

FINAL

MASSACHUSETTS REINSURANCE PLAN
GOVERNING COMMITTEE

Minutes of a Meeting Wednesday February 8, 2017

A Meeting of the Governing Committee of the Massachusetts Reinsurance Plan ("MRP"; the Plan) was held at the Executive offices of the Massachusetts Reinsurance Plan, 106 Southville Road, Southborough, MA 01772 @ 10:00AM.

The following members were present:

William T. McGrail, Chairman
Richard W. Brewer
Gerald J. Cassidy
Jose Zorola
Peter Robertson, Esq.

The following MRP Staff/Consultants/Sub-Committee members were present:

Robin M. Ward, Director of Administration
Eric Piurkowski, CPA, CFO

Matthew Mancini, Esq., Division of Insurance
Cara Toomey, Esq., Division of Insurance
Cynthia Hooper, Ph.D., College of the Holy Cross

1. Call to Order

Mr. McGrail called the meeting to order at 10:00AM. Ms. Ward kept a record of the proceedings.

2. Quorum and Notice

Mr. McGrail stated that all committee members were in attendance and that a quorum was present at the meeting. Mr. McGrail reported that the required notices for the meeting had been sent to the Secretary of State, Executive Office of the Administration and Finance, and the Division of Insurance and placed on the Plan's website.

3. Minutes of Prior Meeting

Mr. McGrail noted the minutes to the previous meeting of November 9, 2016 had been distributed to all in attendance. Mr. Robertson made a ***motion*** to accept the minutes as presented. Mr. Cassidy seconded the motion. The motion passed unanimously.

4. Quarter 4– 2016 Financials– Eric Piurkowski, CPA CFO

Mr. Piurkowski reviewed the Quarter 4-2016 *unaudited* financials; a copy is included with these minutes. He began by reviewing the balance sheet and stated that the cash accounts; which include the checking, savings accounts and cash equivalents were \$2.1M as of 12/31/2016. There is \$6 M in bonds; and \$5.8M in equities. Total investments of \$11.8M, making the total assets with cash \$14.3M. Mr. Piurkowski continued by stating that the IBNR is at \$8.4M and the case reserve has dropped to just under \$600K, noting that the IBNR dropped by \$500K since 9/30/2016; having favorable development once again.

Mr. Piurkowski continued by reviewing the income statement; stating that the underwriting gain is \$1.2M. He continued reviewing the income statement and answering questions from Committee members. Mr. Piurkowski then distributed an updated 2017 budget; which was updated using year end numbers; to all in attendance; a copy is included within these minutes.

Mr. McGrail noted that all in attendance have a copy of the Policies in Force report; Summary of Ceded Premium report and the Summary of Ceded Policies Written report through 12/31/2016. A copy is included with these minutes.

Mr. McGrail took a brief recess @ 11:00AM

5. Economic Realities of New U.S. – Russian Relations – Cynthia Hooper Ph.D.

Dr. Hooper joined the meeting in person. Dr. Hooper began by discussing the U.S. Russia relationship, especially with the recent headlines, showing slides to the Committee members. Mr. Mancini asked if she thought tensions started during the George W. Bush era; Dr. Hooper answered “of course”, Putin had a mission to restore Russian greatness. He also had resentment

with the expansion of NATO. Ms. Hooper stated that when you look at Russia today you see how much relations have changed in just three years. Dr. Hooper continued reviewing her slides and answering questions from all in attendance.

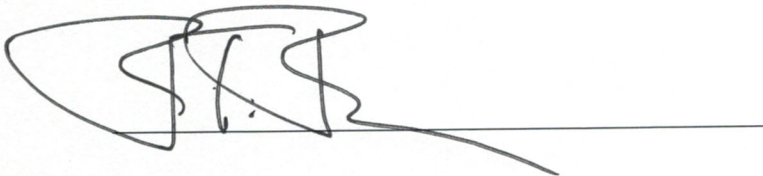
6. Other Business

There being no other business, the meeting was adjourned.

7. Adjournment

A **motion** was made to adjourn the meeting at 12:00 pm the motion passed unanimously.

A true record transcribed on February 23, 2017

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

MRP Chairman/Officer