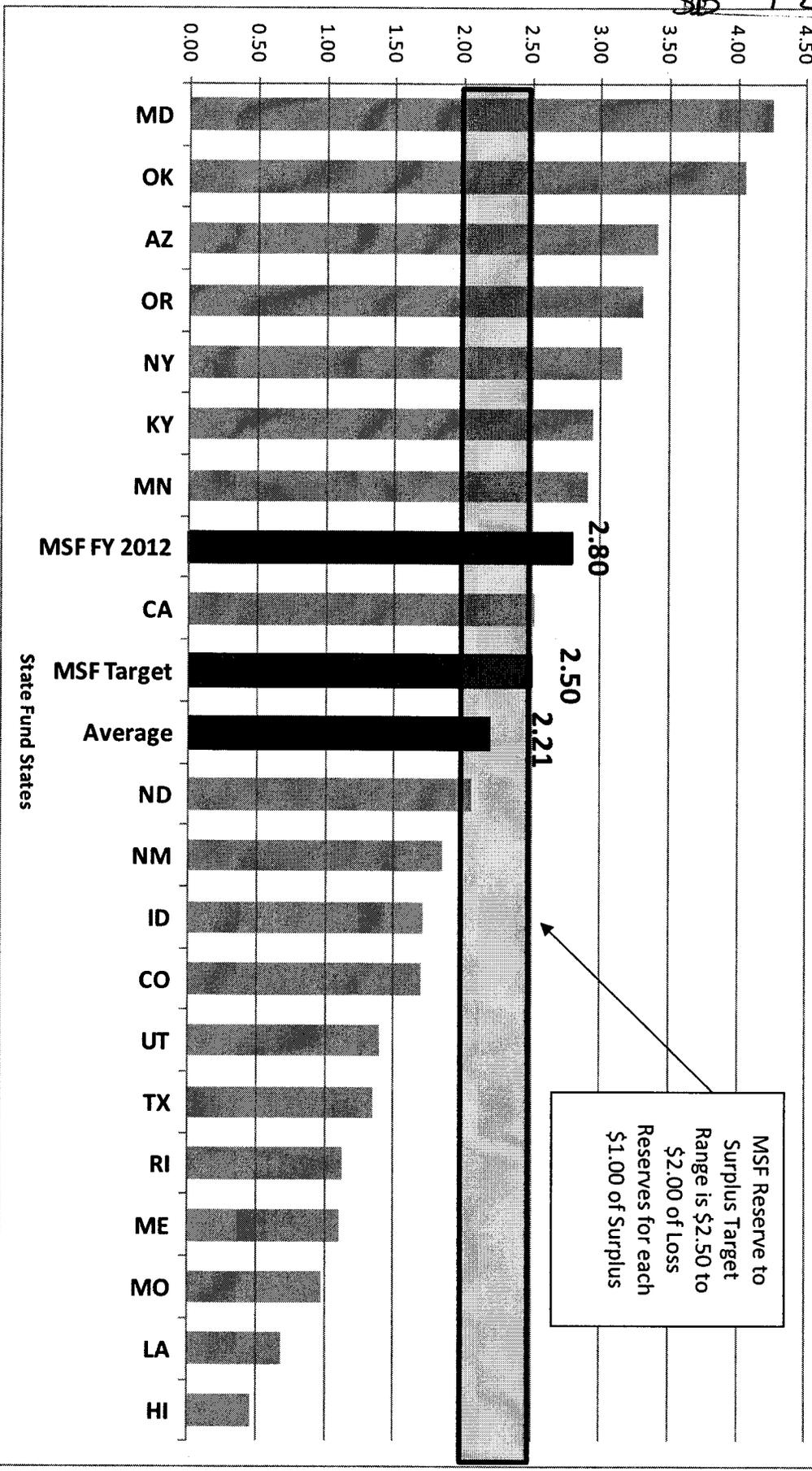


Reserve to Surplus Ratio

A measure to evaluate adequate surplus for the financial stability/strength of an insurance operation



The higher the ratio, the greater the risk of insolvency due to adverse events.

The lower the ratio, the greater the financial ability to withstand unexpected adverse events.

MSF's long term goal is consistent with the average among State Funds.



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Fraud Hotline 888-682-7463 (888-MT-CRIME)
www.montanastatefund.com

DATE ISSUED: 06/04/2012

[REDACTED]

POLICY NUMBER: [REDACTED]
TEAM NUMBER: Team 1
POLICY PERIOD: 07/01/2012 - 07/01/2013

MONTANA STATE FUND POLICYHOLDER ASSET ENDORSEMENT

Applicable to policies issued or renewed on or after May 9, 2003. General Provisions, Paragraph 1 of the policy, entitled The Contract, is amended and modified by adding the following at the end of the paragraph:

As provided in section 39-71-2320, MCA, all premiums and other money paid to the Montana State Fund, all property and securities acquired through the use of money belonging to the Montana State Fund, and all interest and dividends earned upon money belonging to the Montana State Fund are the sole property of the Montana State Fund and must be used exclusively for the operations and obligations of the Montana State Fund. The money collected by the Montana State Fund for claims for injuries occurring on or after July 1, 1990, may not be used for any other purpose and may not be transferred by the legislature to other funds or used for other programs. However, Montana State Fund money must be invested by the Board of Investments provided for in section 2-15-1808, MCA, and subject to the investment agreement with the Board of Investments, the earnings on investments are the sole property of the Montana State Fund as provided in section 39-71-2320, MCA. This provision does not modify or affect the insurance coverage or the benefits provided by this policy.

The purpose of this endorsement is to comply with Senate Bill 360, passed by the Montana legislature during the 2003 regular legislative session. The governor signed SB 360 on May 9, 2003, and the bill went into effect when signed by the governor. SB 360 prohibits diversion of Montana State Fund assets to other government programs or funds, and requires that the Montana State Fund incorporate language to that effect in the Montana State Fund insurance policy. This endorsement does not change the insurance coverage you have under the policy, nor does it affect benefits payable under the policy. If you have any questions about this endorsement, please contact the Montana State Fund at 1-800-332-6102.

SB360 MSF (NEW 07/2003)

If you have any questions concerning the information shown on this document, please contact a Montana State Fund Customer Service Specialist at the address or phone number shown above or your agent.