February 22, 2006

TO ALL MEMBERS OF THE BOARD OF GOVERNORS FOR THE
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

RE: LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
BOARD OF GOVERNORS MEETING
FEBRUARY 21, 2006 2:00 P.M.
MINUTES

Ladies and Gentlemen:

A meeting of the Governing Board, for the Louisiana Citizens Property Insurance Corporation, was held on February 21, 2006. The meeting was conducted at the offices of the Department of Insurance located at 1702 N. Third St., 4TH floor conference room, Baton Rouge, Louisiana.

The following is the official record of the meeting. The meeting commenced at 2:00 p.m.

BOARD MEMBER                                      REPRESENTATIVE

Commissioner of Insurance – Designee                 Chad Brown, Chairman
State Treasurer-designee                              Jim Napper
Senate Insurance Committee-Chairperson               Sen. Cain
Hanover Ins. Co.                                     Joelle Lapeze
Governor at-large Appointees                          Lee Mallett
Allstate Ins.Co.                                     Michael Domingue
PIA of Louisiana                                     Mike Ely
Louisiana Farm Bureau                                Hal Stiel
St. Paul Travelers                                   Blain Briggs
State Farm Ins. Co.                                 John Mellitte
                                                  Ron Newson

OTHERS PRESENT:                                      REPRESENTED BY:


Chad Brown, Chairman, welcomed all members and guests to the meeting of the Board of Directors for the Louisiana Citizens Property Insurance Corporation.

Mr. Brown asked each to identify themselves and who they are representing.

**SLC.06.23 PRIOR MEETING MINUTES**

The Board is asked to review and approve the minutes for the following meeting:

A. February 2, 2006

A motion was made, seconded and approved with out objection to accept the minutes presented.

**SLC.06:24 EMERGENCY ASSESSMENT REVENUE BONDS**

The Chairman of the Investment Committee will report on the status of:

1. The procurement of bonds
Don Wilbon advised the Board that plans are being made to visit with the Rating Agencies and Bond Insurers early next month.

2. Placement of interim financing

Michael Mak and Don Wilbon laid out the Plan to issue Bond Anticipation Notes (BAN) to secure interim funding for LCPIC to remain liquid until the Bond issue is complete.

3. Revisions of LCPIC’s enabling statute

Bond counsel reported that the changes needed to our enabling statute have been passed the House and Senate with little resistance and minimal enhancements and will be signed by the Governor very shortly. A copy of the act will be forwarded to all members.

SLC.06.25 CLASS ACTION LAWSUITS

A. Orill v. LCPIC
B. Gentry/Oubre
C. Turk

Staff reported that additional suits have been filed and General Counsel is responding accordingly.

SLC.06:26 CLAIMS REPORT

A. Katrina claims

Staff reported on the number of claims received, contacted, inspected/scoped and closed/paid. Staff is to provide a copy of the weekly report to all members.

B. Rita claims

Staff reported on the number of claims received, contacted, inspected/scoped and closed/paid. Staff is to provide a copy of the weekly report to all members.

C. AIGCS Agreement
Staff report on the status of the negotiations. Staff will provide a copy of the agreement upon completion to all members.

**SLC.06:27 MEETING SCHEDULE FOR 2006**

The following meeting dates were approved for the first six months of 2006.

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
<th>Time</th>
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<tbody>
<tr>
<td>March</td>
<td>March 16</td>
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<td>April</td>
<td>April 6</td>
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<td>May</td>
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<td>May 18</td>
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<tr>
<td></td>
<td>June 18</td>
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Staff arranged a meeting on March 2nd to discuss the anticipated operational changes need for LC PIC to meet the changes in the market. All were invited to attend.

**SLC.06:28 OPEN SESSION**

This concludes the agenda. If any questions, please give me a call.

Yours truly,

Terry M. Lisotta

TML:cat