Montana State Legislature

Exhibit Number: 8

The following exhibit is a folder that has an assortment of pamphlets, and other document's that cannot be scanned it exceeds the 10-page maximum. A few documents have been scanned to assist you with your research.
The exhibit is on file at the Montana Historical Society and can be viewed there.

Montana Historical Society Archives, 225 N. Roberts, Helena, MT 59620-1201; phone (406) 444-4774. For minutes in paper format, please contact the Montana State Law Library, Justice Building, 215 N. Sanders, Helena, MT 59620; (406) 444-3660. Tapes and exhibits are also available at the Historical Society (tapes are retained for five years). Scanning done by: Susie Hamilton

Montana State Legislature

Contents of Exhibit 8
Pamphlets:

1. **Guide to Capital Formation**
2. **Vehicle Repair Rights**
3. **Online Investing Tips**
4. **2004 Auto Insurance Rate Guide**
5. **Montana Consumer's Guide to Homeowner Insurance**
6. **Montana Consumer's Guide to Auto Insurance**
7. **Montana Consumer's Guide to Health Insurance**
8. **Montana Consumer's Guide to Long Term Care Insurance**
9. **Montana Money School**
10. **Homeowner, Condominium, and Renters Insurance Rate Comparison Guide**
11. **2004 – 2005 Medicare Supplement Insurance**
12. **Montana Money School – Planning for Retirement**

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Salesperson registration

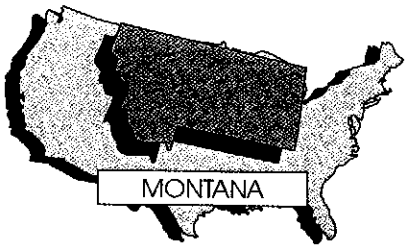
Some exemptions free a salesperson from having to register with the Securities Department. Others do not. Some exemptions can't be used if a salesperson receives any kind of commission or compensation for offering and selling the securities. Again, you should consult with an attorney before you make any offers to ensure compliance with state and federal securities laws.

Registering Your Securities

The securities registration process entails a "merit review" of your offering. You must submit the prospectus and required exhibits, which a department examiner reviews to ensure compliance with the Securities Act of Montana.

Small Company Offering Registration provides small businesses with an easier and less expensive way to register securities than traditional initial public offerings. It permits the company to make a public offering of securities and raise up to $1 million.

If you plan to offer securities in multiple states, you can request a coordinated equity review, which means states work together to review your registration application. This review can speed up the process for you and simplify it if you need to make any changes.



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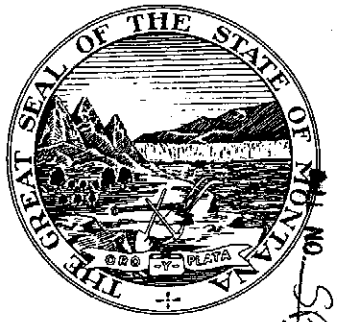
Guide to Capital Formation



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Capital Formation

Raising capital to start or grow a business can be an important step toward the success of your company. One of the goals of the Securities Department in the State Auditor's Office is to encourage capital formation for Montana businesses.

Before you offer or sell securities in Montana, you must make sure you comply with all state and federal securities laws. This brochure gives a brief summary of Montana's securities laws. These laws can be complicated so you are advised to seek the advice and guidance of an attorney when planning a securities offering.*

Types of Securities

Debt securities allow you to raise money by obtaining loans from investors. **Equity securities** involve selling ownership interest in your company. The type of securities you offer depends on the needs and goals of your company. Before making any offers, you should formulate a needs analysis for your company. The analysis can be used to develop a business plan, an important step in deciding what kind of securities to offer.

*This brief overview does not include a thorough explanation of regulatory requirements for offering securities, nor does it represent legal or financial advice. You should consult with knowledgeable securities professionals and the staff of the Securities Department when planning a securities offering in Montana.

Offering and Selling Securities

All securities transactions must comply with state and federal securities laws. This means they must be registered or qualify for an exemption from registration. Anti-fraud statutes apply in all securities transactions, even if the securities are exempt. Some offerings can be filed with the Securities and Exchange Commission, which could limit the state securities department's review of the offering. Qualifying for an exemption will speed up the process because the offering will not be subject to a full merit review.

Exemptions

There are several exemptions to registering securities, which permit you to offer and sell without going through the registration process. You should give careful thought to using an exemption. In most cases, you cannot use more than one exemption, thereby possibly limiting your ability to raise capital. Certain criteria must be met to qualify for any exemption. You should consult with an attorney or investment professional about whether you qualify for an exemption.

Offers to 10 or fewer people – If you meet certain criteria, this exemption permits you to make offers to up to 10 people without having to register the security.

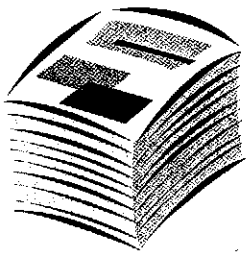
Offers to 25 or fewer people – Similar to the previous exemption, this one permits you to make offers to up to 25 people without having to register, so long as the offering meets certain criteria. To use this exemption, you must notify the Securities Department and receive approval **before** you make any offers.

There are other exemptions that might fit your needs. Because securities offerings can be complicated, you are advised to consult with an attorney to ensure compliance with state and federal securities laws.

Disclosure Requirements

Whether you sell registered securities or use an exemption, you must provide investors and prospective investors with full disclosure about the investment and inform them of the risks associated with the investment. It is advisable that you provide disclosure in writing, typically called a prospectus. Providing full disclosure is a requirement of state and federal anti-fraud laws.

Full disclosure includes: Description of the security, description of the issuer, names and salaries of company officers, current audited financial statements, the company's capitalization, long-term debt and other securities outstanding, estimated net proceeds to be received in the offering and use of proceeds.



Your Insurance Company _____

Policy Number _____

Agent's name _____

Date of Accident _____ Time _____

Location of Accident _____

Weather Conditions _____

Other Driver's Name _____

Address _____

Phone _____

Yr of Vehicle _____ Make _____ Model _____

License Plate Number _____

Driver's License Number/State _____

Insurance Company _____

Agent _____

Policy Number _____

Investigating Officer _____

Police Report Number _____

Witness #1 _____

Phone _____

Address _____

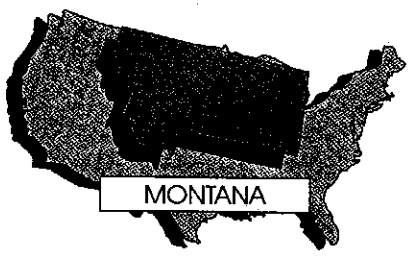
City/State/Zip _____

Witness #2 _____

Phone _____

Address _____

City/State/Zip _____



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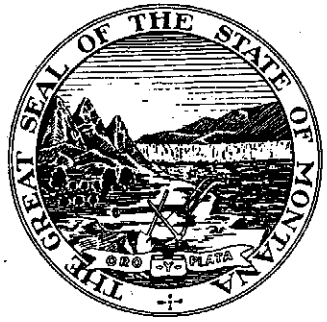
Vehicle Repair Rights



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Know Your Policy

An automobile accident can be one of the most traumatic events in a person's life. There are several things you should do after an accident and it is best to be prepared in advance.

First and foremost, you should always keep your company's claim service card, with your agent's name and telephone number and your policy identification number, in your vehicle. Be familiar with your policy and know what information your company requires when filing a claim.

I Was in an Accident Now What?

Notify the police or sheriff immediately. Get the law enforcement official's name, and the address and telephone number of the police station or sheriff's department. Ask the official when the report will be filed and how you can get a copy.

Notify your insurance company or agent as soon as possible.

Get the names of the other drivers, their addresses, work and home telephone numbers and driver's license numbers.

Write down a description of the vehicles involved in the accident and their license plate numbers. Get the names and telephone numbers of the insurance companies and agents who insure the other drivers and get the individuals' policy numbers.

Get the names, addresses, and work and home telephone numbers of all passengers and witnesses.

Make notes describing the accident. Describe the vehicles involved, their approximate speeds, the setting, the weather, traffic signs and signals and road conditions. Take photographs if possible, or draw a diagram of the accident scene.

Do not make any oral or written statements with regard to responsibility or blame.

You Have a Choice

You have the right to go to the body or windshield repair shop of your choice. Montana law forbids insurance companies from requiring you to use a particular repair shop. The insurance company is obligated to cover at least the cost of the lowest prevailing market price for complete repairs.

That price may be less than the cost of repairs at the shop you choose. You should discuss this with your repair shop before you have them work on your vehicle.

You are not required to get more than three estimates or appraisals for windshield repairs. You are not required to get more than one estimate for auto body repairs unless your policy specifically states that you must.

YOU HAVE THE RIGHT TO CHOOSE YOUR GLASS OR AUTO REPAIR FACILITY

It is wise to check out the reputation of a repair shop before you commit to doing business there. Be sure you are comfortable with the business, its employees and their work.

To avoid confusion, you should become familiar with your policy and understand your insurance company's claims processing requirements.

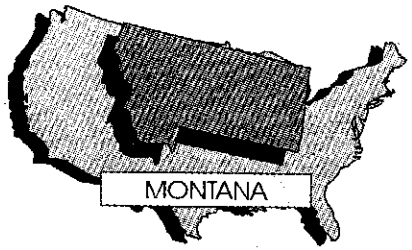
Insurance Inquiries

If you have questions about an insurance policy, agent or company, please call the Montana Insurance Department in the State Auditor's Office at 1-800-332-6148.

10 Tips For Online Investing

When You Invest Online, Be Sure To:

1. Obtain full disclosure, prior to opening an account, regarding alternatives for buying and selling securities and obtaining account information if you can't access the firm's Web site.
2. Understand that you likely are not linked directly to the market and that the click of your mouse does not instantly execute a trade.
3. Receive information from the firm to substantiate any advertised claims concerning the ease and speed of online trading.
4. Receive information regarding the firm's Web site, including how to proceed during significant outages, delays, and other interruptions to securities trading and account access.
5. Obtain information before trading about entering and canceling orders (market, limited and stop loss) and the details and risks of margin accounts (borrowing to buy stocks).
6. Determine whether you are receiving delayed or real-time stock quotes and when your account information last was updated.
7. Review the firm's privacy and Web site security policies, including whether your name may be used for mailing lists or other promotional activities by the firm or any other party.
8. Receive clear information regarding commissions and fees and conditions that apply to any advertised commission.
9. Know how to, and if necessary, contact a customer service representative with your concerns and request prompt attention and fair consideration.
10. Contact the **Montana State Auditor's Securities Department** to: (a) verify the registration/licensing status and disciplinary history of the online brokerage firm; (b) find out if the investment is permitted to be sold; and (c) file a complaint, if necessary.



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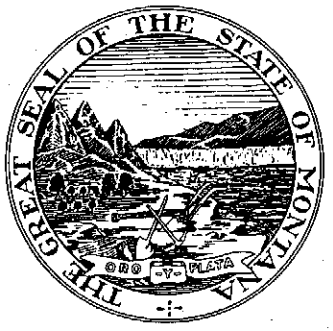
Online Investing Tips



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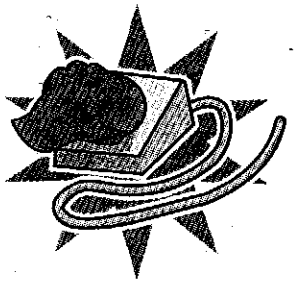
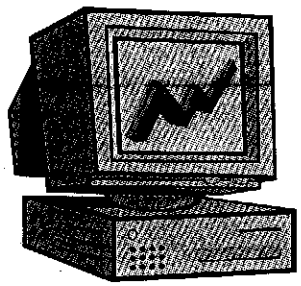
Consider the Source of Any Information You Obtain Online

Some investors use the Internet to conduct relatively simple transactions such as buying and selling stocks, bonds and mutual funds. Others use the Internet to monitor the market, research companies, trade information with other investors and actively trade their portfolios. It can offer simple access to a wealth of reliable information including business and financial publications, annual reports, SEC filings and securities regulators.

However, not all online information is reliable. Online con artists make claims about visiting companies, inspecting mining operations and having personal conversations with company officials. Keep in mind that you may not be able to verify who is making these claims, much less whether the information is true. Also, it is extremely unlikely that genuine "insider information" would be broadcast online.



Make sure your information comes from a reliable source, and when in doubt, confirm it with a source you know is trustworthy. Don't forget to first make sure that an investment opportunity and the person promoting it are properly registered with the **Montana Securities Department in the State Auditor's Office.**



Anticipate Delays and Breakdowns

When conducting securities trades on a brokerage firm's online website, technical problems may arise that prevent you from accessing the site or that cause significant delays. Discuss with your firm in advance what alternatives are available to you during those times. Always be prepared to use a live broker or a touch-tone telephone system to place orders and get quotes.

Avoid Risky Techniques

Online trading gives you many of the advantages previously enjoyed by professional investors, including unprecedented access to information, analytical tools and other execution capabilities.

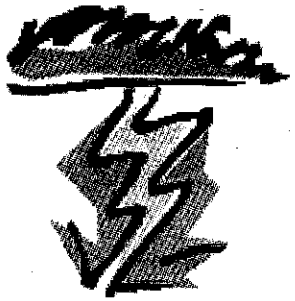
These enhanced resources may appeal to people who want to trade on short-term movements in stock prices. This strategy is extremely risky and requires a serious, ongoing time commitment. Day trading, in particular, requires constant monitoring of the markets, often to the exclusion of other activities.

Investors are wise to stay away from thinly traded, little-known stocks sold strictly on the basis of online hype. Unlike blue chips or stocks with a substantial number of shares available, the price of low-volume stocks can be moved through relatively small strategic trades. Even if the hyped stock starts to edge upward, it may simply be part of the manipulation scheme.

If you did not already employ strategies such as market timing or momentum investing, do not start now merely because you have started investing electronically. Online capabilities might simplify - but should not fundamentally change - the way you invest.

Plan to Deal with Volatile Markets

Sometimes stock prices move so fast that orders to buy or sell lag behind the fluctuations in price. This can create volatility in the market, and the prices you see on your computer screen may not accurately reflect the prices at which shares currently are trading.



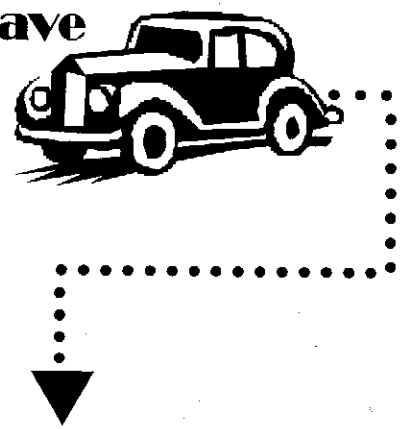
Whether conducting simple transactions or actively trading a portfolio, online investors should exercise caution. Online investors also should understand how a brokerage firm executes trade orders and should be familiar with the distinctions between market orders, limit orders and stop orders.

Educate Yourself

The best way to avoid the pitfalls of online investing is to learn all you can about the process and take responsibility for your own results.

The online environment offers excellent tools for investing and often lowers the costs of an investment program. In exchange, it requires that you take an active role in managing your investments and in protecting yourself and your money from scam artists. If you are ready for that challenge, online investing might be an option for you.

Log on to compare rates and save money



http://sao.state.mt.us

If you prefer, use the Montana Insurance Department's Web site for quick and easy comparisons of auto and homeowner rates.

Dear Montana Consumer:

I am pleased to provide you with a copy of the 2004 Automobile Insurance Rate Comparison Guide. One of my goals as insurance commissioner is to help you be an informed buyer. It is my belief that an important factor in maintaining a healthy, competitive marketplace is providing consumers with the tools they need to compare insurance rates.

This guide gives you a general idea of rates available in Montana. For specific information, you must contact the individual insurance companies.

Comparison shopping takes time, but can save you money. I encourage you to put this guide to work for you. If you have any questions or need additional assistance, please feel free to contact the Policyholder Services Division by phone or through our Web site at http://sao.state.mt.us. Our toll-free number outside Helena is 1-800-332-6148 and the number in Helena is 444-2040.

Sincerely,

John Morrison
State Auditor and
Insurance Commissioner

About this guide:

This guide compares how much Montana drivers **might** pay for auto liability insurance coverage in nine different geographic areas: Billings, Butte, Bozeman, Great Falls, Helena, Kalispell, Missoula, Scobey and Thompson Falls. Thirteen of the 18 auto liability insurance companies that write the most insurance in Montana chose to take part in our survey.

If you find any terms, phrases or concepts confusing, we encourage you to read the ***Montana Consumer's Guide to Auto Insurance***.

How to use this guide:

The premium quotes from the insurance companies listed in this guide are:

- Based on the amount you pay every six months. Based on three years of driving experience.
- Based on rates in effect as of January 1, 2004. If a company's rates have changed since then, these quotes may no longer be accurate. **Please** keep in mind the premiums quoted are only examples. Your individual situation may include other factors that will be reflected in the premiums quoted to you.
- Based on the assumption that you are new to the company and not renewing an existing policy.
- Based on a standard performance vehicle.
- Based on the minimum required liability limits set by Montana law. ($25,000 bodily injury coverage for one person, $50,000 bodily injury coverage for two or more people and $10,000 liability coverage. $25,000 bodily injury coverage for one uninsured motorist person and $50,000 bodily injury coverage for two or more uninsured motorists is included.)
- Based on the area for which they are written.

Coverage:

State law sets MINIMUM liability requirements for auto insurance, which are listed on the previous page. Liability insurance covers you against damages you cause to others if you are at fault in an accident. It does NOT protect you against your own losses.

Also, it is mandatory for companies to offer uninsured motorist coverage, but you have the right to reject this coverage. You may want to consider buying higher liability limits than state law requires, because the minimums may not cover your exposure to lawsuits.

If you own a newer car, your bank probably will require you to buy comprehensive and collision coverage. The state's minimum requirements do NOT include those coverages. There are other coverages you may wish to consider that are not mandatory.

Insurers:

Not every insurance company will offer you coverage because each has different requirements that must be met by individuals to become insured. Insurers set target "markets" that help them select the types of drivers they want to insure. There are three basic markets: non-standard, standard and preferred.

1) The non-standard market (highest premiums) includes drivers with less experience and numerous tickets or accidents.
2) The standard market is for the average driver.
3) The preferred market (lowest premiums) is available to low-risk drivers.

If you have any questions or concerns regarding any type of insurance, please call our office at 1-800-332-6148. We have a knowledgeable staff who can assist you with a wide range of questions or problems.