

November 16, 2010

**CODE OF CONDUCT FOR BOARD OF TRUSTEE MEMBERS OF THE
MINNESOTA SELF-INSURERS' SECURITY FUND**
(Approved November 6, 2007)

The Self-Insurers' Security Fund Board of Trustees is created by Minnesota Statutes §§ 79A.01 et. seq. The Minnesota Self-Insurers' Security Fund (SISF) is established as a non-profit corporation. Upon Order of the Commissioner of Commerce, SISF assumes the workers' compensation obligations of its insolvent members.

Conflicts of Interest

The SISF Board of Trustees has a duty of loyalty to SISF requiring them to avoid any actual or potential conflict of interest with SISF. A conflict may arise whenever a Board Trustee has any direct or indirect financial, personal, or professional interest in any transaction or decision of the Board which is of such a nature that the Board Trustee's decisions may be affected or determined by his/her personal interest.

Conflicts of interest may also arise when a Board Trustee or a family member receives a personal benefit as a result of a position with SISF.

The Board of Trustees considers matters of policy and procedure that have general application to the membership. It is appropriate for individuals on the Board of Trustees who are also SISF members who are generally affected in the matter to participate in the Board deliberations and to vote on such matters. When any policy or procedure under consideration has some specific or unique advantage or gain for the interests of a particular member represented on the Board of Trustees, such circumstances shall be disclosed.

When considering and voting on any matter that is unique or specific to a member and the member is also represented on the Board of Trustees there shall be full disclosure of the nature and extent of the Board Trustee's interest in the matter. Only after such disclosure may the Board Trustee participate in the discussion, but such Board Trustee shall not vote on such matters. The Board Chair may request that such Board Trustee recuse him/herself from any such vote, if the Board Trustee fails to do so on his/her own initiative. The Board of Trustees may vote to declare an executive session and request that the interested Board Trustee be excused from the Board deliberations.

At each Annual Meeting of the Board of Trustees, each Trustee shall receive a copy of the Code of Conduct and, within 30 days thereafter, shall execute and return to the Chair of the Board of Trustees the Code of Conduct Acknowledgment Form, attached hereto as Exhibit A.

At the last meeting of the Board of Trustees before the Annual Meeting, the Board of Trustees shall review the Code of Conduct to consider whether any amendments or revisions are appropriate and advisable.

Fair Dealing

Each trustee should endeavor to deal fairly and in good faith with SISF. No trustee should take unfair advantage of anyone through manipulation, concealment, abuse of privilege or confidential information, misrepresentation, fraudulent behavior, or any other unfair dealing practice.

Confidential Information

All trustees shall maintain the confidentiality of information entrusted to them by SISF, its trustees, business associates, and others related to SISF's operation. Confidential information includes all nonpublic information, such as members' financial information, medical and personal information of claimants, etc. Such information may not be disclosed to others, except when disclosure is authorized by SISF or legally required.

SISF Records and Information

The records and accounts of SISF must be maintained at all times in reasonable detail and in a manner that accurately reflects all business and financial transactions and the disposition of assets. Special care must be taken that any information supplied to parties performing audits or preparing regulatory reports or financial statements be accurate and complete.

Protection and Use of SISF Assets

All SISF assets, including monetary asset information, materials, supplies, intellectual property, and valuable resources owned, licensed, or otherwise belonging to SISF should be used only for legitimate business purposes. Safeguarding SISF assets is the responsibility of all trustees. The personal use of SISF assets without permission is prohibited.

Compliance With Laws, Rules and Regulations

SISF proactively complies with the letter and spirit of the laws of the United States, the State of Minnesota, and with the regulatory requirements affecting our operation. All trustees are obligated to ensure compliance with respect to all activities for which they are responsible.

Civic and Political Participation

All trustees have the legal right to participate in our political system. These rights include voting, speaking on public issues, and becoming active in civic

and political activities. It is essential, however, that trustees clearly distinguish their personal views from those of SISF. No member should speak on behalf of SISF unless specifically authorized to do so by the Board Chair, Executive Committee, or the Board as a whole. Trustees may not be reimbursed by SISF for personal political contributions or expenses. Contributions of SISF funds, goods, or services to candidates, political parties, or holders of political office are expressly prohibited.

SISF Opportunities

No trustee may: (a) take for him or herself personally any opportunities that are discovered through the use of SISF property, information, or position; or (b) use SISF property, information, or position for personal gain; or (c) compete with SISF.

Trustees owe a duty to SISF to advance its legitimate interests when the opportunity to do so arises.

Gifts, Fees, Services, Entertainment, and Payments

Trustees may not accept gifts, gratuities or cash payments of any kind, except those permitted in this section. Gifts and entertainment of nominal value that are part of the normal business process may be accepted. Gifts or entertainment that could be interpreted as an attempt to influence an individual's judgment must be declined. Gifts of cash or securities may never be accepted.

All SISF fees, gratuities, and other payments made on behalf of SISF must be properly accounted for and recorded.

Meals or entertainment that is appropriately associated with conducting SISF business may be provided. All expenses must be documented and the business purpose clearly stated.

Duty to Report and Consequences

Trustees have a duty to read and adhere to this Code of Conduct, and to report any suspected violations to the Board Chair or other member of the Executive Committee.

SISF will investigate any reported matter and may take appropriate disciplinary and corrective action, as necessary. SISF forbids retaliation against anyone who, in good faith, reports violations of this Code of Conduct.