

MONTANA BOARD OF INVESTMENTS

Department of Commerce

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August 12, 2013

Senator Dee Brown, Chair and Honorable Members
State Administration and Veterans' Affairs Interim Committee

RE: Montana Board of Investments 'Pension Investment Principles'

Dear Senator Brown,

I much appreciate your accepting our written and electronic information for your August 20th meeting. Our own Board is meeting on the same day as the SAVVA committee and many outside parties are scheduled to participate in various Board matters that day as well. Again, my thanks.

I hope that the following links to our website will provide sufficient material for framing additional questions for your October 24th meeting, which we will attend.

Ms. Scurr has already indicated that SAVVA will begin its review with [BOI Pension Policy](#).

This link presents the following:

- Legal and Constitutional Authority
- Governing Laws and Board's Governance Policy
- Specific Policy Statements for each of the Board's Investment Pools (for Pensions)
- Investment Objectives
- Asset Allocation and Approved Asset Ranges

The following links are also especially relevant for SAVVA member consideration:

Board's general website [Montana BOI](#)

The Board's upcoming August 20th meeting has a great deal of material relating to pensions,

- Year to date [performance and investment](#) returns over many years
- A pie chart showing [asset type for the pension funds](#) as of 06/30/2013
- Performance and [asset allocation comparisons to our peers](#) from State Street Bank
- Investment structure, [returns, and cost comparisons to peers as calculated by CEM Benchmarking, Inc.](#)

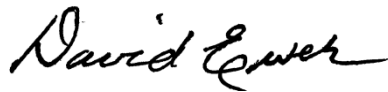
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Here are additional sources that SAVA may find useful:

- The Board's approach to Asset Allocation
 - [Evolution of Asset Allocation Mix \(April, 2012\)](#)
 - [Asset Allocation Discussion \(April 2012\)](#)
 - [Asset Allocation Discussion \(April 2013\)](#)
- [Our latest Annual Report](#)

We appreciate this opportunity and look forward to appearing before SAVA at its October meeting to address additional questions.

Sincerely,

A handwritten signature in black ink that reads "David Ewer". The signature is written in a cursive, flowing style.

David Ewer
Executive Director

cc: Board Members