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DATE: April 28, 2010  
TO: Members of the Montana State Fund Board of Directors  
RE: CERTIFICATION OF MANAGEMENT SELECTED LOSS COSTS

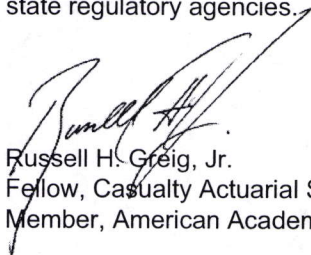
Towers Watson was engaged by the Montana State Fund (MSF) Board of Directors to review the actuarial procedures and methods used by MSF management to develop class rates for MSF state special codes and for a limited number of deviations from the National Council on Compensation Insurance (NCCI) loss costs for the July 1, 2010 to June 30, 2011 underwriting period and to review the adequacy of management selections.

In conducting our review, we relied on MSF personnel as to the completeness and accuracy of the data used in the analysis and we used methodologies and performed tests that we judged appropriate to the analysis.

By my signature below, I certify that, in my opinion, the procedures and methodologies used by MSF for class rate making are consistent with generally accepted actuarial principles and that management selected loss costs are neither excessive, inadequate, nor unfairly discriminatory.

I, Russell H. Greig, Jr., am a member of the American Academy of Actuaries, and I meet its qualification standards to render the actuarial opinion contained herein.

This statement of certification is solely for the use of, and only to be relied upon by MSF and pertinent state regulatory agencies.

  
Russell H. Greig, Jr.  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries