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

RE: LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
BOARD OF GOVERNORS MEETING
NOVEMBER 8, 2018 MINUTES

Ladies and Gentlemen:

A meeting of the Governing Board for the Louisiana Citizens Property Insurance Corporation was held on Thursday, November 8, 2018. The meeting was conducted at the offices of the Department of Insurance located at 1702 N. Third St. Baton Rouge, Louisiana, Hearing Room, commencing at 1:00 P.M.

Present were: Nick Lorusso, Chairman
Brian Chambley
Ron Henson (Treasurer's office)
Gene Galligan
Denise Gardner
Tom Glasson
Eugene Montgomery
Kevin Reinke
William (Bill) Starr
Rep. Talbot
Brian Van Dreumel

Absent were: Jeff Albright
Eric Berger
Craig LeBouef
Sen. Smith

Also present: Commissioner Donelon
Treasurer John Schroder
Richard Newberry, CEO
Paige Harper
Joe Sciortino

Chairman's Report

Chairman Lorusso called the meeting to order at 1:05 p.m. He began the meeting by asking Ms. Harper to call roll. With eleven members present during roll call, a quorum was met and the meeting moved forward. After roll call, Chair Lorusso took a moment to welcome Treasurer John Schroder to the meeting.

Next, Chair Lorusso noted that the Executive Committee met to review and discuss the proposed budget. The Committee voted to adopt and approve the budget and to recommend that the full Board do so as well.

The next item on the agenda was the minutes of the previous meeting. Chair Lorusso asked Secretary Harper to address the minutes. She gave the Board a few minutes to review the minutes. Mr. Glasson moved to accept the minutes from the previous meeting on September 13, 2018, as written. Ms. Gardner seconded the motion. With no further discussion on the motion or the minutes, Chair Lorusso called for a vote. The minutes were approved unanimously.

Chairman Lorusso then moved to the CEO Report and asked Mr. Newberry to take over with his updates.

CEO Report

- A) 2019 Slate of Officers. Mr. Newberry began his report by proposing a slate of officers for 2019. It included himself as President/CEO, Mr. Lindey as CIO, Mr. Sciortino as Vice President of Accounting and Finance, and Ms. Harper as CAO/General Counsel/Corp. Secretary. Mr. Montgomery moved to accept the slate of officers as proposed. Mr. Reinke seconded the motion. After Mr. Newberry responded to a question regarding reporting structure and the absorption of duties, Chair Lorusso called for a vote. With no opposition, the slate of officers was approved unanimously.

- B) Commercial Rate Implementation. Next, Mr. Newberry informed the Board that the proposed Commercial rate filing approved for filing and implementation by the Board at the previous meeting was approved by the Louisiana Department of Insurance as filed, with no changes. Therefore, LCPIC will implement the rates as voted on by the Board.

- C) Third Quarter Financials. Mr. Newberry asked Mr. Sciortino to step forward and review the Third Quarter Financials with the Board. Mr. Sciortino began by noting that LCPIC needs approval of the Board to submit the financials with the Department of Insurance by Thursday, November 15, the due date. He also noted that the financials were presented to the Audit Committee for review. Other than Mr. LeBouef's few routine questions, no other members seemed to have questions. In a recap of the financials, Mr. Sciortino told the Board that at the end of the third quarter, LCPIC had a net income of \$12.2 million and a

surplus of \$168.7 million. With no comments or discussion forthcoming from the Board, Chair Lorusso entertained a motion for approval of the financials and their filing with the LDOI. Mr. Van Dreumel so moved and Mr. Montgomery seconded. With no further discussion, a vote was taken and the motion passed unanimously.

D) Management Report and Proposed 2019 Budget. The next topic on the agenda was the Management Report. Mr. Sciortino addressed this topic as well. Mr. Sciortino informed the Board that, as of September 2018, LCPIC had 39,801 total net inforce policies. A year earlier LCPIC had 50,774 total net inforce policies. The TIV associated with those 39,801 policies is \$7.7 million. A year ago it was \$10 million. With no questions regarding the Management Report, Mr. Sciortino and Mr. Newberry began the presentation of the proposed 2019 budget. After a detailed presentation of the budget and a discussion among Board members and LCPIC management, Rep. Talbot moved to approve the 2019 budget as presented. Mr. Montgomery seconded the motion. With no further discussion on the motion forthcoming, the motion was approved with no opposition.

E) Complaints. The final item on the CEO report was complaints. Ms. Harper reported that there were four complaints in September and October 2018. All four were claim related. With no questions regarding complaints, the CEO report was concluded.

With the conclusion of the CEO report, Chairman Lorusso moved on to the Executive Session. He asked if anyone from the public first wished to address the Board. With no other speakers from the public stepping forward, Chairman Lorusso stated that he would entertain a motion to go into Executive Session to discuss potential and pending litigation. Mr. Glasson so moved. Ms. Gardner seconded the motion. Chairman Lorusso called for a roll call vote. The motion passed unanimously and the Board entered into Executive Session. Everyone except LCPIC staff and the Board were asked to leave the room.

-----Executive Session-----

At the conclusion of the Executive Session, Chairman Lorusso asked for a motion to exit Executive Session and re-enter the public forum. Ms. Gardner so moved. Mr. Chambley seconded the motion. A roll call vote was taken. The motion passed unanimously. Chairman Lorusso noted that the Board had re-entered the public forum. He asked that the record reflect that the Board did not take any formal action while in Executive Session.

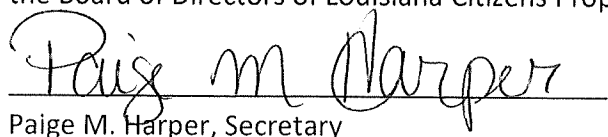
With the conclusion of the agenda, and with no further business to discuss, Chairman Lorusso asked for a motion to adjourn. Representative Talbot so moved; Ms. Gardner seconded. There being no opposition, the meeting was adjourned at 1:39 p.m.

Adjourn

Paige M. Harper
General Counsel and Corporate Secretary/Chief Administrative Officer

Approved:

I hereby certify that these are a true and correct copy of the November 8, 2018 minutes that were adopted by the Board of Directors of Louisiana Citizens Property Insurance Corporation on January 10, 2019.

A handwritten signature in cursive script that reads "Paige M Harper". The signature is written in black ink and is positioned above a solid horizontal line.

Paige M. Harper, Secretary