

LAIP  
ANNUAL MEETING

Held at The Department of Insurance  
1702 North 3rd Street  
Fourth Floor Conference Room  
September 22, 2016  
Beginning at 9:35 a.m.

REPORTED BY:  
BETTY D. GLISSMAN, CCR

1 MS. BRIGNAC:

2 All right. I would like to call to  
3 order the 2016 annual meeting of the Louisiana  
4 Automobile Insurance Plan. It's Thursday,  
5 September 22, 2016, at 9:35 a.m. I am Denise  
6 Brignac, Chairperson, presiding over the  
7 meeting.

8 Housekeeping, since this is an annual  
9 meeting, only those Governing Committee members  
10 that are member companies may vote. So that is  
11 limited to Aaron Angel, Noel Bunol, and Blaine  
12 Briggs, so the three of y'all, and some of you  
13 are holding proxies as well. I don't believe  
14 there's any member companies on the phone.

15 MS. SHERIFF:

16 No.

17 MS. BRIGNAC:

18 All right. So the first agenda item  
19 is the Anti-Trust Preamble, which I will not  
20 read. I will place an official copy into the  
21 record, unless someone here asks that I read  
22 it. No. Okay.

23 Antitrust Preamble

24 We are here to discuss and act on matters  
25 relating to the business of the Louisiana

1 APPEARANCES:

2 CHAIRPERSON:

3 Ms. S. Denise Brignac

4 BOARD MEMBERS:

5 Mr. Aaron Angel (State Farm Auto Insurance)

6 Mr. Noel Bunol, IV (President of  
7 the Senate Designee)

8 Mr. Blaine Briggs (Farm Bureau)

9 Mr. Christopher Howell (Department of  
10 Insurance Appointee)

11 ALSO PRESENT:

12 Ms. Suzy Sheriff (AIPSO)

13 Mr. Robert Myers - General Counsel

14 Mr. Bobby Dupre (LAFAC)

15 Ms. Susan Petrillo (Progressive)(By Phone)

16 AIPSO REPRESENTATIVES PRESENT BY PHONE:

17 Ms. Sherri Palermo

18 Ms. Jennifer DeOlivera

19 Mr. Chris Falaguerro

20 Mr. Timothy Messier

21 Ms. Jennifer Johnson

22 Automobile Insurance Plan and not to discuss or  
23 pursue the business interests of our individual  
24 companies. We should proceed with caution and  
25 alertness towards the requirements and  
prohibitions of federal and state antitrust  
laws. We should not engage in discussion -  
either at this meeting or in private  
conversations - of our individual company's  
plans or contemplated activities. We should  
concern ourselves only with the business of the  
Louisiana Automobile Insurance Plan as set  
forth in the agenda for this meeting. Only  
residual market matters may be discussed at  
residual market meetings and each company's  
voluntary market plans cannot be discussed.

We may not discuss the circumstances,  
conditions or actions under which our  
individual companies will withdraw from  
particular lines of coverage in this state, or  
will withdraw as servicing carriers for the  
Plan. We may not discuss or agree to refuse to  
supply servicing carrier services to the Plan  
or agree to withdraw other services, products,  
or lines of business. We also may not discuss  
or agree to refuse to do business with

1 individual or classes of insurers, producers,  
2 brokers or insureds, unless clearly authorized  
3 and actively supervised by the state.

4 MS. BRIGNAC:

5 Second agenda item is the minutes  
6 from the September 24, 2015, annual meeting  
7 that needs to be approved. I'll give you a  
8 second to scan over those and entertain any  
9 corrections, and then a motion to approve.

10 MS. SHERIFF:

11 Blaine, do you know if you were at  
12 that meeting? You were not. I'm trying to  
13 figure out -- I'm not seeing that we had a  
14 quorum and I know we had a quorum, because  
15 actually Susan Petrillo is not a Board member.  
16 She was with the also present and Aaron Angel  
17 was on the phone, but there has to be someone  
18 we're missing or we would not have had a  
19 quorum.

20 Is that the one, Noel, that you  
21 called in -- you were teaching and you called  
22 in?

23 MR. BUNOL:

24 Yes.

25 MS. SHERIFF:

1 (No response.)

2 MS. BRIGNAC:

3 All right. Moving on to Agenda Item  
4 #3, the annual report of operations, and I will  
5 turn it over to Suzy Sheriff with AIPSO.

6 MS. SHERIFF:

7 I will just go over a couple quick  
8 things on this. We have added Exhibit #5. The  
9 format of the report is exactly the same as in  
10 past years except for that exhibit. Since this  
11 is the annual report and we do post it on the  
12 website for all the membership to know what's  
13 going on with the plan, we added the revisions  
14 to the manual rules and rates and plan of  
15 operation, so that any changes that were made  
16 to the plan during the year would be included  
17 as well, any rate filings or anything. So that  
18 is a new exhibit you're seeing.

19 The other exhibits are the same. I'm  
20 not going to go over them. If you have any  
21 questions -- I will point out, however, that  
22 I'm sure you noticed on Exhibit #3, the AIP  
23 financial statements are still a draft. We  
24 have changed auditing firms. We did have KPMG.  
25 We're now using Grant Thornton, I believe, and

1 So we need Noel Bunol as present by  
2 phone on those as well. Thank you.

3 MS. BRIGNAC:

4 All right. Other than that  
5 correction, any others?

6 (No response.)

7 MS. BRIGNAC:

8 If not, I'll entertain a motion to  
9 approve.

10 MR. ANGEL:

11 Motion to approve.

12 MS. BRIGNAC:

13 I have a motion by Mr. Angel.

14 MR. BUNOL:

15 Second.

16 MS. BRIGNAC:

17 A second by Mr. Bunol.

18 Any discussion?

19 (No response.)

20 MS. BRIGNAC:

21 If not, the three of y'all in favor,  
22 say, "Aye."

23 (All "Aye" responses.)

24 MS. BRIGNAC:

25 Any opposed?

1 it has been a very, very steep learning curve,  
2 because what we do is so different. We are to  
3 the point that we've been assured that they do  
4 not think any numbers will change. They're  
5 just wordsmithing at this point, going back and  
6 forth.

7 So what I would ask is, if this  
8 annual report is approved, that when we get the  
9 final report, if there are no substantive  
10 changes, that we would be able to use this  
11 approval and post that report on the website.  
12 If there were any changes that came back that  
13 were numbers that were significant, I would  
14 bring that back to the membership for another  
15 vote.

16 Are there any questions about the  
17 reports that are in the annual report?

18 MS. BRIGNAC:

19 This annual report was provided to  
20 the members prior to this meeting through a  
21 mail out, so.

22 MS. SHERIFF:

23 Okay. And one other thing I will  
24 note that I have in the past, with the  
25 commercial annual -- the commercial audited

1 financial statements continue to have the same  
2 language that they have -- they do not express  
3 an opinion, because they do not audit the  
4 underwriting and claims information. That is  
5 done by AIPSO. So since they do not see that  
6 information, they cannot express an opinion on  
7 it.

8 MS. BRIGNAC:

9 All right. Any questions for Suzy on  
10 the annual report of operations?

11 MR. DUPRE:

12 How many policies do you have now, do  
13 you know that off the top of your head?

14 MS. SHERIFF:

15 We have for this year through August  
16 -- well, policies -- applications assigned, we  
17 have assigned 23 this year. We have, I  
18 believe, 15 policies in force -- commercial  
19 policies in force. We don't know how many  
20 private passenger in force, because that's  
21 written by companies individually.

22 MS. BRIGNAC:

23 Any other questions?

24 (No response.)

25 MS. BRIGNAC:

1 nine members, five are appointed and four are  
2 elected. Those appointed include myself,  
3 Denise Brignac, who is the designee of  
4 Insurance Commissioner, Jim Donelon. He has an  
5 additional appointee, who is Christopher  
6 Howell; a representative appointed by the  
7 Louisiana Association of Fire and Casualty, who  
8 is Mr. Bobby Dupre; a member appointed by the  
9 President of the Senate, who is Noel Bunol.  
10 And, currently, I have not received a new  
11 appointee from the new Speaker of the House and  
12 I will continue to work on getting that  
13 appointment.

14 At this time, we'll go through the  
15 election of the four members. Once again, it's  
16 just the three member company committee members  
17 that can vote. Unfortunately, we do have two  
18 vacancies of which we did not get any  
19 recommendations. We will not have a member  
20 currently representing the AIA, and we will not  
21 have an at-large member. So that leaves us  
22 just electing the PCI member and the  
23 non-affiliated member. And so we'll start with  
24 the PCI member. They have recommended once  
25 again Blaine Briggs as their representative.

1 If not, at this time, I'll entertain  
2 a motion to approve the annual report of  
3 operations and give AIPSO the authority on the  
4 final audit -- 2015 audit if there's no  
5 substantive changes.

6 MR. ANGEL:

7 Motion to approve.

8 MS. BRIGNAC:

9 I have a motion from Mr. Angel.

10 MR. BRIGGS:

11 Second.

12 MS. BRIGNAC:

13 I have a second from Mr. Briggs.

14 Any discussion on the motion?

15 (No response.)

16 MS. BRIGNAC:

17 All those in favor, say, "Aye."

18 (All "Aye" responses.)

19 MS. BRIGNAC:

20 Any opposed?

21 (No response.)

22 MS. BRIGNAC:

23 All right. Agenda Item #5, which is  
24 the election of the Governing Committee. Our  
25 Governing Committee, by statute, consists of

1 At this time, I will enter a motion to elect  
2 Mr. Briggs and I would prefer that it come from  
3 --

4 MR. DUPRE:

5 I'll make that motion.

6 MS. BRIGNAC:

7 You can't do that.

8 MR. DUPRE:

9 I can't?

10 MS. BRIGNAC:

11 No.

12 MR. BUNOL:

13 Okay.

14 MR. ANGEL:

15 (Makes motion.)

16 MR. BUNOL:

17 Second.

18 MS. BRIGNAC:

19 I have a motion by Mr. Angel and a  
20 second by Mr. Bunol.

21 Those in favor, say, "Aye."

22 (All "Aye" responses.)

23 MS. BRIGNAC:

24 Any opposed?

25 (No response.)

1 MS. BRIGNAC:  
 2 All right. And we'll move on to the  
 3 non-affiliated insurance company  
 4 representative. They have Mr. Aaron Angel.  
 5 They have recommended him. So at this time,  
 6 I'll enter a motion to elect Mr. Angel.  
 7 MR. BUNOL:  
 8 I make a motion.  
 9 MS. BRIGNAC:  
 10 I have a motion by Mr. Bunol.  
 11 MR. BRIGGS:  
 12 Second.  
 13 MS. BRIGNAC:  
 14 A second by Mr. Briggs.  
 15 Those in favor, say, "Aye."  
 16 (All "Aye" responses.)  
 17 MS. BRIGNAC:  
 18 Any opposed?  
 19 (No response.)  
 20 MS. BRIGNAC:  
 21 All right. Welcome aboard again.  
 22 You've done this for 43 years, Mr.  
 23 Bobby?  
 24 MR. DUPRE:  
 25 Yes.

1 MS. BRIGNAC:  
 2 I'm trying to think of how long it's  
 3 been for me. I think 8, I just made 8 years.  
 4 That brings us to Agenda Item #6,  
 5 which is any other business?  
 6 (No response.)  
 7 MS. BRIGNAC:  
 8 Not hearing any, I will ask for a  
 9 motion to adjourn the annual meeting.  
 10 MR. ANGEL:  
 11 (Makes motion.)  
 12 MS. BRIGNAC:  
 13 Mr. Angel makes the motion.  
 14 MR. BUNOL:  
 15 Second.  
 16 MS. BRIGNAC:  
 17 Mr. Bunol seconds.  
 18 Any discussion?  
 19 (No response.)  
 20 MS. BRIGNAC:  
 21 Are the three of you guys in  
 22 objection? No.  
 23 All right. Well, we are adjourned.  
 24  
 25 (Meeting concluded at 9:45 a.m.)

1 REPORTER'S CERTIFICATE  
 2  
 3 I, BETTY D. GLISSMAN, Certified Court  
 4 Reporter, Certificate No. 86150, in and for the  
 5 State of Louisiana, do hereby certify that the  
 6 Louisiana Automobile Insurance Plan Annual  
 7 September 22, 2016, meeting was reported by me  
 8 in the stenotype reporting method, was prepared  
 9 and transcribed by me or under my personal  
 10 direction and supervision, and is a true and  
 11 correct transcript to the best of my ability  
 12 and understanding.  
 13 October 5, 2016,, Baton Rouge, Louisiana.  
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BETTY D. GLISSMAN, CCR  
 22 CERTIFIED COURT REPORTER  
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