motion that J. Steven Keck be named Chief Risk Officer. The motion was seconded by Alburta D. Lowe and approved by the board.
- LICOA is in the process of determining a market valuation of its two classes of stock.
- The Computer System conversion is on track to go live starting January 1, 2018.

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.
- The Accounting Department is slated for remodeling during the summer.

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



J. Steven Keck, Secretary