

**Public Employees' Retirement Board**  
**June 11, 2015**

**Topic: Transamerica Contract Amendment**

Transamerica is currently the sole provider of insurance wrap services for the Board's stable value plan. Transamerica's wrap contract expires June 30, 2015.

Given MPERA's successful efforts to meet Transamerica's request to add additional insurance wrap providers to the plan, Transamerica has agreed to remove any on-going termination dates from the existing contract. With this change, Transamerica's contract will terminate pursuant to the original Termination Schedule included in the Board's contract with Monumental Life Insurance Company, as reflected in the Board's contract with Transamerica. .

Recommended Board motion:

I move to approve Transamerica's contract as proposed to be amended.

Recommend \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Moved by

\_\_\_\_\_  
Seconded by

\_\_\_\_\_  
Vote



Transamerica Stable Value Solutions Inc.  
100 Light Street  
Mail Stop B-3550  
Baltimore, MD 21202-2559

May 21, 2015

Ms. Melanie A. Symons  
MPERA Chief Legal Counsel  
100 N. Park, Suite 200  
P.O. Box 200131  
Helena, Montana 59620-0131

**Re: Contract No. MDA01012TR issued by Transamerica Premier Life Insurance Company (the "Company") to The Montana Public Employees' Retirement Board (the "Contract")**

Dear Ms. Symons:

As you know, Section 7 of that certain Book Value Wrapper Agreement dated January 1, 2010 by and between the parties hereto, as amended (the "Book Value Wrapper Agreement"), provides that the Contract will terminate on December 31, 2012 (the "Termination Date"). By several letter agreements, the parties have agreed to extend the Termination Date a number of times, so that the Contract is now set to terminate on June 30, 2015. We now understand that new benefit responsive contracts will provide wrap coverage to a portion of the stable value assets of the Plans on or about July 31, 2015.

In light of the proposed addition of such new wrap providers, as of May 21, 2015, the parties hereby agree as follows:

1. The Contract shall not terminate on June 30, 2015 and the terms of that certain letter agreement dated November 26, 2014 establishing the Termination Date as June 30, 2015 are null and void. For the avoidance of doubt, the Contract shall have no Termination Date.

2. Section 7, "Term and Termination," of the Book Value Wrapper Agreement is hereby replaced in its entirety with the following new Section 7:

7. Term and Termination

This Agreement is effective as of January 1, 2010 and will terminate simultaneously with the Contract, the termination of which is governed by the Termination Schedule of the Contract.

Upon termination of this Agreement, the Company agrees to work with the Board and any other book value wrapper provider to develop a transition plan to facilitate the orderly transfer of information. Such transition will be deemed by



May 21, 2015  
Ms. Melanie A. Symons  
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the parties to be governed by the terms and conditions of this Agreement, except for those terms or conditions that do not reasonably apply.

Coincident with the addition of the new wrap providers, the parties agree that the Contract shall be interpreted so that it is consistent with multiple wrap providers providing coverage to a portion of the Account. Specifically, the term "Account" shall be understood to mean if one or more other wrap contracts are also providing book value coverage on the Securities in the Account, then the Manager shall allocate a portion of the Account to the Contract (and to each other wrap contract) and the amount allocated to the Contract shall constitute the Covered Market Value.

Except as otherwise modified herein, the Book Value Wrapper Agreement shall continue in full force and effect. Unless the context indicates otherwise, capitalized terms shall have the meanings set forth in the Book Value Wrapper Agreement or the Contract, as applicable.

Please sign below to indicate your agreement with the foregoing.

If you have any questions or comments, please contact me at 443-475-3064 or [mark.pherson@transamerica.com](mailto:mark.pherson@transamerica.com).

Sincerely,

**TRANSAMERICA PREMIER  
LIFE INSURANCE COMPANY**

By:   
Name: **Mark S. Pherson**  
Title: **Assistant Vice President**

**ACKNOWLEDGED AND AGREED:**

**The Montana Public Employees' Retirement Board**

By: \_\_\_\_\_  
Name:  
Title: