

The annual meeting of the USA Alliance was called to order by President Peter Scobie on October 15, 2010 at 7:15 am at the Lodge of the Sage Valley Golf Club, Graniteville, SC.

Today's meeting is for our invited Company Presidents Tom Mulligan of Western World, E.G. Lassiter of RSUI and Michael Crowley of Markel. Each man spoke for about 45 minutes individually about their company. At the end, all three were called together for a Q&A session. The meeting adjourned at 10:30 am.

The business meeting of the USA Alliance was called to order on October 16, 2010 at 7:35am by President Peter Scobie. Those present were Kerry Dillard, Bob Distel, Wes and Tripp Duesenberg, Michael Gabor, Jason and Van Griffin, Sandy Jackson, Jennifer Jensen, Mike Johnson, Merwyn Larsen, Len LoVullo, Jack Miller, Greg and Jason Murrey, Jonathan Niebergall, Dick Thomas, Rob Tuscano and Jenny Wood.

The Treasurers Report was given by Len LuVollo, a copy of which was provided to those present. Dues for the coming year will remain at \$2500. A motion was made by Merwyn and seconded by Wes to accept the report as presented. All those present voted to accept the report as presented.

The minutes from the last annual meeting were read by Greg Murrey. There was one correction to note that the annual meeting was held on September 22, 2009 not the 21st. The minutes were approved with this one change and a motion was made by Jack Miller and seconded by Len LuVollo that they be approved. All those present voted to accept the minutes as read with the one correction.

The Nominating Committee headed by Rob Tuscano gave their report. Joe Timmons is in the process of selling and he was the incoming President. Rob has accepted the nomination to replace Joe for a three year term. The following were officers were nominated:

President Rob Tuscano
Vice President (on a train) Kerry Dillard
Treasurer Len LuVollo
Secretary Greg Murrey
Executive Committee One Year Term Wes Duesenberg and Merwyn Larsen
Executive Committee Two Year Term Jenny Wood and Ron Gabor
Past President Peter Scobie

A motion was made by Wes and seconded by Merwyn that the slate of officers be accepted as presented. All those present voted to accept the nominations as presented.

Peter brought up several prospective new members for discussion. John Salzwedel of Grand General Agency, Michigan he has known. However, none of our other members know of him. After discussion, it was agreed Peter would let him know this and if he wants to pursue membership, he needs to get to know some of us first. Next was Gene Horner of Horner General Agency which has an office in Mississippi. Most of us know

Gene and he has a son in the business as well. Discussion ensued and Merwyn made a motion seconded by Wes that we accept him as a member. All those present voted in favor of this. Greg will solicit votes from those members not present when the minutes are mailed to determine a final vote for membership of Horner. We also discussed a replacement in Missouri for Joe Timmons, but since his sale is not official yet, he remains a member until then. Joe is in the process of selling to Westrope and this was discussed in an Executive Committee meeting about six weeks ago. Joe has agreed to surrender his stock once the sale is complete.

Merwyn Larsen along with Jenny discussed the 2011 annual meeting which will be held in Duluth, Minnesota on September 18-21 which is Sunday-Tuesday. You can fly direct via Chicago or it is a 3 ½ hour drive from St. Paul. A boat tour of Lake Superior is being arranged for those who want to arrive Sunday morning. Jenny did advise us that the place we are having dinner the last night, which is owned by the University of Minnesota, requires a \$3m agg. We currently only have a \$2m agg. It was agreed we will endorse our G/L policy to the the \$3m agg to cover this.

Discussion then began on which Company Presidents to invite for our 2011 meeting. After much discussion we came up with a list of 12. Each member then had 5 votes. From this we culled a list of 6. In order of preference they are:

Richard Smitzer—James River
Tom Kuzma—Nautlis
David Firstenberg—Canal
Dave Burchette—Omega
Bill Reynolds—Atlantic Casualty
Lee Wilkins—Atrium

Rob will contact them in hopes that we can have three of them to agree to attend our next meeting. It was also discussed that we should try and give the Presidents a bit more direction about what we expect from them—their company, market conditions, or other topics. Rob will also contact the three Presidents from this meeting thanking them for attending, sending a copy of our ad and asking them if there are any areas where representation may be possible for our members.

Our next topic was scheduling locations to have our 2012 and 2013 meetings. It was agreed that John Mundelius will host the 2012 meeting in Napa and Kerry Dillard will host the 2013 meeting at The Homestead in Hot Springs, Va. Dates to be determined.

Wes gave a report on the Marketing Committee. He reported on our ad which ran in the AAMGA daily magazine which we did receive some feedback on including prospective members. However, we were somewhat disappointed in the lack of distribution but it was agreed we should still do the ad again with it being updated. Wes will also look into the cost for running the ad in the mid-year Naplso magazine. It was agreed we will also get a list from AAMGA of all the companies and use an email blast announcing our

newest member (pending final vote) and a separate one announcing our new officers. Also, we will contact the Insurance Journal about info on our newest member.

We discussed the need for having a 2011 mid year meeting and it was agreed at this time we do not need to meet again.

The final topic was what can we do to better integrate the next generation into our group. We agreed, as did they, that they should have a breakout session during our business meeting and then come back to be a part of the roundtable discussion.

Our roundtable discussion then began and the topics included USLI, direct bill, additional commission to agents, emailing policies, cellphones in the office, certificates of insurance, compensation of underwriters, pay raises and cutting expenses.

At the conclusion of the roundtable, there being no further business, Sandy made a motion and seconded by Greg to adjourn the meeting at 2:00pm.

Respectfully submitted,

Greg Murrey, Secretary