

MASSACHUSETTS MEDICAL MALPRACTICE
REINSURANCE PLAN

Investment Committee

Minutes of a Meeting

Monday August 29, 2005

A Meeting of the Investment Committee of the Massachusetts Medical Malpractice Reinsurance Plan (“the Plan”) was held Monday, August 29, 2005 at MMMRP Executive Office, 95A Turnpike Road, Westborough, MA.

The following members were present in person:

Peter F. Kiely, Chairman

John S. Coldiron, M.D.

John W. Tympanick, CPA, MST, LLJUA President

The following MMMRP staff/consultants were present in person:

William T. McGrail, Chairman

Moe Edwards, Controller

Also present were:

Ned Dubilo, Smith Barney/Dubilo & Hill

Frank Hill, Smith Barney/Dubilo & Hill

Mr. Peter Kiely, Chairman, called the meeting to order at 9:10AM. The meeting was scheduled to hear further details of the investment processes from the firm of Dubilo & Hill and decide on investment advisor firm for the Plan.

Minutes to the previous meeting dated August 15, 2005 have been distributed. A motion was made and duly seconded to approve the August 15, 2005 minutes as presented. The motion passed by unanimous vote.

Mr. McGrail recommends that the Investment Committee oversee the investment advisor followed by periodic meetings with the Governing Committee. During discussion, it was decided that each money manager selected by the advisor would be reviewed periodically comparing results against indexes and other managers. A motion was made and duly seconded to retain the firm of Dubilo & Hill as investment advisor for the Plan. The motion passed on a

unanimous vote. During further discussion, it was agreed that Dubilo & Hill would meet quarterly with the Governing Committee for performance reporting.

It was discussed that two Portfolios could be established: one representing Actual Case Reserves and a duration of 2.5 years, a.k.a. Portfolio A, the other representing IBNR with a duration of 5.5 years, a.k.a. Portfolio B. Mr. McGrail will provide a copy of the latest Tillighast report to Dubilo & Hill. An assessment of \$22M will take place October 1 with 98% expected to be received by end of this year. Asset classes in Portfolio A would consist of cash and short term fixed income. Portfolio B would consist of varied equities. It was discussed that a positive cash flow to the Plan should allow for investment in equities.

A motion was made and duly seconded to add investment in equities to the Plan's Investment Policy Guidelines. During discussion it was decided to specifically replace '5%' on page 7 with 'an amount for normal operating needs'. The motion was approved by unanimous vote.

A motion was made and duly seconded for the Plan to use Wachovia as the custodial agent for the Plan. The motion was approved by unanimous vote.

Following discussion, a date of September 26, 2005 was set for next Investment Committee meeting to revise and approve the Investment Policy Statement.

There being no further business, the meeting was adjourned.

A true record transcribed on September 9, 2005.

MMMRP Investment Committee Chairman