

AIG Companies

Crime & Fidelity Loss Cost Program

Fidelity

Montana

COMPANY EXCEPTION PAGE

Our Expected Loss Ratios are as follows:

<u>Line of Business</u>	<u>Proposed</u>
Crime & Fidelity Loss Cost Program	
Fidelity	0.693
Factor to remove LAE	1.156
<u>ELR excluding LAE (ULAE and ALAE combined)</u>	
Fidelity	0.599
Tax Multiplier *	1.039

These loss ratios apply to the following rating plans:

Experience & Schedule Rating Plan +
Composite Rating Plan
Retrospective Rating Plan *

+ Schedule Debits & Credits are added together to determine the final Schedule Modification. The calculated Experience Modification (Credit or Debit) & the Schedule Modification (Credit or Debit) are multiplied together to develop the final Experience & Schedule Rating Plan Modification.