Special Meeting of the Board of Directors
Surplus Lines Stamping Office of Texas

November 20, 2019

Lorrie Cheshier, Chair of The Board, called the special meeting of the Board of Directors of the Surplus Lines Stamping Office of Texas to order on November 20, 2019 at 10:00 a.m. The meeting location was the SLTX office located at 805 Las Cimas Parkway, Suite 300, Austin, TX 78746. She noted the following Board members in attendance:

<table>
<thead>
<tr>
<th>Name</th>
<th>Term expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lorrie Cheshier, Chair</td>
<td>12/31/2019 – present at office</td>
</tr>
<tr>
<td>Charles Gillenwater, Vice Chair</td>
<td>12/31/2019 - not present</td>
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<tr>
<td>Kyle Streetman</td>
<td>12/31/2019 - not present</td>
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<tr>
<td>Peter Harrison</td>
<td>12/31/2020 - not present</td>
</tr>
<tr>
<td>Rosemarie Marshall, Secretary</td>
<td>12/31/2020 - on phone</td>
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<tr>
<td>Penni Nelson</td>
<td>12/31/2020 – not present</td>
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<tr>
<td>Terri Brinson</td>
<td>12/31/2021 - on phone</td>
</tr>
<tr>
<td>Leslie Milvo</td>
<td>12/31/2021 – present at office</td>
</tr>
<tr>
<td>Randall Myers</td>
<td>12/31/2021 - on phone</td>
</tr>
</tbody>
</table>

Counsel in Attendance:
Meredith Gregston – Duane Morris LLP

Staff in attendance:
Denisse Orellana – Director of Human Resources, SLTX
Cheyenne Herrera – Director of Operations, SLTX
Toby Pick – Operations Manager, SLTX
Ashley Corpus – SLTX
Marcelina Gutierrez – SLTX
Dalton Moore – SLTX
Catherine Hull – SLTX
Nathan Onks – SLTX
James Tang – SLTX

Other guest in attendance:
Shirley Bowler – Texas Surplus Lines Reporter & Insurance News

The Board of Directors and the Commissioner of Insurance, or his delegate, received written notice of this special meeting by email pursuant to Section C.(9) of the SLTX Plan of Operations on Thursday, November 14, 2019.

Cheshier confirmed by roll call a quorum of five or more members present pursuant to Texas Government Code Sec. 551.125(b)(2) and Plan of Operations Sec. C.6.

A conference speakerphone is available for the public at this meeting site, and a conference call-in number was provided to members of the public on request.
Board Secretary Marshall shall take the minutes with the assistance of the staff.

Cheshier announced administrative housekeeping announcements before starting the agenda.

1. Antitrust activity or discussion are prohibited at all Stamping Office functions. This prohibition includes the exchange of information concerning individual company rates, coverages, market practices, claims settlement practices, expenses, or any other competitive aspect of an individual company's operation.

2. We will not have a public comments session.

3. Representatives of state agencies and members of the public are welcome to observe or record this Board meeting, but please refrain from asking questions or interjecting comments during the Board’s deliberations.

4. The state agency personnel present may be asked questions about their agency's policies if those questions relate to an agenda item.

5. We will have a one-hour break starting around noon for lunch. No Board business will be conducted or discussed during this break.

6. We have a closed executive session on the agenda. Only the Board, legal counsel and necessary executive staff will be in this room or participating by telephone conference during the executive session. We will reconvene in open session after the executive session to vote on Agenda Item 1 as appropriate.

Agenda Item 1: Discussion/consideration of SLTX employment, evaluation, reassignment, duties, discipline, or dismissal; role and scope of duties for SLTX VP/Directors employment; reorganization of SLTX IT and Operations Departments.

Agenda Item 2: Executive Session to deliberate concerning Agenda item 1; personnel matters, contemplated and pending litigation [Texas Government Code Sections 551.071 and 551.074]; and attorney-client matters in which the duty of SLTX's counsel clearly conflict with provisions of the Texas Open Meetings Act [Texas Government Code Section 551.071].

Agenda Item 3: If necessary and appropriate, public session discussion/consideration and appropriate action for Agenda item 1.

Agenda Item 4: Adjournment.

Cheshier announced that the Board will go into executive session, pursuant to the Texas Open Meetings Act, on agenda item 1 to deliberate personnel matters, contemplated and pending litigation [Texas Government Code Section 551.074] and attorney-client matters in which the duty of SLTX's counsel clearly conflict with provisions of the Texas Open Meetings Act [Texas Government Code Section 551.071].
All members of the public, state agency representatives and SLTX staff, unless otherwise directed, are requested to leave the meeting room at this time. The public conference call line shall be muted.

The time is 10:05 a.m.

The executive session was called to order by Cheshier at 10:08 a.m. on November 20, 2019.

The Secretary will take notes for certified agenda.

Board members are reminded that all matters discussed in a closed session are confidential and privileged. Also, Board members are encouraged to freely express their opinions and can indicate how they expect to vote, but the Board may only vote in an open session. Straw votes are not allowed.

The executive session was ended by Cheshier on November 20, 2019, at 10:49 a.m.

**Open Session**

Cheshier reconvened the Board into open session on November 20, 2019, at 10:53 a.m.

**Agenda Item 3: If necessary and appropriate, public session discussion/consideration and appropriate action for Agenda item 1.**

Cheshier asked if any Board members had comments to make or questions to present in public session concerning Agenda Item 1. Hearing none, she asked if there were any motions to be made.

Marshall moved that the Board accept the resignation of Kyle Bolls effective November 22, 2019, including payment of the approved severance package. The Board also appreciates his past service to SLTX and wishes him well in his future endeavors.

Nelson seconded the motion.

Cheshier asked if there was any further discussion or questions. Hearing none, she asked all in favor say “aye”, all opposed say “no”. Motion passed.

Cheshier asked if there were any additional motions to be made. Hearing none, she asked for a motion to adjourn.

Brinson made the first motion.

Milvo seconded the motion.

Motion passed.

Meeting adjourned by Cheshier at 10:56 a.m. on November 20, 2019.
Rosemarie Marshall, Secretary