

**MONTANA COMMISSIONER OF
SECURITIES AND INSURANCE**

**ACTUARIAL REPORT
ON
MONTANA STATE FUND**

UNPAID LOSSES AS OF JUNE 30, 2012

AND

RATES FOR PERIODS BEGINNING
JULY 1, 2012 AND JULY 1, 2013

OCTOBER 2, 2013



October 2, 2013

Sent Via Email

Monica J. Lindeen
Commissioner of Securities and Insurance
State Auditor's Office
840 Helena Avenue
Helena, Montana 59601

Re: Montana State Fund Actuarial Report for Montana CSI

Dear Commissioner Lindeen,

Enclosed please find a copy of our actuarial report on the Montana State Fund. The report has been prepared for the use of the Montana Commissioner of Securities and Insurance in compliance with the CSI's required annual review of the financial and compliance legislative audit and rate and loss reserve reviews of the Montana State Fund.

Our review encompassed MSF reports prepared by their actuaries, Towers Watson and the Legislative Audit Division's actuarial report prepared by their actuaries, Casualty Actuarial Consultants, Inc., along with additional information regarding the MSF that was provided by staff at MSF and CSI. In addition, per the scope of our engagement, we developed independent analysis where we determined there was need to do so.

Our analysis, conclusions, and recommendations are outlined in the report. The report also highlights our assumptions and observations, as well as the limitations of this study. We recommend that the report be reviewed in its entirety.

We appreciate the opportunity to provide service to the Montana CSI. We will be pleased to discuss our work and findings and are available to answer any questions you may have.

Sincerely,

Robert W. Van Epps, FCAS, MAAA
Managing Principal

Daniel A. Reppert, FCAS, MAAA
Principal

enclosure

c: Adam Schafer
Greg Dahl
Mari Kindberg

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PURPOSE AND SCOPE OF REVIEW

Financial Risk Analysts (“FRA”) has been engaged by the Montana Commissioner of Securities and Insurance (“CSI”) to perform certain actuarial procedures described below in conjunction with CSI’s required annual review of the financial and compliance legislative audit and rate review of the Montana State Fund (“MSF” or “Fund”).

MSF is a competitive state fund providing workers compensation insurance for employers in Montana. MSF competes with private insurance companies and also provides a market to employers who are not able to otherwise secure coverage. MSF is segregated and evaluated as two separate entities. The Old Fund is comprised of all accident periods ending June 30, 1990 or prior. The New Fund is comprised of all accident periods occurring July 1, 1990 and subsequent. MSF currently writes almost two-thirds of the workers compensation market in the state.

Sections 39-71-2362 of the Montana Code Annotated (“MCA”) authorizes and requires the legislative auditor to annually review rates established by the MSF board of directors to determine if the rates are excessive, inadequate, or unfairly discriminatory. The Legislative Audit Division (“LAD”) is required to report the findings of its examination and rate review to the governor, the legislature, and the board of directors of MSF.

Section 39-71-2361 MCA, as amended by the legislature in 2011, requires the legislative auditor to annually conduct or have conducted a financial and compliance audit of MSF, including its operations relating to claims for injuries resulting from accidents that occurred before July 1, 1990. The audit must include evaluations of the claims reservation process, the amounts reserved, and the current report of the Fund's actuary. The LAD is required to provide the results of the financial and compliance audit for operations related to claims for injuries resulting from accidents on or after July 1, 1990 and the rate review as provided in Section 39-71-2362 to the

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insurance commissioner. The insurance commissioner is required to review the financial and compliance audit and rate review and report any concerns or recommendations based on the review to the governor, the legislative audit committee, and the economic affairs interim committee.

Required Reviews at mid-years 2012 & 2013:

MSF engaged Towers Watson (“TW”) to: 1) estimate unpaid loss and loss adjustment expenses as of June 30, 2012; 2) analyze of the overall manual rate level change for policies effective between July 1, 2012 and June 30, 2013 and subsequently for policies effective between July 1, 2013 and June 30, 2014; 3) assist MSF in selecting loss cost multipliers (“LCMs”) for policies effective between July 1, 2012 and June 30, 2013 and subsequently for policies effective between July 1, 2013 and June 30, 2014; and 4) review and adjust the proposed rating tier structure of MSF. While we understand that MSF has again engaged TW to estimate unpaid loss and loss adjustment expenses as of June 30, 2013, this review was not yet available at the time of this analysis by CSI.

The LAD engaged Casualty Actuarial Consultants, Inc. (“CACI”) to examine the aforementioned Towers Watson July 1, 2012-2013 rate analysis and June 30, 2012 reserve analysis prepared for the Fund. While LAD may again perform, or cause to have performed, examinations of the Towers Watson July 1, 2013-2014 rate analysis and June 30, 2013 reserve analysis, no such reviews were yet available at the time of this analysis by CSI.

The CSI engaged FRA to assist in its review of the June 30, 2012 MSF reports regarding reserves and 2012-13 and 2013-14 rates as required by Section 39-71-2361 MCA. The expected review of reserves as of June 30, 2013 by TW and the subsequent review of July 1, 2013-2014 rates and June 30, 2013 reserves by CACI were not yet available for review by FRA when this report was completed.

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FRA Scope:

The scope of work agreed upon by FRA and CSI is:

- 1) Actuarial Reserving Methodologies & Estimates: Review the reserve reports of TW and CACI.
 - a. Provide overall comments regarding methodologies, assumptions and conclusions.
 - b. Provide specific comments and opinions where the parties find differences in the conclusions between the two reports, including a discussion of finding with which CSI agrees.
 - c. Perform independent analysis in any area where the parties determine there to be a need to do so.
 - d. Segregate comments by Old Fund/New Fund as appropriate.

- 2) Pricing Methodology & Rates: Review the TW rate report and any findings regarding rates reserve or other report regarding rates of CACI.
 - a. Provide overall comments regarding methods, assumptions and indicated rates/rate changes.
 - i. Focus on development of rates by class code or other more detailed levels, as opposed to overall rate indication.
 - ii. Focus on tiered rating method developed by TW for MSF.
 - iii. Upon request of the CSI, review rating steps and comment on how this compares with commercial carriers.
 - iv. Obtain details regarding the Towers Watson multivariate analysis and

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review for method and assumptions. Provide comments on these findings.

- b. Provide specific comments and opinions where we find differences between the findings of TW and CACI.
- 3) MSF Claim Reserving Practices: Discuss claims reserving practices with State Fund personnel to determine why case reserves for older years appear to be significantly overstated.
- a. Provide comments on these findings.
- 4) Make its staff available to provide testimony, if needed, to support information obtained during the course of its review. The Contractor will prepare a formal presentation for the legislature upon request.

This report was prepared for the use of the Montana Commissioner of Securities and Insurance in evaluating MSF reserves as of June 30, 2012 and rates and related loss cost multipliers and multivariate pricing model for fiscal years 2012-13 and 2013-14 and may not be appropriate for any other purpose.

FRA was initially engaged by CSI in 2012 to assist in their review of the then-most-recent TW and CACI reports regarding MSF reserves, rates and pricing. We documented our findings in our Actuarial Report dated May 18, 2012 on Montana State Fund Reserves and Rates as of July 1, 2011. This current report follows up on several items identified in our prior review and includes items identified within the scope of this engagement.

We, Robert Van Epps and Daniel Reppert, are Principals for Financial Risk Analysts, LLC. We are each a Member of the American Academy of Actuaries and a Fellow of the Casualty Actuarial Society. We meet the qualification standards of the American Academy of Actuaries to issue this report.

CONDITIONS AND LIMITATIONS

GENERAL

Throughout this report and its exhibits the term "loss" is used to refer to losses inclusive of allocated loss adjustment expense (ALAE). Allocated loss adjustment expense provides for all expenses associated with the handling and settling of claims that can be directly attributable to a particular claim. Such expenses typically include independent medical exams, rehabilitation expenses, legal fees, investigatory expenses, expert witness fees, etc. Unallocated loss adjustment expenses, or ULAE, are expenses associated with the handling and settling of claims that cannot be specifically assigned to a particular claim. Such expenses are generally in the nature of overhead expenses.

DATA

We used data and other information provided to us by responsible staff from the CSI. This information consists of various actuarial reports prepared by TW and CACI and other information regarding the operations and results of MSF. The specific reports we received included the following:

- 1) TW report for MSF dated September 6, 2012 regarding New Fund Indicated Unpaid Loss & LAE amounts as of June 30, 2012;
- 2) TW report for MSF dated September 6, 2012 regarding Old Fund Indicated Unpaid Loss & LAE amounts as of June 30, 2012;
- 3) TW Appendix dated September 6, 2012 to reports for MSF regarding unpaid loss & LAE amounts as of June 30, 2012;
- 4) TW report for MSF dated April 10, 2012 regarding their Rate Level Analysis for the fiscal year incepting July 1, 2012 (including appendix);
- 5) TW report for MSF dated April 18, 2013 regarding their Rate Level Analysis for the fiscal year incepting July 1, 2013 (including appendix);

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- 6) TW report for MSF dated April 10, 2012 regarding their Loss Cost Multiplier analysis for the fiscal year incepting July 1, 2012;
- 7) TW report for MSF dated April 18, 2013 regarding their Loss Cost Multiplier analysis for the fiscal year incepting July 1, 2013;
- 8) TW report for MSF dated December 27, 2011 regarding their Multivariate Model and Tier Rating Structure Validation;
- 9) TW report for MSF dated December 17, 2012 regarding their Multivariate Model and Tier Rating Structure Update;
- 10) CACI report for LAD dated December 4, 2012 regarding MSF rates effective July 1, 2012 and estimated unpaid claims as of June 30, 2012;
- 11) TW letter dated December 3, 2012 providing a response to the CACI report;
- 12) MSF letter dated December 5, 2012 providing a response to the CACI report;
- 13) Powerpoint presentation dated April 11, 2011 summarizing study by Deloitte titled Montana State Fund Workers' Compensation Claims Review results;
- 14) Montana State Fund Claim Guideline Rev 11/12/10 with Chapter 3 – Medical Management revision completed 1/28/13;
- 15) Claim Audit Report and Findings for State of Montana Claims Best Practices Audit by AON Global dated June 17, 2010;
- 16) Copy of MSF Reserve Worksheet template and sample completed reserve worksheets;
- 17) Copies of TW reports for MSF regarding Old and New Fund Indicated Unpaid Loss & LAE amounts as of June 30, 2008; June 30, 2009, and June 30, 2011;
- 18) Annual Statement for the Year Ended June 30, 2012 of the Condition and Affairs of Montana State Fund;
- 19) Audited Statutory Financial Statements June 30, 2012 and 2011 of the Montana State Fund; and
- 20) MSF paid and incurred loss development histories by quarter through June 30, 2012.

In addition, we have relied on various oral representations made to us by representatives of MSF, TW, and CSI. Although the data supplied have been reviewed for purposes of reasonability, we have not independently audited or verified this information and we assume it to be accurate and

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complete. The results of our analysis will be contingent upon the reliability of the information supplied to us and such reliability is the responsibility of CSI, MSF, TW, and CACI. Should any party become aware of any significant discrepancies in the data reported to us we should be notified of such discrepancies and this report will be amended, if necessary.

UNCERTAINTY

Actuarial projections, by their nature, are estimates of future contingent events that cannot be known with certainty. The ultimate liability of MSF for its retained losses will be subject to events that have yet to occur, such as the size of future Workers Compensation awards, medical cost inflation, and judicial interpretations as to liability. No assumptions have been made in this report as to any extraordinary changes in the legal, social, or judicial environment that might affect future losses.

As discussed in more detail below, MSF has been impacted over the years by material changes in its operations, mix of business, workers compensation statutory benefit laws, and by the Montana economic environment. As a result, projections of liabilities are subject to significantly more uncertainty than might otherwise be expected in an entity as large as MSF.

While we believe the results presented in this report are reasonable and reflect the use of accepted actuarial principles and standards of practice, it is possible that actual future loss results of MSF will differ, perhaps materially, from those projected herein. Nothing in this report should be construed as a warranty or guarantee as to the adequacy of the liability estimates contained herein.

DESCRIPTIONS OF METHODOLOGIES

Actuarial Reserving Methodologies

TW and CACI each conducted separate analyses of indicated unpaid claims for the Old and New Funds. Within each fund, analysis is further split into two pieces - one for medical claims and one for indemnity (lost time) claims. We examined each of these four segments (Segments) separately. In conducting our review, we examined actuarial assumptions and methodologies, the results of those methodologies, and the actuarial selections made therefrom.

TW projected losses to an ultimate basis using several methodologies for each Segment, with the selection of specific methodologies varying by Segment. Methodologies applied to one or more Segments included paid loss development, incurred (reported) loss development, paid Bornhuetter-Ferguson, incurred Bornhuetter-Ferguson, Berquist-Sherman, frequency/severity, adjusted case reserve, and Sherman-Diss.

Employers' liability losses are not included in the TW analysis. We understand that these are generally few in number and are handled separately by internal staff at MSF.

In applying its methodologies, losses are unlimited (gross) with respect to reinsurance. We understand that TW also provided a separate analysis of anticipated reinsurance recoverables. We did not review the reinsurance analysis.

TW estimates reserve needs on an undiscounted basis, consistent with the way MSF management sets its reserves. For informational purposes, TW also provides to MSF reserve estimates on a discounted basis using yields that range from 1% to 4%.

In their reports, TW identifies factors that create materially more uncertainty than is usual for an analysis of this nature. These include significant changes in statutory benefits, volume and mix

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of business, MSF operations, case reserving, and the economic environment. Additional details regarding the specific nature of changes in each area are described in the TW reports. In several cases, TW made explicit adjustments to their methodologies to account for these known environmental and MSF operational changes.

Based in discussions with Mr Greig, lead TW actuary for the MSF work, we understand that TW judgmentally selected ultimate losses for each accident year and Segment by examining the results of the actuarial methods, together with the TW selections from previous years.

CACI's approach to estimating loss and loss adjustment liabilities differs from TW in that CACI applies only paid methodologies without the specific adjustments made by TW for MSF environmental and operational changes. Instead, CACI stated that they relied heavily on the most recent 5-7 diagonals in the loss development triangles. In doing so, they assume that recent years' claims will pay out similarly to the patterns of the most recent 5-7 years. CACI noted that they accepted TW's selected 240 months to ultimate loss development factors for both medical and indemnity losses. Said another way, while CACI selected development factors from 12 to 240 months based on their independent examination of MSF loss development histories, they did not do so for periods from 240 months to ultimate.

CACI projected losses to an ultimate basis by applying paid loss development, paid Bornhuetter-Ferguson, and paid frequency/severity methods separately to each Segment. For the New Fund, they also determined ultimate losses by applying a paid loss development approach to combined medical and indemnity losses, then allocating the combined results to medical and indemnity based on the results of the separate paid loss development methods.

For CACI, selected ultimate losses for each Segment and accident year are an average of the results of the four methods (three methods for the Old Fund), unless the results of at least one of their methods was less than case incurred losses for any accident year. In that case, they

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averaged case incurred losses with the results of the four methods (three methods for the Old Fund). By doing so, they are effectively giving partial credibility to the case incurred amount in those cases where the results of one or more of their actuarial methods are below the case incurred level.

In presenting their analysis, TW provides a range of estimates from Low to High together with an Actuarial Central Estimate. TW believes that there is a high likelihood that actual ultimate losses will be within their range, though acknowledging that actual results could fall outside their range. Rather than provide a range, CACI chose to provide just a Central Estimate while referencing that their Central Estimate falls between TW's Central and High Estimates. Actuarial principles allow the actuary to present results of their analysis as either a range of estimates or as simply a central estimate, so both of these approaches are deemed acceptable.

While FRA generally accepted the methodologies and results of TW's estimates for the indemnity Segments of both funds, we applied independent analysis to the medical Segments. Our paid development methodology is similar to the one applied by CACI, except that we independently selected development factors for the entire period with available history (to 576 months) rather than accept TW's selected 240 months to ultimate loss development factors as CACI did. In addition, we selected three sets of development patterns referred to as low, mid, and high ranges.

FRA also applied an incurred (reported) loss methodology to the medical segments. We accept TW's rationale that MSF changes in claim handling and case reserving practices have historically distorted the results of incurred loss methodologies. However, based on discussions with MSF and our examination of historical patterns of average case reserves, it appears that to us that the most material effects from operational claim changes occurred more than 10 years ago. Accordingly, it appears that incurred loss patterns are stabilizing, and we believe that incurred

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loss techniques are beginning to again produce useful indications for the medical Segments. We believe that this is particularly true for older accident years.

Actuarial Rate and Pricing Methodologies

TW provided several studies that together support the rate and pricing decisions of MSF. These include analysis of overall rate level indications, analysis of loss cost multipliers, and a review and update on the MSF multivariate tier structure and rating model.

For the overall rate indication, the most recent five accident years of MSF loss experience are projected to future premium and loss cost levels. Without making a specific recommendation, TW calculates a range of indicated premium changes each year using a range of possible discount rates from which the MSF Board can make its rate decision.

It is our understanding that MSF derives its rates by class code by applying loss cost multipliers to pure loss rates as established by NCCI (with certain exceptions for MSF deviations and special classes). Loss cost multipliers are intended to load NCCI's pure loss rates for loss experience, expenses, and required profit. MSF engaged TW to assist in determining appropriate loss cost multipliers for policies incepting between July 1, 2012 and June 30, 2013 and subsequently for policies incepting between July 1, 2013 and June 30, 2014.

MSF currently uses 5 rating tiers in its pricing program. The objective of MSF's tiered rating approach is to assign each client to a rating tier which best reflects the employers likelihood to incur claims. TW identified five variables that, in combination, are statistically predictive of future loss propensity. TW periodically reviews the rating variables and tier structures and recommends adjustments as appropriate.

SUMMARY AND CONCLUSIONS

FRA completed the scope of the review through analysis of the reserve, rate review and other related reports and reserve opinions of TW and CACI and additional data and correspondence provided by responsible staff of CSI and MSF. We also conducted interviews of TW and MSF actuarial staff and MSF claims personnel. We appreciate the time and effort of TW and MSF staff in providing materials and insight to support our review.

FRA supplemented the review of TW and CACI reports with independent analysis in certain cases.

Executive Summary regarding Reserves

Based on the analysis described below, the MSF carried reserves for the New Fund are within FRA's range of reasonable estimates on an undiscounted basis. For the Old Fund, MSF carried reserves are below the bottom end of FRA's range of reasonable estimates on an undiscounted basis but are within FRA's range of reasonable estimates on a discounted basis. FRA's central estimates are in the upper end of the range of estimates of TW for both the New and Old Funds.

The following table compares the undiscounted estimates of TW, CACI, and FRA to the carried reserves of MSF as of June 30, 2012. MSF management chose to book reserves at \$44.2 million above the TW central estimate in the New Fund and \$2.2 million above the TW central estimate in the Old Fund as of June 31, 2012. We understand that the higher reserve levels account for reserve strengthening and the potential cost of court cases.

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| June 30, 2012 Reserve Estimate (\$ millions) | | | | | | | | | |
|--|------------------|--------------------------------|----------------|--------------|-----------------|----------------------|----------------|--------------|----------------|
| Unlimited Losses, Undiscounted, Excluding LAE | | | | | | | | | |
| | | <u>Towers Watson Estimates</u> | | | <u>CACI</u> | <u>FRA Estimates</u> | | | <u>MSF</u> |
| | | <u>Low</u> | <u>Central</u> | <u>High</u> | <u>Central</u> | <u>Low</u> | <u>Central</u> | <u>High</u> | <u>Carried</u> |
| | | | | | <u>Estimate</u> | | | | <u>Reserve</u> |
| New Fund | Medical | 521.7 | 579.6 | 666.6 | 632.6 | 628.0 | 668.3 | 718.9 | |
| | <u>Indemnity</u> | <u>166.3</u> | <u>183.8</u> | <u>201.2</u> | <u>186.4</u> | <u>166.3</u> | <u>183.8</u> | <u>201.2</u> | |
| | Total | 688.0 | 763.4 | 867.8 | 819.0 | 794.3 | 852.1 | 920.1 | 817.6 |
| Old Fund | Medical | 33.0 | 36.3 | 74.4 | 56.0 | 46.0 | 70.6 | 95.0 | |
| | <u>Indemnity</u> | <u>11.1</u> | <u>12.2</u> | <u>14.5</u> | <u>21.1</u> | <u>11.1</u> | <u>12.2</u> | <u>14.5</u> | |
| | Total | 44.1 | 48.5 | 88.9 | 77.1 | 57.1 | 82.8 | 109.5 | 50.7 |

Over the years, MSF has consistently booked reserves based on the undiscounted reserve estimates from its actuary. CACI agreed that booking on an undiscounted basis is appropriate, and we concur. Reserving on an undiscounted basis implicitly provides a margin for error since future investment income would be available to offset any adverse development that may occur.

FRA's ranges of estimates are higher than the estimates of TW and CACI based on the application of different actuarial techniques, assumptions, and approaches to selections. One major contributor to the differences between the central estimates of TW, CACI, and FRA for the medical Segments is the difference in paid loss development factors for the period beyond 240 months. Based on our independent analysis of MSF's historical loss payment patterns in the tail, we believe that development beyond 240 months for medical losses is likely to be higher than the tail selected by TW and used by both TW and CACI. Based on our low and mid range selections, our higher tail factors result in ultimate losses being 3% to 8% higher than those projected by TW and CACI.

Like CACI, we also calculated reserves on a discounted basis. Establishing loss reserves on a discounted basis requires that future investment income earned on the loss reserves be added to the reserves for future claims payments rather than be recognized as net income. The accuracy of

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discounted reserves depends upon the accuracy of the undiscounted estimates, the estimated payout schedule, and the interest rate assumption used to discount future loss payments.

Our discounted basis assumes that an illustrative discount rate of 3.0% is appropriate for MSF. This illustrative rate is identical to the rate used by CACI. While we believe this rate is generally reasonable given the nature of MSF’s liabilities and current market conditions, we have not evaluated the rate specifically based on MSF’s portfolio. If a discounted approach is used, management of MSF should carefully evaluate both our interest rate assumption and selected loss payout patterns to be sure they are reasonable.

The following table compares the discounted estimates of CACI and FRA to the carried reserves of MSF as of June 30, 2012:

| June 30, 2012 Reserve Estimate (\$ millions) | | | | | | |
|---|------------------|----------------------|----------------|--------------|-----------------|----------------|
| Unlimited Losses, Discounted, Excluding LAE | | | | | | |
| | | <u>FRA Estimates</u> | | | <u>CACI</u> | <u>MSF</u> |
| | | <u>Low</u> | <u>Central</u> | <u>High</u> | <u>Central</u> | <u>Carried</u> |
| | | | | | <u>Estimate</u> | <u>Reserve</u> |
| New Fund | Medical | 463.1 | 493.3 | 530.8 | 465.3 | |
| | <u>Indemnity</u> | <u>137.2</u> | <u>151.6</u> | <u>166.0</u> | <u>151.5</u> | |
| | Total | 600.3 | 644.9 | 696.8 | 616.8 | 817.6 |
| Old Fund | Medical | 39.6 | 60.6 | 81.5 | 49.1 | |
| | <u>Indemnity</u> | <u>9.4</u> | <u>10.4</u> | <u>12.4</u> | <u>17.7</u> | |
| | Total | 49.0 | 71.0 | 93.9 | 66.8 | 50.7 |

Based on Actuarial Principles and Standards of Practice, we believe that booked reserves anywhere within our range of estimates are reasonable. Accordingly, for the New Fund we agree with TW and CACI that booked reserves are reasonable. For the Old Fund booked reserves are below the bottom end of our undiscounted range of estimates but within our discounted range (albeit slightly so).

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Our understanding is that the Old Fund has no actual assets held against its liabilities. Rather, claims payments are funded on a cash flow basis by the state’s General Fund. Therefore, for the Old Fund, the implication of our range of estimates being higher than TW’s, if our estimates prove to be indicative of future costs, is that more dollars will need to be allocated from the general fund, for perhaps a longer period of years, than would be the case if TW’s estimates prove more indicative.

Executive Summary regarding Rates

We reviewed the methodologies used by TW and CACI to determine overall rate indications for the one-year period beginning July 1, 2012. We also reviewed the work of TW to determine overall rates indications for the one-year period beginning July 1, 2013. Both TW and CACI appear to have used approaches that follow generally accepted actuarial ratemaking principles. We found no material flaws with the methodologies, assumptions, adjustments, or results of either party. Both TW and CACI include in their calculations a 5% provision for adverse loss deviation. Given the high level of uncertainty discussed above, we believe that including this risk provision is appropriate. Based on TW’s analyses, MSF elected to implement a rate change that averaged 0.0% for the one-year period effective July 1, 2012 and a rate decrease of that averaged -6.0% for the one-year period effective July 1, 2013.

The table below compares the rate indications of TW and CACI for the period July 1, 2012 through June 30, 2013:

| July 1, 2012 - 2013 Rate Indications | | | | | | |
|--|--------------------------------|----------------|-------------|-----------------------|----------------|-------------|
| Expected Underwriting Profit Assuming No Change in Manual Rates | | | | | | |
| Limited Losses Including LAE | | | | | | |
| | <u>Towers Watson Estimates</u> | | | <u>CACI Estimates</u> | | |
| | <u>Low</u> | <u>Central</u> | <u>High</u> | <u>Low</u> | <u>Central</u> | <u>High</u> |
| Undiscounted | 2.0% | -4.7% | -11.4% | -17.2% | -24.1% | -33.3% |
| Discounted (3.0%) | 12.0% | 6.2% | 0.4% | 2.2% | -3.6% | -11.3% |

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The differences in rate estimates between TW and CACI are caused primarily by the differences in projected loss estimates for following year, which in turn are caused by differences in their respective selected ultimate loss estimates for the most recent five accident years from their reserve analyses. CACI did not change any of the other rate indication inputs used by TW, including loss adjustment expenses, pricing program changes, or any other expenses or premium modifiers. FRA is likewise comfortable maintaining these same rating inputs and adjustments.

The following table compares the latest five years of selected ultimate losses for TW, CACI, and FRA. As of June 30, 2012, FRA's total selected ultimates for the latest five accident years are 3.4% above those of TW and 1.9% above those of CACI. CACI concluded that the selected rate change of 0.0%, effective July 1, 2012, was within a reasonable range on a discounted basis. Given the proximity of our selected ultimate losses to those of TW and CACI and the 5% provision for adverse loss provision included in the rate projections, we agree.

| Comparison of Latest Five Years of Ultimate Losses at June 30, 2012 (Central Estimates) | | | |
|--|--------------------------|--------------------|--------------------|
| Accident Year | Selected Ultimate Losses | | |
| | TW | CACI | FRA |
| 7/1/07-08 | 166,410,000 | 166,806,507 | 171,552,044 |
| 7/1/08-09 | 145,280,000 | 143,917,734 | 147,695,538 |
| 7/1/09-10 | 130,195,000 | 129,539,427 | 133,541,033 |
| 7/1/10-11 | 140,075,000 | 139,751,842 | 141,963,731 |
| 7/1/11-12 | <u>113,175,000</u> | <u>125,095,094</u> | <u>123,827,045</u> |
| Total | 695,135,000 | 705,110,604 | 718,579,391 |

While we did not apply the same level of detailed scrutiny to the TW rate indications for the one-year period beginning July 1, 2013, we did review the TW analysis. Their approaches and judgments appear to be materially consistent with the prior year's analysis, and we are comfortable with their results and conclusions.

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To develop rates by class code, loss cost multipliers are applied to NCCI pure loss rates. Loss cost multipliers are reviewed annually by TW based on MSF's loss experience, expenses and pricing program. We reviewed the documentation in the TW reports on loss cost multipliers. CACI states that they believe the TW approach is appropriate, and we concur.

We reviewed the documentation in the TW reports on tier analysis and multivariate model. TW has previously provided analysis that demonstrates how the combination of rate tiers and experience rating improves the pricing equity across the five tiers. We believe that their approach continues to be sound and produces reasonable results. We believe that replacing an approach that relies on subjective underwriting judgment to assign clients to rating tiers with a predictive model that can be periodically reviewed and adjusted when appropriate improves the equity of MSF's pricing model.

ANALYSIS

Our analysis is divided into three sections. Section 1 includes Exhibits 1 through 8.2 and shows summaries and other metrics associated with the TW and CACI analyses. Section 2 of this report (Exhibits 10.1 through 14.15) show metrics and independently determined projections of indicated ultimate and outstanding losses by Financial Risk Analysts. Section 3 includes an evaluation of rate analyses and indications.

Section 1 – Evaluation of TW and CACI Reserves Analyses

1. As mentioned above, TW identifies numerous factors listed above that create materially more uncertainty than is usual for analysis of this nature. They applied a variety of methods and adjusted their methods and approaches to respond to the identified issues. While we believe these adjustments are generally reasonable taken individually and collectively and are consistent with actuarial principles and standards of practice, we continue to have certain concerns as further discussed within this report.

Specific adjustment measures taken by TW included:

- Incurred loss development methods were not used for medical Segments. Incurred methods are generally the most heavily relied upon of all actuarial methods. Incurred methods use changes in historical incurred losses between various valuation points to provide a basis for estimating future changes. Incurred methods can be used to provide reasonable estimates of ultimate losses if reporting patterns and reserving practices have remained reasonably stable over time. TW assessed that reporting patterns and reserving practices had not been consistent and therefore chose not to apply incurred methods to medical Segments.

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As identified in the TW report, the actuarial literature provides a technique called Berquist-Sherman which can enable the actuary to adjust for inconsistencies in historical reporting patterns and reserving practices. While TW applied this methodology in the case of MSF, they concluded that its results were too unstable to provide much value and therefore accorded it little weight in their selections.

CACI concluded that the lack of reliable results from the incurred loss methods significantly impedes the actuarial estimation process, adding to the degree of uncertainty in determining reserves for MSF. We agree with CACI that this is a very material limitation.

- Different paid loss development factors were selected for different years due to the expected large impacts of several large benefit law changes in Montana over the period being reviewed.
- In applying their paid loss development methods, TW determined that indemnity claim payments and closure rates were speeding up due to reduced temporary total disability dispositions and increased lump sum payments. TW accelerated selected indemnity development patterns by 0.5 months to reflect these faster closure rates. For medical claims in 1990/1991 and subsequent, TW accelerated payment patterns by 0.50% to judgmentally reflect improvements in MSF claim operations.
- The Adjusted Case Reserve method applied by TW requires an initial estimate of the level of adequacy of case reserves. TW judgmentally selected an adjustment to case reserves of -58.1% for medical and -1.8% for indemnity for the June 30, 2012 analysis. These adjustments were selected based on a study of claim reserves done by TW claim consultants in the 2003/2004 timeframe. Given all the changes at MSF over the past ten years, we are concerned that the results of this study could be

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outdated. TW agreed during our discussions that this study should be updated, and we strongly recommend this course of action.

2. We believe that the methodologies used by CACI are also generally reasonable and consistent with actuarial principles and standards of practice. However, we are concerned that CACI's approach of using TW paid loss development factors beyond 240 months may be understating projected ultimate losses. Based on our low and mid range selections, our higher tail factors result in ultimate losses for medical being 3% to 8% higher than those projected by TW and CACI.
3. While TW and CACI applied different methodologies, averages of results from their methodologies for all accident years combined are similar for each Segment. For the New Fund, the average results of TW's methods total roughly \$11 million less than the related average of CACI's methods (approximately -0.4%). For the Old Fund, the average results of TW's methods total roughly \$10 million more than the related average of CACI's methods (approximately +0.8%).

Results of each method and averages across methods applied by TW are shown on Exhibits 2.3, 3.3, 4.3 and 5.3. Results of each method and averages across methods applied by CACI are shown on Exhibits 2.2, 3.2, 4.2 and 5.2. Comparisons of TW and CACI average results across methods are shown by accident year in column (7) of Exhibits 2.1, 3.1, 4.1 and 5.1. Overall average results by Segment are further summarized in column (8) of Exhibit 1.

Note that in computing averages of results for TW, we excluded certain methods which appeared to be used primarily to determine low and high ranges and other methods which appeared to diverge materially from the mean or we understand to have been accorded little weight by TW when selecting central estimated ultimate losses. Additional details are provided in the footnotes to the exhibits.

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4. In general, TW appeared to select central estimate ultimate losses that were near the lower end of the range of their methods, while CACI selected central estimate ultimate losses that were above the average of the results of their methods. While the results of their actuarial methods appear to be relatively similar on average, TW's total selected central estimate ultimate losses were nearly \$56 million and \$29 million below CACI's total selections for the New and Old Funds, respectively.

We were informed by TW that one important factor affecting their selections was the selected ultimates from their prior reviews. While generally not unreasonable to consider stability in indications from year to year, we would note that giving consideration to prior results by tempering the amount of year over year change may slow the recognition of any material shortfalls or overstatements.

In summary, it appears that the differences between TW's and CACI's indicated reserve needs for both funds are driven far more heavily by differences in their approaches to making selections of ultimate losses rather than differences in the results of their methodologies.

5. In Financial Risk Analyst's Actuarial Report on Montana State Fund Reserves and Rates as of July 1, 2011, dated May 18, 2012, we observed that claim examiners were reserving at a level far above actuarial estimates determined by TW and CACI. We recommended that MSF engage a study of case reserves to determine the cause of these differences. We also noted that CACI, in their report on June 30, 2011 reserves, recommended that MSF determine the source of these differences and reconcile them. We further note that CACI made a similar recommendation in their report at June 30, 2012.

Exhibits 6.1 through 6.4 compare case outstanding losses to indicated actuarial reserves at the central estimates of TW and CACI by Segment. Columns (6) and (9) of those exhibits show Indicated Incurred But Not Reported losses, or IBNR, for TW and CACI, respectively. IBNR

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is a reserve provision that includes claims that have occurred but that are not yet known or reported to MSF. It also includes future loss development on known, recorded claims, whether favorable or unfavorable. Indicated IBNR reserves represent the difference between selected actuarial ultimate losses and case incurred losses. Negative IBNR reserves result when case outstanding losses representing the collective estimates of MSF's claim examiners are more than indicated actuarial reserves.

From these exhibits, we observe that the negative indicated IBNR reserves for MSF are driven almost entirely by the medical segments. In addition, estimates and indicated reserves indemnity segments appear to have been far more stable and predictable over the recent years. We therefore focused our attention in this review on reserves needs for the medical Segments of the New and Old Funds. While we include certain exhibits in our report showing outstanding losses and metrics for the indemnity Segments, we accept and use the TW results for the indemnity Segments for purposes of determining overall reserve needs.

The following table summarizes case and IBNR reserves for the medical Segments of the Old and New Funds. In our experience, it is highly unusual to see case reserves exceeding actuarial estimates by such material amounts so consistently over so many years. Two potential conclusions are possible. If claim examiners are reserving at an appropriate level overall, the actuarial estimates may be too low. Alternatively, if the actuarial estimates are more closely predictive of ultimate losses, it would appear that the case reserves are materially redundant in the aggregate.

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| MSF INDICATED RESERVES AT JUNE 30, 2012 | | | | | | | |
|---|--------------------|---------------------|-------------------|---------------|-----------------------|-----------------------|-----------------------|
| MEDICAL SEGMENTS | | | | | | | |
| OLD FUND | | | | NEW FUND | | | |
| Accident Year | Case | Indicated IBNR | Indicated Total | Accident Year | Case | Indicated IBNR | Indicated Total |
| Prior | \$ 74,000 | \$ 400,000 | \$ 474,000 | 7/1/90-91 | \$ 16,448,526 | \$ (9,464,855) | \$ 6,983,671 |
| 7/1/64-65 | - | - | - | 7/1/91-92 | 13,640,293 | (6,076,404) | 7,563,889 |
| 7/1/65-66 | 45,600 | (8,921) | 36,679 | 7/1/92-93 | 22,206,183 | (13,146,197) | 9,059,986 |
| 7/1/66-67 | - | - | - | 7/1/93-94 | 16,131,797 | (6,531,821) | 9,599,976 |
| 7/1/67-68 | - | - | - | 7/1/94-95 | 10,745,089 | (1,492,089) | 9,253,000 |
| 7/1/68-69 | - | - | - | 7/1/95-96 | 9,694,343 | (322,273) | 9,372,070 |
| 7/1/69-70 | 30,000 | (2,875) | 27,125 | 7/1/96-97 | 9,734,624 | (233,657) | 9,500,967 |
| 7/1/70-71 | 119,709 | (31,990) | 87,719 | 7/1/97-98 | 16,528,558 | (5,871,817) | 10,656,741 |
| 7/1/71-72 | - | 2,172 | 2,172 | 7/1/98-99 | 20,328,432 | (7,739,163) | 12,589,269 |
| 7/1/72-73 | 29,965 | (4,965) | 25,000 | 7/1/99-00 | 14,219,211 | (318,364) | 13,900,847 |
| 7/1/73-74 | 1,283,615 | (1,205,748) | 77,867 | 7/1/00-01 | 18,624,300 | 604,768 | 19,229,068 |
| 7/1/74-75 | 1,176,690 | (1,095,495) | 81,195 | 7/1/01-02 | 20,816,038 | (1,029,546) | 19,786,492 |
| 7/1/75-76 | 519,702 | (418,944) | 100,758 | 7/1/02-03 | 25,847,136 | 640,352 | 26,487,488 |
| 7/1/76-77 | 3,007,199 | (2,771,886) | 235,313 | 7/1/03-04 | 20,589,413 | 8,712,522 | 29,301,935 |
| 7/1/77-78 | 1,064,294 | (861,986) | 202,308 | 7/1/04-05 | 25,701,288 | 8,242,106 | 33,943,394 |
| 7/1/78-79 | 2,049,942 | (1,605,105) | 444,837 | 7/1/05-06 | 26,007,539 | 14,924,093 | 40,931,632 |
| 7/1/79-80 | 2,975,214 | (2,123,190) | 852,024 | 7/1/06-07 | 28,871,261 | 17,424,180 | 46,295,441 |
| 7/1/80-81 | 3,181,939 | (2,288,392) | 893,547 | 7/1/07-08 | 34,262,319 | 15,646,294 | 49,908,613 |
| 7/1/81-82 | 3,794,429 | (3,080,732) | 713,697 | 7/1/08-09 | 26,969,170 | 20,973,272 | 47,942,442 |
| 7/1/82-83 | 7,720,396 | (6,394,464) | 1,325,932 | 7/1/09-10 | 22,584,729 | 25,829,996 | 48,414,725 |
| 7/1/83-84 | 10,432,751 | (8,354,947) | 2,077,804 | 7/1/10-11 | 25,933,719 | 34,628,030 | 60,561,749 |
| 7/1/84-85 | 6,711,208 | (4,394,863) | 2,316,345 | 7/1/11-12 | 28,288,825 | 30,057,993 | 58,346,818 |
| 7/1/85-86 | 9,497,879 | (6,183,587) | 3,314,292 | TOTAL | \$ 454,172,793 | \$ 125,457,420 | \$ 579,630,213 |
| 7/1/86-87 | 14,991,846 | (10,656,793) | 4,335,053 | | | | |
| 7/1/87-88 | 15,505,685 | (10,024,655) | 5,481,030 | | | | |
| 7/1/88-89 | 9,577,076 | (4,077,196) | 5,499,880 | | | | |
| 7/1/89-90 | 17,076,011 | (9,396,432) | 7,679,579 | | | | |
| TOTAL | 110,865,150 | (74,580,994) | 36,284,156 | | | | |

6. We reviewed the case reserving policies and practices of MSF as outlined in the Montana State Fund Claim Guideline and the reserving worksheet used by MSF to update and set case reserves. We also reviewed the comments regarding case reserving provided by Deloitte and AON Global in their respective studies. We discussed the case reserving practices with MSF claim management. In general, we concur with Deloitte and AON that the MSF case reserving policies and practices appear to be reasonable. We would note, however, that neither the Deloitte nor the AON studies attempted to quantify any level of adequacy, redundancy or deficiency of case reserves overall.

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In discussions with MSF, we did discover at least one reason to believe that aggregate case reserves could be overstated. In applying its reserve worksheet, claim examiners attempt to get estimated life expectancies adjusted for the claimant's medical condition from a physician for each claim. Since claimants are by definition injured or ill, life expectancies are often less than those for the general population at large. For cases where examiners are unable to get adjusted expectancies from a physician, they apply the general life expectancies. In these situations, case reserves may overstate expected future payments. Based on this logic, we believe it is reasonable to expect that case reserves in the aggregate are overstated to some degree.

As mentioned above, in our previous analysis we recommended that MSF pursue an independent assessment of case reserves. In response to this recommendation, MSF provided a letter from Laurence Hubbard dated December 12, 2012, together with a letter from Russell Greig of TW dated December 12, 2012. Both letters stated that an updated study of case reserves was not necessary. Among the reasons provided by Messrs. Hubbard and Greig was that MSF has undertaken multiple claim reserve studies since 2004. While we agree that these studies provided valuable feedback regarding claim policies and processes, to our knowledge, none of them provided quantification regarding the level of redundancy in aggregate case reserves. Accordingly, we would reiterate our recommendation that a claim study should be undertaken, and that this study should either include or focus specifically on quantifying the level of case reserve redundancy. The results of this study would provide a “ground up” perspective that could be considered along with the actuarial studies when determining the appropriate level of total reserves for MSF. Information from this study would also provide valuable input for purposes of actuarial projections going forward.

7. As one measure of the reasonability of indicated reserves of TW and CACI for the medical Segments, we compared their indicated reserves to average annual payments in recent years

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by accident year. This concept, sometimes referred to as “survival ratios,” indicates the number of future years of payments that can be made based on the indicated reserves if annual payments continue at recent levels. It is generally a useful tool for older, more mature accident years, so we applied it only to the Old Fund.

MSF indicated that there has been an emphasis on recent years on settling claims through greater use of lump sum payments. While changes in the level of lump sum activity can distort survival ratio measures to some extent, we believe this measure remains a meaningful, high level indicator of the adequacy of reserves.

The following table shows survival ratios for all years combined for medical and indemnity based on payments in the latest fiscal year:

| Old Fund Survival Ratios All Years Combined at June 30, 2012 | | | |
|---|-----------------------------|---------------------------------|-------------|
| | <u>Case Outstanding</u> | <u>Indicated Total Reserves</u> | |
| | | <u>TW</u> | <u>CACI</u> |
| Medical | 16.8 | 5.4 | 8.5 |
| Indemnity | 12.5 | 6.6 | 11.4 |

* based on payments in latest fiscal year

Calculations showing ratios by accident year are shown on Exhibits 8.1 and 8.2.

For Old Fund medical, cumulative case reserves for all years combined would cover more than 16 years of payments at the amounts paid in the most recent year, while the indicated reserves for TW and CACI would cover only 5.4 and 8.5 years, respectively. While not conclusive on its own, given the levels of payments in recent years and what we understand to be the average age of claimants in the Old Fund, these measures add to our concern about

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whether the Old Fund indicated reserves, at TW's expected level, are sufficient to pay future claims.

8. As another high level test of the adequacy of selected ultimate losses in recent years, we compared year-over-year changes in selected ultimates from prior year TW reviews. Upward movements in selected ultimates over time indicate that prior year estimates were too low, while downward movements suggest that prior year estimates were too high. As shown on Exhibits 9.1 through 9.4, selected ultimates for the indemnity segments have trended favorably over the past 4 years, while ultimates for the medical segments developed unfavorably in each of the past 4 years, averaging more than \$8m per year for the New Fund and more than \$3.5 million per year for the Old Fund. While a retrospective pattern of unfavorable development is not necessarily evidence of a reserve deficit as of the end of the most recent period (since it is possible that past deficits have now been overcome), it does offer further reason for concern about the reserves for the Old Fund medical Segment.
9. In our opinion, the degree of uncertainty in determining the appropriate level of reserves for MSF remains very high. For the New Fund, TW's low and high estimates are -9.9% and +13.7% below and above its central estimate, respectively. For the Old Fund, TW's low and high estimates are -9.1% and +83.3% below and above its central estimate, respectively. On the surface, these ranges appear to be much wider than might be expected for an entity as large as MSF. However, in our opinion wide ranges are appropriate given the high degree of uncertainties in this situation.

Section 2 – FRA Ultimate Projections & Indicated Reserves

1. As mentioned above, FRA focused our independent analysis largely on the medical Segments for the New and Old Funds because medical Segments drove the major differences between TW and CACI and also drive the vast majority of negative IBNR.

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Results of the reserve analyses for indemnity Segments have been generally stable and have been consistent between TW and CACI. Therefore, we have accepted and used the TW results for the indemnity Segments for purposes of determining overall reserve needs. Ultimate selections and indicated reserve needs for the indemnity Segments are summarized on Exhibits 10.5 through 10.8.

2. For the medical segments, we applied paid and incurred loss development methodologies to project ultimate losses. Exhibits 10.2 and 10.4 summarize the results of FRA's loss development approaches for medical losses for the New and Old Funds, respectively. Selected ultimate losses are selected judgmentally for each fund and accident year based on the outcomes from these approaches. A description of the two methods follows.

- **Paid Loss Development Method (Exhibits 11.2, 11.4)**

The paid loss development method is a method in which paid losses are projected to an ultimate level based on historical development patterns. An analysis of the changes in accident year paid losses between various valuation points provides a basis for estimating future changes. This method assumes that loss settlement and payment patterns have remained reasonably stable over time. Unlike the incurred methods, the paid loss development method is not dependent on reasonably consistent reserving practices. Paid loss development factors for medical losses are based on MSF's own loss development experience as shown on Exhibits 12.7 through 12.12.

Our paid development methodology is similar to those applied by CACI, except that we independently selected development factors for the entire period with available history (to 576 months) rather than accept TW's selected 240 months to ultimate loss development factors as CACI did. In addition, we selected three sets of development patterns referred to as low, mid, and high ranges. The low range factors are based on the most recent 1-2 diagonals, which appear to be lower than the longer term histories in many cases. MSF

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reported to us that they made operational changes which accelerated payments beginning several years ago. They expected that these changes would result in lower paid development factors in recent diagonals. This, in fact, did appear to be the case. The mid and high range factors are based on patterns in the recent 5-7 diagonals.

Our analysis suggests that the development tail beyond 240 months for medical is likely to be higher than the tail selected by TW and used by both TW and CACI. Based on our low and mid range selections, our tail factors result in ultimate losses being 3% to 8% higher than those projected by TW and CACI.

- **Incurred Loss Development Method (Exhibits 11.1, 11.2)**

This method is similar to the paid loss development method except that incurred losses are used instead of paid losses. Incurred losses are projected to an ultimate level based on historical incurred loss development patterns. Assuming that reporting patterns and reserving practices have remained reasonably stable, this method can be used to provide reasonable estimates of ultimate losses. Like the paid method, the incurred development factors for medical losses were based on MSF's own loss development experience as shown on Exhibits 12.1 through 12.6.

TW has not been applying incurred loss methodologies to medical segments in recent years because MSF changes in claim handling and case reserving practices have historically distorted the results of incurred approaches. However, based on discussions with MSF and our examination of historical patterns of average case reserves, it appears that to us that the most material effects from operational claim changes occurred more than 10 years ago. Accordingly, it appears that incurred loss patterns are stabilizing, and we believe that incurred loss techniques are beginning to again produce useful indications for the medical Segments. We believe that this is particularly true for older accident

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years. During our discussions, TW indicated that they are also considering reintroduction of incurred loss methods in future reviews.

We selected two sets of incurred loss development factors for medical losses based on MSF historical patterns. Low range factors are based in the most recent few diagonals, which appear to be lower than longer term histories. High range factors are selected based largely on the latest 5-7 diagonals. We believe that the high range factors may continue to produce results that overstate the reserve need for the medical Segments and that the low range factors, based on more recent diagonals, may more properly reflect expected levels given our understanding of MSF's situation.

3. Exhibits 10.1 and 10.3 show the indicated reserve needs for the New and Old Funds respectively, based on selected ultimates on Exhibits 10.2 and 10.4. Indicated reserve needs are shown on both undiscounted and discounted bases.

Discount factors are developed in Appendices 2.1 and 2.2. Payout patterns are based on average patterns implied by the TW and CACI analyses.

4. Exhibits 13.1 through 13.15 show movements in medical case reserves, open claim counts, and average claim reserves over time. Exhibits 14.1 through 14.15 show movements in indemnity case reserves, open claim counts, and average claim reserves. These were used as diagnostics to assess historical movements in case reserves as mentioned above.

Section 3 – Evaluation of TW and CACI Rate Analyses

1. We reviewed the overall rate analyses done by both TW and CACI for the period July 1, 2012 to June 30, 2013. Both appear to have followed approaches that are consistent with actuarial principles and applicable standards of practice. TW estimated that the rates in effect as of June 30, 2012 would yield an underwriting loss of -4.7% in the following year at their central loss estimate. After including investment income using a 3% discount rate, TW

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projects that MSF would realize a profit of 6.2% of premium at their central loss estimate. CACI estimated that the June 30, 2012 rates would yield an underwriting loss of -24.1% and a loss of -3.6%, including investment income on the same basis.

Without making a specific recommendation, TW calculated a range of indicated premium changes of -2.0% to +2.0% from which they suggest the Board could make its rate decision. CACI opined that any rate change in the range of a 2.2% decrease to an 11.3% increase would be appropriate on a discounted basis. The differences in rate estimates between TW and CACI were caused primarily by the differences in projected loss estimates, which in turn were caused by differences in their historical loss estimates from their respective reserve analyses.

Both TW and CACI include in their calculations a 5% provision for adverse loss deviation. Given the high level of uncertainty discussed above, we believe that including this risk provision is appropriate.

Based on the TW analysis, MSF ultimately decided to implement an average overall rate change of 0.0% effective July 1, 2012.

2. For the period July 1, 2013 through June 30, 2014, TW calculated a range of indicated premium changes of 0.0% to -6.0%, from which they suggest the Board could make its rate decision. While we did not apply the same level of detailed scrutiny to the TW rate indications for this period, we did review the TW analysis. Their approaches and judgments appear to be materially consistent with the prior year's analysis, and we are comfortable with their results and conclusions. Based on the TW analysis, MSF ultimately decided to implement an average overall rate change reduction of -6.0%.

RECOMMENDED ACTIONS

Based on our above findings, we recommend the following actions be taken by MSF and its actuaries:

- We recommend that a claim study should be undertaken that either includes or focuses specifically on quantifying the level of case reserve redundancy. The results of this study would provide a “ground up” perspective that could be considered along with the actuarial studies when determining the appropriate level of total reserves for MSF. Information from this study would also provide valuable input for purposes of actuarial projections going forward.
- It appears to us that the MSF’s actuary has been selecting ultimates for its central estimates near the low end of the range projected by its various actuarial methods. MSF management has in recent years reserved well above the levels indicated by the selected central estimates from its actuaries for the New Fund and slightly above for the Old Fund. We recommend that MSF discuss with its actuary whether selecting toward the lower end of estimates is appropriate or should be adjusted.
- Based on methodologies we applied and our selected ultimates, we believe that carried reserves for the Old Fund are below the low end of our range of reasonable reserves on an undiscounted basis and only slightly above the low end of our range on a discounted basis. We recommend that MSF review the results of the latest TW, CACI, and FRA reserve analyses, together with the results of a previously recommended claim reserve study quantifying case reserve redundancies. We recommend that MSF consider increasing carried reserves for the Old Fund and perhaps for earlier years in the New Fund. The magnitude of the increases should be determined based on the outcome of the various studies.

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- We recommend that MSF and its actuaries consider reintroducing incurred loss methodologies for projecting reserve needs for the medical Segments. Based on discussions with MSF and our examination of historical patterns of average case reserves, it appears that the most material effects from operational claim changes impacting case reserves occurred more than 10 years ago. With incurred loss patterns stabilizing in recent years, we believe that incurred loss techniques are beginning to again produce useful indications for the medical Segments.

DATA VALIDATION PROCEDURES

As described in the various TW reports and analyses, the data they use was provided by MSF. It should be noted that our review did not include any audit of the underlying data that fed the reports given to TW. Any audit of the data is beyond the scope of this engagement. We did review the descriptions of procedures as disclosed by TW to assess data validity. We also compared the actuarial data provided by MSF to Schedule P of the Statutory Annual Statement prepared by MSF. These comparisons are shown in Appendix 1. While case reserves matched exactly, there were small differences in paid losses. We understand that these differences were due to employer liability claims, claims in states other than Montana, and other minor differences between financial and claims systems having to do largely with timing. We do not view these differences as material. We concur with the opinion of CACI that TW procedures are consistent with relevant actuarial standards of practice.

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 TOWERS WATSON AND CACI

SUMMARY (EXCLUDES LAE)

AS OF JUNE 30, 2012

| Fund (1) | Coverage (2) | Towers Watson Estimates | | CACI Estimates | | Differences | |
|-------------|------------------|--|------------------------------|--|------------------------------|--|--------------------------------------|
| | | Selected Central Ultimate (3) | Average of Methods (4) | Selected Central Ultimate (5) | Average of Methods (6) | Selected Central Ultimate (7)=(3)-(5) | Average of Methods (8)=(4)-(6) |
| New | Medical | 1,542,600,000 | 1,582,322,567 | 1,595,556,300 | 1,588,052,396 | (52,956,300) | (5,729,829) |
| New | <u>Indemnity</u> | <u>1,023,760,000</u> | <u>1,021,426,788</u> | <u>1,026,400,270</u> | <u>1,026,390,354</u> | <u>(2,640,270)</u> | <u>(4,963,566)</u> |
| New | Total | 2,566,360,000 | 2,603,749,355 | 2,621,956,570 | 2,614,442,750 | (55,596,570) | (10,693,395) |
| Old | Medical | 444,591,719 | 454,589,364 | 464,832,312 | 446,496,177 | (20,240,593) | 8,093,187 |
| Old | <u>Indemnity</u> | <u>784,788,202</u> | <u>793,760,657</u> | <u>793,640,257</u> | <u>791,378,149</u> | <u>(8,852,055)</u> | <u>2,382,508</u> |
| Old | Total | 1,229,379,921 | 1,248,350,021 | 1,258,472,569 | 1,237,874,326 | (29,092,648) | 10,475,695 |

(3) - (6) Exhibits 2.1 - 5.1

MONTANA STATE FUND
COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
TOWERS WATSON AND CACI

NEW FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Towers Watson Estimates | | CACI Estimates | | Differences | |
|-------------------------|--|--|--|------------------------------|--|--------------------------------------|
| | Selected Central Ultimate (2) | Average of Selected Methods (3) | Selected Central Ultimate (4) | Average of Methods (5) | Selected Central Ultimate (6)=(2)-(4) | Average of Methods (7)=(3)-(5) |
| 7/1/90-91 | 56,200,000 | 57,178,073 | 59,874,072 | 58,426,377 | (3,674,072) | (1,248,304) |
| 7/1/91-92 | 54,100,000 | 56,436,492 | 57,068,805 | 56,291,906 | (2,968,805) | 144,586 |
| 7/1/92-93 | 57,450,000 | 60,693,393 | 61,868,575 | 59,686,670 | (4,418,575) | 1,006,723 |
| 7/1/93-94 | 54,100,000 | 56,959,591 | 56,945,791 | 56,024,284 | (2,845,791) | 935,307 |
| 7/1/94-95 | 48,050,000 | 50,165,195 | 50,244,808 | 50,244,808 | (2,194,808) | (79,613) |
| 7/1/95-96 | 44,050,000 | 45,240,773 | 45,641,706 | 45,641,706 | (1,591,706) | (400,933) |
| 7/1/96-97 | 41,400,000 | 42,372,095 | 42,597,375 | 42,597,375 | (1,197,375) | (225,280) |
| 7/1/97-98 | 42,750,000 | 45,657,737 | 44,763,185 | 43,798,527 | (2,013,185) | 1,859,210 |
| 7/1/98-99 | 49,000,000 | 52,436,084 | 51,894,188 | 50,682,944 | (2,894,188) | 1,753,140 |
| 7/1/99-00 | 48,250,000 | 50,098,942 | 49,041,166 | 49,041,167 | (791,166) | 1,057,775 |
| 7/1/00-01 | 62,375,000 | 62,924,283 | 63,208,661 | 63,208,661 | (833,661) | (284,378) |
| 7/1/01-02 | 62,525,000 | 64,925,818 | 64,090,863 | 64,090,864 | (1,565,863) | 834,954 |
| 7/1/02-03 | 78,650,000 | 81,723,449 | 80,734,232 | 80,734,232 | (2,084,232) | 989,217 |
| 7/1/03-04 | 79,750,000 | 81,508,429 | 80,836,213 | 80,836,213 | (1,086,213) | 672,216 |
| 7/1/04-05 | 88,600,000 | 91,309,506 | 91,027,577 | 91,027,577 | (2,427,577) | 281,929 |
| 7/1/05-06 | 101,550,000 | 103,571,531 | 104,217,569 | 104,217,569 | (2,667,569) | (646,038) |
| 7/1/06-07 | 106,600,000 | 108,656,535 | 108,827,752 | 108,827,753 | (2,227,752) | (171,218) |
| 7/1/07-08 | 109,450,000 | 112,537,199 | 112,894,739 | 112,894,739 | (3,444,739) | (357,540) |
| 7/1/08-09 | 95,050,000 | 95,644,045 | 96,062,820 | 96,062,820 | (1,012,820) | (418,775) |
| 7/1/09-10 | 89,300,000 | 89,403,485 | 90,796,633 | 90,796,634 | (1,496,633) | (1,393,149) |
| 7/1/10-11 | 97,150,000 | 96,211,209 | 97,050,898 | 97,050,898 | 99,102 | (839,689) |
| 7/1/11-12 | 76,250,000 | 76,668,703 | 85,868,672 | 85,868,672 | (9,618,672) | (9,199,969) |
| Total | 1,542,600,000 | 1,582,322,567 | 1,595,556,300 | 1,588,052,396 | (52,956,300) | (5,729,829) |

(2) Exhibit 2.2

(3) Exhibit 2.2: Average of Certain Methods, Column (5b)

(4), (5) Exhibit 2.3

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 TOWERS WATSON ESTIMATES

NEW FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Towers Watson Estimates | | | | | | | | | | | | Difference Selected - Average (6)=(5b)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|----------------------|-----------------------------|-------------------------|--------------------|------------------------|---|---------------------------------|---|--------------------------------|----------------------------------|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|---|--|
| | | Low Range (3a) | High Range (3b) | Low/High Mixed (3c) | Adjusted for Excess Settlements (3d) | Berquist-Sherman Method (3e) | Frequency/Severity Index Method (3f) | BF Using F/S Index Ult (3g) | BF Using Prior Ultimates (3h) | Adjusted Case Reserve Method (3i) | Selected Central Ultimate (4) | Average of All Methods (5a) | Average of Certain Methods (5b) | | |
| 7/1/90-91 | 65,664,855 | 53,037,526 | 62,988,246 | 53,460,549 | 57,566,778 | 104,356,934 | 48,482,853 | 56,263,062 | 57,370,175 | 69,925,023 | 56,200,000 | 62,605,683 | 57,178,073 | (978,073) | (9,464,855) |
| 7/1/91-92 | 60,176,404 | 50,825,917 | 60,990,851 | 51,739,477 | 55,376,666 | 98,407,891 | 56,708,969 | 55,649,255 | 55,189,818 | 63,954,764 | 54,100,000 | 60,982,623 | 56,436,492 | (2,336,492) | (6,076,404) |
| 7/1/92-93 | 70,596,197 | 53,616,957 | 65,074,456 | 55,203,662 | 58,504,318 | 119,026,502 | 56,395,113 | 58,368,475 | 58,563,972 | 77,124,815 | 57,450,000 | 66,875,363 | 60,693,393 | (3,243,393) | (13,146,197) |
| 7/1/93-94 | 60,631,821 | 50,095,956 | 61,433,770 | 52,115,212 | 55,148,028 | 104,475,358 | 56,874,895 | 55,515,172 | 54,987,433 | 67,116,803 | 54,100,000 | 61,973,625 | 56,959,591 | (2,859,591) | (6,531,821) |
| 7/1/94-95 | 49,542,089 | 44,462,711 | 54,956,739 | 46,620,647 | 49,105,702 | 89,634,845 | 52,474,836 | 49,855,307 | 48,933,374 | 54,001,301 | 48,050,000 | 54,449,496 | 50,165,195 | (2,115,195) | (1,492,089) |
| 7/1/95-96 | 44,372,273 | 40,450,043 | 50,501,748 | 42,841,409 | 44,898,640 | 82,689,707 | 45,423,699 | 45,035,201 | 44,699,176 | 48,546,512 | 44,050,000 | 49,454,015 | 45,240,773 | (1,190,773) | (322,273) |
| 7/1/96-97 | 41,633,657 | 37,803,962 | 47,594,816 | 40,375,415 | 42,173,149 | 80,612,036 | 41,378,804 | 41,953,626 | 41,970,926 | 46,380,651 | 41,400,000 | 46,693,709 | 42,372,095 | (972,095) | (233,657) |
| 7/1/97-98 | 48,621,817 | 38,604,406 | 49,059,540 | 41,617,963 | 43,085,872 | 96,119,667 | 45,593,776 | 43,822,115 | 43,103,425 | 56,723,271 | 42,750,000 | 50,858,893 | 45,657,737 | (2,907,737) | (5,871,817) |
| 7/1/98-99 | 56,739,163 | 44,520,514 | 57,278,362 | 48,590,116 | 50,022,035 | 115,083,050 | 48,495,455 | 49,661,580 | 49,758,455 | 68,088,860 | 49,000,000 | 59,055,381 | 52,436,084 | (3,436,084) | (7,739,163) |
| 7/1/99-00 | 48,568,364 | 42,798,425 | 55,606,574 | 47,171,912 | 48,467,595 | 101,662,693 | 50,564,991 | 49,005,483 | 48,276,510 | 57,107,160 | 48,250,000 | 55,629,038 | 50,098,942 | (1,848,942) | (318,364) |
| 7/1/00-01 | 61,770,232 | 54,781,224 | 72,019,596 | 61,095,332 | 62,302,599 | 132,529,092 | 57,557,372 | 60,796,177 | 62,296,525 | 73,497,694 | 62,375,000 | 70,763,957 | 62,924,283 | (549,283) | 604,768 |
| 7/1/01-02 | 63,554,546 | 55,377,653 | 73,702,422 | 62,522,899 | 62,870,012 | 139,493,590 | 62,037,852 | 62,849,821 | 62,942,908 | 76,331,415 | 62,525,000 | 73,125,397 | 64,925,818 | (2,400,818) | (1,029,546) |
| 7/1/02-03 | 78,009,648 | 69,112,078 | 93,298,572 | 79,146,614 | 79,115,869 | 177,231,294 | 77,859,722 | 78,874,440 | 79,025,489 | 96,318,560 | 78,650,000 | 92,220,293 | 81,723,449 | (3,073,449) | 640,352 |
| 7/1/03-04 | 71,037,478 | 68,448,213 | 93,677,764 | 79,468,288 | 78,327,726 | 166,215,966 | 85,219,422 | 81,316,545 | 79,389,725 | 85,328,866 | 79,750,000 | 90,821,391 | 81,508,429 | (1,758,429) | 8,712,522 |
| 7/1/04-05 | 80,357,894 | 76,204,421 | 106,716,441 | 90,529,198 | 89,304,355 | 194,228,999 | 90,529,164 | 89,537,341 | 88,851,832 | 99,105,144 | 88,600,000 | 102,778,544 | 91,309,506 | (2,709,506) | 8,242,106 |
| 7/1/05-06 | 86,625,907 | 87,062,277 | 124,627,048 | 105,723,042 | 101,543,584 | 216,079,228 | 104,284,777 | 103,236,292 | 101,873,473 | 104,768,016 | 101,550,000 | 116,577,526 | 103,571,531 | (2,021,531) | 14,924,093 |
| 7/1/06-07 | 89,175,820 | 89,615,857 | 131,698,989 | 111,722,278 | 106,323,798 | 233,561,703 | 110,256,674 | 108,221,020 | 106,762,243 | 108,653,197 | 106,600,000 | 122,979,529 | 108,656,535 | (2,056,535) | 17,424,180 |
| 7/1/07-08 | 93,803,706 | 92,408,644 | 140,351,348 | 119,062,207 | 109,231,963 | 262,143,407 | 110,894,261 | 111,187,174 | 110,304,977 | 114,542,609 | 109,450,000 | 130,014,066 | 112,537,199 | (3,087,199) | 15,646,294 |
| 7/1/08-09 | 74,076,728 | 77,182,269 | 120,952,971 | 102,606,266 | 94,345,393 | 223,782,656 | 97,357,715 | 95,795,580 | 94,616,500 | 89,142,818 | 95,050,000 | 110,642,463 | 95,644,045 | (594,045) | 20,973,272 |
| 7/1/09-10 | 63,470,004 | 72,493,328 | 118,128,683 | 100,210,379 | 89,383,551 | 208,421,590 | 91,381,239 | 90,683,725 | 89,658,539 | 75,103,479 | 89,300,000 | 103,940,501 | 89,403,485 | (103,485) | 25,829,996 |
| 7/1/10-11 | 62,521,970 | 75,269,993 | 130,009,761 | 110,289,280 | 94,134,308 | | 101,861,250 | 99,359,207 | 97,164,623 | 74,458,587 | 97,150,000 | 97,818,376 | 96,211,209 | 938,791 | 34,628,030 |
| 7/1/11-12 | 46,192,007 | 53,142,602 | 106,526,667 | 90,368,211 | 69,805,104 | | 77,509,772 | 75,843,583 | 75,350,388 | 71,135,162 | 76,250,000 | 77,460,186 | 76,668,703 | (418,703) | 30,057,993 |
| Total | 1,417,142,580 | 1,327,314,976 | 1,877,195,364 | 1,592,480,356 | 1,541,037,045 | | 1,569,142,611 | 1,562,830,181 | 1,551,090,486 | 1,677,354,707 | 1,542,600,000 | 1,757,720,055 | 1,582,322,567 | (39,722,567) | 125,457,420 |

(2) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 1, Sheet 5b
 (3), (4) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 5, Sheet 3a
 (5a) Average of (3a) through (3i)
 (5b) Average of (3c), (3d), (3f), (3g), (3h), (3i); excludes Low, High and Berquist-Sherman methods,
 Excludes methods that appear to get little weight in selections or are used to test high and low range

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 CASUALTY ACTUARIAL CONSULTANTS, INC. ESTIMATES

NEW FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | CACI Estimates | | | | Selected Central Ultimate (4) | Average of Methods (5) | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|-------------------------|-----------------------------------|---------------------|--------------------|--------------------------------|----------------------------|--|------------------------------|--|--|
| | | Paid LDF (3a) | Paid BF (3b) | Frequency/ Severity (3c) | Combined Method (3d) | | | | |
| 7/1/90-91 | 65,664,855 | 58,419,783 | 58,683,044 | 58,419,783 | 58,182,896 | 59,874,072 | 58,426,377 | 1,447,695 | (5,790,783) |
| 7/1/91-92 | 60,176,404 | 56,308,694 | 56,402,934 | 56,308,694 | 56,147,300 | 57,068,805 | 56,291,906 | 776,899 | (3,107,599) |
| 7/1/92-93 | 70,596,197 | 59,713,277 | 60,104,272 | 59,713,277 | 59,215,853 | 61,868,575 | 59,686,670 | 2,181,905 | (8,727,622) |
| 7/1/93-94 | 60,631,821 | 56,114,530 | 56,278,593 | 56,114,530 | 55,589,483 | 56,945,791 | 56,024,284 | 921,507 | (3,686,030) |
| 7/1/94-95 | 49,542,089 | 50,009,333 | 50,004,477 | 50,009,333 | 50,956,090 | 50,244,808 | 50,244,808 | - | 702,719 |
| 7/1/95-96 | 44,372,273 | 45,532,122 | 45,526,058 | 45,532,122 | 45,976,522 | 45,641,706 | 45,641,706 | - | 1,269,433 |
| 7/1/96-97 | 41,633,657 | 42,585,209 | 42,544,608 | 42,585,209 | 42,674,474 | 42,597,375 | 42,597,375 | - | 963,718 |
| 7/1/97-98 | 48,621,817 | 43,711,019 | 43,958,931 | 43,711,019 | 43,813,137 | 44,763,185 | 43,798,527 | 964,658 | (3,858,632) |
| 7/1/98-99 | 56,739,163 | 50,647,327 | 50,914,966 | 50,647,327 | 50,522,155 | 51,894,188 | 50,682,944 | 1,211,244 | (4,844,975) |
| 7/1/99-00 | 48,568,364 | 49,084,940 | 49,075,464 | 49,084,940 | 48,919,322 | 49,041,166 | 49,041,167 | (1) | 472,802 |
| 7/1/00-01 | 61,770,232 | 63,338,228 | 63,300,011 | 63,338,228 | 62,858,177 | 63,208,661 | 63,208,661 | - | 1,438,429 |
| 7/1/01-02 | 63,554,546 | 64,235,978 | 64,256,640 | 64,235,978 | 63,634,858 | 64,090,863 | 64,090,864 | (1) | 536,317 |
| 7/1/02-03 | 78,009,648 | 81,060,544 | 80,724,530 | 81,060,544 | 80,091,309 | 80,734,232 | 80,734,232 | - | 2,724,584 |
| 7/1/03-04 | 71,037,478 | 81,120,489 | 81,142,481 | 81,120,489 | 79,961,392 | 80,836,213 | 80,836,213 | - | 9,798,735 |
| 7/1/04-05 | 80,357,894 | 91,385,845 | 91,880,544 | 91,385,845 | 89,458,073 | 91,027,577 | 91,027,577 | - | 10,669,683 |
| 7/1/05-06 | 86,625,907 | 104,809,158 | 104,808,044 | 104,809,158 | 102,443,914 | 104,217,569 | 104,217,569 | - | 17,591,662 |
| 7/1/06-07 | 89,175,820 | 109,271,861 | 110,166,574 | 109,271,861 | 106,600,714 | 108,827,752 | 108,827,753 | (1) | 19,651,932 |
| 7/1/07-08 | 93,803,706 | 114,021,756 | 113,268,617 | 114,021,756 | 110,266,826 | 112,894,739 | 112,894,739 | - | 19,091,033 |
| 7/1/08-09 | 74,076,728 | 96,617,601 | 96,939,740 | 96,617,601 | 94,076,337 | 96,062,820 | 96,062,820 | - | 21,986,092 |
| 7/1/09-10 | 63,470,004 | 91,664,787 | 91,573,873 | 91,512,701 | 88,435,173 | 90,796,633 | 90,796,634 | (1) | 27,326,629 |
| 7/1/10-11 | 62,521,970 | 97,032,042 | 99,982,035 | 96,915,899 | 94,273,616 | 97,050,898 | 97,050,898 | - | 34,528,928 |
| 7/1/11-12 | 46,192,007 | 86,418,660 | | 86,144,176 | 85,043,179 | 85,868,672 | 85,868,672 | - | 39,676,665 |
| Total | 1,417,142,580 | 1,593,103,183 | 1,511,536,436 | 1,592,560,470 | 1,569,140,800 | 1,595,556,300 | 1,588,052,396 | 7,503,904 | 178,413,720 |

(2),(3),(4) CACI MSF Report as of 06-30-2012, Table 13

(5) Average of (3a) through (3d)

MONTANA STATE FUND
COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
TOWERS WATSON AND CACI

NEW FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Towers Watson Estimates | | CACI Estimates | | Differences | |
|-------------------------|--|------------------------------|--|------------------------------|--|--------------------------------------|
| | Selected Central Ultimate (2) | Average of Methods (3) | Selected Central Ultimate (4) | Average of Methods (5) | Selected Central Ultimate (6)=(2)-(4) | Average of Methods (7)=(3)-(5) |
| 7/1/90-91 | 67,135,000 | 67,097,309 | 68,095,699 | 68,095,699 | (960,699) | (998,390) |
| 7/1/91-92 | 67,305,000 | 66,906,669 | 67,869,950 | 67,869,950 | (564,950) | (963,281) |
| 7/1/92-93 | 61,645,000 | 61,349,432 | 61,825,549 | 61,866,102 | (180,549) | (516,670) |
| 7/1/93-94 | 55,350,000 | 55,966,097 | 56,081,924 | 56,081,924 | (731,924) | (115,827) |
| 7/1/94-95 | 47,205,000 | 47,815,790 | 48,077,014 | 48,077,014 | (872,014) | (261,224) |
| 7/1/95-96 | 36,615,000 | 36,541,617 | 36,828,458 | 36,777,985 | (213,458) | (236,368) |
| 7/1/96-97 | 29,260,000 | 29,535,108 | 29,528,841 | 29,528,842 | (268,841) | 6,266 |
| 7/1/97-98 | 30,100,000 | 30,257,721 | 30,629,920 | 30,629,920 | (529,920) | (372,199) |
| 7/1/98-99 | 33,305,000 | 33,167,302 | 33,672,081 | 33,672,081 | (367,081) | (504,779) |
| 7/1/99-00 | 32,515,000 | 32,479,537 | 32,906,590 | 32,906,590 | (391,590) | (427,053) |
| 7/1/00-01 | 39,040,000 | 38,470,475 | 39,782,247 | 39,782,248 | (742,247) | (1,311,773) |
| 7/1/01-02 | 38,840,000 | 38,945,962 | 39,862,477 | 39,862,478 | (1,022,477) | (916,516) |
| 7/1/02-03 | 47,285,000 | 47,714,261 | 48,002,738 | 48,002,738 | (717,738) | (288,477) |
| 7/1/03-04 | 46,060,000 | 45,896,646 | 46,599,091 | 46,599,091 | (539,091) | (702,445) |
| 7/1/04-05 | 49,250,000 | 48,929,833 | 49,589,101 | 49,589,101 | (339,101) | (659,268) |
| 7/1/05-06 | 56,835,000 | 56,628,597 | 56,675,208 | 56,675,208 | 159,792 | (46,611) |
| 7/1/06-07 | 58,080,000 | 57,602,365 | 57,936,540 | 57,936,540 | 143,460 | (334,175) |
| 7/1/07-08 | 56,960,000 | 56,221,213 | 53,911,768 | 53,911,768 | 3,048,232 | 2,309,445 |
| 7/1/08-09 | 50,230,000 | 49,904,027 | 47,854,914 | 47,854,914 | 2,375,086 | 2,049,113 |
| 7/1/09-10 | 40,895,000 | 40,060,308 | 38,742,794 | 38,742,794 | 2,152,206 | 1,317,514 |
| 7/1/10-11 | 42,925,000 | 42,579,495 | 42,700,944 | 42,700,945 | 224,056 | (121,450) |
| 7/1/11-12 | 36,925,000 | 37,357,024 | 39,226,422 | 39,226,422 | (2,301,422) | (1,869,398) |
| Total | 1,023,760,000 | 1,021,426,788 | 1,026,400,270 | 1,026,390,354 | (2,640,270) | (4,963,566) |

(2), (3) Exhibit 3.2

(4), (5) Exhibit 3.3

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 TOWERS WATSON ESTIMATES

NEW FUND
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Towers Watson Estimates | | | | | | | | | | | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) | |
|----------------------|-----------------------------|-------------------------|--------------------|------------------------|---|-------------------------------------|---|-------------------------------------|-------------------------------------|----------------------------------|--------------------------------------|----------------------------------|--|--|-------------------------------------|
| | | Low Range (3a) | High Range (3b) | Low/High Mixed (3c) | Adjusted for Excess Settlements (3d) | Reported Development Method (3e) | Frequency/Severity Index Method (3f) | BF F/S Incl Excess Lump Sum (3g) | BF F/S Excl Excess Lump Sum (3h) | BF Using Prior Ultimates (3i) | Adjusted Case Reserve Method (3j) | Selected Central Ultimate (4) | | | Average Excluding Low & High (5) |
| 7/1/90-91 | 65,938,583 | 66,313,562 | 69,494,771 | 66,585,698 | 67,827,315 | 66,650,761 | 66,365,923 | 67,802,227 | 67,764,340 | 67,833,860 | 65,948,350 | 67,135,000 | 67,097,309 | 37,691 | 1,196,417 |
| 7/1/91-92 | 66,939,573 | 66,057,287 | 69,507,959 | 66,624,960 | 67,605,804 | 67,039,507 | 64,276,851 | 67,574,388 | 67,447,795 | 67,719,307 | 66,964,740 | 67,305,000 | 66,906,669 | 398,331 | 365,427 |
| 7/1/92-93 | 61,663,337 | 60,211,430 | 63,620,950 | 60,982,128 | 61,910,263 | 61,773,911 | 59,092,677 | 61,724,908 | 61,763,787 | 61,855,775 | 61,692,009 | 61,645,000 | 61,349,432 | 295,568 | (18,337) |
| 7/1/93-94 | 54,149,117 | 54,557,055 | 57,822,240 | 55,423,933 | 56,136,014 | 54,088,886 | 59,195,470 | 56,315,315 | 56,309,468 | 56,095,881 | 54,163,806 | 55,350,000 | 55,966,097 | (616,097) | 1,200,883 |
| 7/1/94-95 | 46,138,304 | 46,402,704 | 49,356,979 | 47,309,788 | 47,898,096 | 46,142,304 | 51,078,990 | 48,035,396 | 48,095,266 | 47,793,405 | 46,173,074 | 47,205,000 | 47,815,790 | (610,790) | 1,066,696 |
| 7/1/95-96 | 37,030,350 | 35,427,201 | 37,719,019 | 36,233,950 | 36,591,054 | 37,070,466 | 35,750,091 | 36,486,653 | 36,537,043 | 36,538,670 | 37,125,009 | 36,615,000 | 36,541,617 | 73,383 | (415,350) |
| 7/1/96-97 | 29,434,535 | 28,363,063 | 30,303,725 | 29,110,610 | 29,295,025 | 29,472,291 | 30,752,900 | 29,402,988 | 29,397,157 | 29,296,652 | 29,553,244 | 29,260,000 | 29,535,108 | (275,108) | (174,535) |
| 7/1/97-98 | 29,623,048 | 29,339,663 | 31,462,866 | 30,224,113 | 30,046,118 | 29,575,104 | 31,551,450 | 30,454,220 | 30,160,263 | 30,342,644 | 29,707,858 | 30,100,000 | 30,257,721 | (157,721) | 476,952 |
| 7/1/98-99 | 33,014,316 | 32,182,166 | 34,699,258 | 33,333,082 | 33,251,360 | 33,010,168 | 32,663,525 | 33,332,366 | 33,202,244 | 33,380,533 | 33,165,135 | 33,305,000 | 33,167,302 | 137,698 | 290,684 |
| 7/1/99-00 | 32,049,651 | 31,272,195 | 33,918,918 | 32,583,466 | 32,482,593 | 32,286,631 | 32,605,621 | 32,547,695 | 32,493,905 | 32,514,995 | 32,321,390 | 32,515,000 | 32,479,537 | 35,463 | 465,349 |
| 7/1/00-01 | 38,014,143 | 37,603,308 | 41,116,538 | 39,497,702 | 39,361,360 | 38,333,263 | 35,202,137 | 38,869,636 | 38,941,410 | 39,244,518 | 38,313,774 | 39,040,000 | 38,470,475 | 569,525 | 1,025,857 |
| 7/1/01-02 | 37,175,588 | 37,543,001 | 41,389,591 | 39,760,005 | 39,296,287 | 37,262,809 | 39,791,772 | 39,419,444 | 39,351,693 | 39,298,480 | 37,387,205 | 38,840,000 | 38,945,962 | (105,962) | 1,664,412 |
| 7/1/02-03 | 46,096,749 | 44,975,222 | 49,981,788 | 48,013,911 | 47,703,226 | 46,171,252 | 47,702,011 | 48,014,450 | 47,348,194 | 46,549,914 | 47,285,000 | 47,714,261 | (429,261) | 1,188,251 | 1,188,251 |
| 7/1/03-04 | 44,578,083 | 43,569,227 | 48,917,227 | 46,991,263 | 46,041,635 | 44,972,105 | 45,857,133 | 46,055,877 | 46,015,549 | 46,088,801 | 45,150,803 | 46,060,000 | 45,896,646 | 163,354 | 1,481,917 |
| 7/1/04-05 | 46,879,734 | 46,244,499 | 52,595,545 | 50,524,759 | 49,570,539 | 47,640,218 | 48,287,229 | 49,064,190 | 49,360,806 | 49,264,029 | 47,726,895 | 49,250,000 | 48,929,833 | 320,167 | 2,370,266 |
| 7/1/05-06 | 53,042,682 | 52,812,939 | 61,395,366 | 58,978,114 | 57,294,124 | 54,143,866 | 57,440,215 | 56,906,366 | 57,321,785 | 56,887,391 | 54,056,914 | 56,835,000 | 56,628,597 | 206,403 | 3,792,318 |
| 7/1/06-07 | 50,356,129 | 53,918,325 | 64,515,012 | 61,974,933 | 59,281,068 | 51,916,439 | 59,596,328 | 58,931,260 | 59,350,734 | 58,677,945 | 51,090,209 | 58,080,000 | 57,602,365 | 477,635 | 7,723,871 |
| 7/1/07-08 | 49,907,891 | 49,881,994 | 62,272,758 | 59,820,962 | 56,062,897 | 52,464,068 | 60,419,741 | 56,737,421 | 57,228,205 | 56,012,657 | 51,023,750 | 56,960,000 | 56,221,213 | 738,787 | 7,052,109 |
| 7/1/08-09 | 44,218,680 | 43,699,375 | 57,154,493 | 54,904,213 | 49,281,567 | 50,275,497 | 50,108,909 | 49,719,613 | 49,553,130 | 49,795,465 | 45,593,824 | 50,230,000 | 49,904,027 | 325,973 | 6,011,320 |
| 7/1/09-10 | 29,819,609 | 34,195,268 | 47,368,262 | 45,503,284 | 40,060,230 | 36,230,845 | 44,114,767 | 41,606,686 | 41,801,903 | 40,537,177 | 30,627,574 | 40,895,000 | 40,060,308 | 834,692 | 11,075,391 |
| 7/1/10-11 | 28,135,095 | 36,133,687 | 54,988,672 | 52,823,664 | 42,929,185 | 38,695,598 | 45,019,325 | 44,448,728 | 44,172,815 | 42,958,658 | 29,587,984 | 42,925,000 | 42,579,495 | 345,505 | 14,789,905 |
| 7/1/11-12 | 17,438,693 | 30,044,762 | 52,819,189 | 50,739,598 | 37,353,686 | 35,248,193 | 36,104,104 | 36,442,796 | 36,296,636 | 37,023,011 | 29,648,164 | 36,925,000 | 37,357,024 | (432,024) | 19,486,307 |
| Total | 941,643,890 | 960,747,933 | 1,112,421,126 | 1,067,944,136 | 1,027,279,446 | 990,464,182 | 1,035,486,285 | 1,029,580,184 | 1,030,580,384 | 1,026,508,048 | 963,571,625 | 1,023,760,000 | 1,021,426,788 | 2,333,212 | 82,116,110 |

(2) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 1, Sheet 5b
 (3), (4) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 5, Sheet 3b.1
 (5) Average of (3c) through (3i); excludes Low & High methods
 Excludes methods that appear to get little weight in selections or are used to test high and low range

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 CASUALTY ACTUARIAL CONSULTANTS, INC. ESTIMATES

NEW FUND
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | CACI Estimates | | | | Selected Central Ultimate (4) | Average of Methods (5) | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|-------------------------|-----------------------------------|---------------------|--------------------|--------------------------------|----------------------------|--|------------------------------|--|--|
| | | Paid LDF (3a) | Paid BF (3b) | Frequency/ Severity (3c) | Combined Method (3d) | | | | |
| 7/1/90-91 | 65,938,583 | 68,124,550 | 68,141,128 | 68,268,806 | 67,848,312 | 68,095,699 | 68,095,699 | - | 2,157,116 |
| 7/1/91-92 | 66,939,573 | 67,878,698 | 67,835,892 | 68,081,069 | 67,684,141 | 67,869,950 | 67,869,950 | - | 930,377 |
| 7/1/92-93 | 61,663,337 | 61,937,442 | 61,928,430 | 62,177,046 | 61,421,490 | 61,825,549 | 61,866,102 | (40,553) | 162,212 |
| 7/1/93-94 | 54,149,117 | 56,136,824 | 56,154,104 | 56,425,198 | 55,611,569 | 56,081,924 | 56,081,924 | - | 1,932,807 |
| 7/1/94-95 | 46,138,304 | 47,785,735 | 47,801,218 | 48,030,707 | 48,690,396 | 48,077,014 | 48,077,014 | - | 1,938,710 |
| 7/1/95-96 | 37,030,350 | 36,652,314 | 36,649,207 | 36,800,372 | 37,010,046 | 36,828,458 | 36,777,985 | 50,473 | (201,892) |
| 7/1/96-97 | 29,434,535 | 29,482,980 | 29,483,517 | 29,604,089 | 29,544,780 | 29,528,841 | 29,528,842 | (1) | 94,306 |
| 7/1/97-98 | 29,623,048 | 30,587,316 | 30,568,893 | 30,704,698 | 30,658,774 | 30,629,920 | 30,629,920 | - | 1,006,872 |
| 7/1/98-99 | 33,014,316 | 33,663,478 | 33,635,326 | 33,809,240 | 33,580,281 | 33,672,081 | 33,672,081 | - | 657,765 |
| 7/1/99-00 | 32,049,651 | 32,918,268 | 32,881,697 | 33,019,197 | 32,807,198 | 32,906,590 | 32,906,590 | - | 856,939 |
| 7/1/00-01 | 38,014,143 | 39,835,696 | 39,787,345 | 39,972,175 | 39,533,774 | 39,782,247 | 39,782,248 | (1) | 1,768,104 |
| 7/1/01-02 | 37,175,588 | 39,935,630 | 39,882,237 | 40,070,130 | 39,561,913 | 39,862,477 | 39,862,478 | (1) | 2,686,889 |
| 7/1/02-03 | 46,096,749 | 48,106,294 | 48,106,821 | 48,266,745 | 47,531,090 | 48,002,738 | 48,002,738 | - | 1,905,989 |
| 7/1/03-04 | 44,578,083 | 46,734,844 | 46,701,058 | 46,893,392 | 46,067,069 | 46,599,091 | 46,599,091 | - | 2,021,008 |
| 7/1/04-05 | 46,879,734 | 49,777,573 | 49,851,201 | 50,000,107 | 48,727,522 | 49,589,101 | 49,589,101 | - | 2,709,367 |
| 7/1/05-06 | 53,042,682 | 56,893,975 | 57,139,366 | 57,057,450 | 55,610,040 | 56,675,208 | 56,675,208 | - | 3,632,526 |
| 7/1/06-07 | 50,356,129 | 58,163,126 | 58,531,965 | 58,309,739 | 56,741,331 | 57,936,540 | 57,936,540 | - | 7,580,411 |
| 7/1/07-08 | 49,907,891 | 54,211,127 | 54,770,350 | 54,239,732 | 52,425,863 | 53,911,768 | 53,911,768 | - | 4,003,877 |
| 7/1/08-09 | 44,218,680 | 48,011,642 | 48,679,025 | 47,980,164 | 46,748,826 | 47,854,914 | 47,854,914 | - | 3,636,234 |
| 7/1/09-10 | 29,819,609 | 38,742,926 | 40,094,840 | 38,755,507 | 37,377,902 | 38,742,794 | 38,742,794 | - | 8,923,185 |
| 7/1/10-11 | 28,135,095 | 42,283,556 | 45,183,268 | 42,255,435 | 41,081,519 | 42,700,944 | 42,700,945 | (1) | 14,565,849 |
| 7/1/11-12 | 17,438,693 | 39,416,232 | na | 39,474,170 | 38,788,865 | 39,226,422 | 39,226,422 | - | 21,787,729 |
| Total | 941,643,890 | 1,027,280,226 | 993,806,888 | 1,030,195,168 | 1,015,052,701 | 1,026,400,270 | 1,026,390,354 | 9,916 | 84,756,380 |

(2),(3),(4) CACI MSF Report as of 06-30-2012, Table 14

(5) Average of (3a) through (3d)

MONTANA STATE FUND
COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
TOWERS WATSON AND CACI

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Towers Watson Estimates | | CACI Estimates | | Differences | |
|-------------------------|--|--|--|------------------------------|--|--------------------------------------|
| | Selected Central Ultimate (2) | Average of Selected Methods (3) | Selected Central Ultimate (4) | Average of Methods (5) | Selected Central Ultimate (6)=(2)-(4) | Average of Methods (7)=(3)-(5) |
| 7/1/64-65 | 950,283 | 961,602 | 950,283 | 950,283 | - | 11,319 |
| 7/1/65-66 | 1,299,215 | 1,286,125 | 1,274,036 | 1,262,536 | 25,179 | 23,589 |
| 7/1/66-67 | 1,231,069 | 1,246,089 | 1,231,069 | 1,231,069 | - | 15,020 |
| 7/1/67-68 | 1,369,647 | 1,386,589 | 1,369,647 | 1,369,647 | - | 16,942 |
| 7/1/68-69 | 1,408,114 | 1,425,834 | 1,408,114 | 1,408,114 | - | 17,720 |
| 7/1/69-70 | 1,650,000 | 1,650,731 | 1,630,375 | 1,622,875 | 19,625 | 27,856 |
| 7/1/70-71 | 2,580,000 | 2,555,656 | 2,522,281 | 2,492,281 | 57,719 | 63,375 |
| 7/1/71-72 | 1,890,000 | 1,913,829 | 1,887,828 | 1,887,828 | 2,172 | 26,001 |
| 7/1/72-73 | 2,048,391 | 2,058,440 | 2,030,891 | 2,023,391 | 17,500 | 35,049 |
| 7/1/73-74 | 5,665,000 | 5,947,825 | 5,974,855 | 5,587,133 | (309,855) | 360,692 |
| 7/1/74-75 | 5,270,000 | 5,517,732 | 5,482,978 | 5,188,805 | (212,978) | 328,927 |
| 7/1/75-76 | 5,870,000 | 5,960,187 | 5,899,168 | 5,769,242 | (29,168) | 190,945 |
| 7/1/76-77 | 12,020,000 | 12,561,823 | 12,590,428 | 11,856,608 | (570,428) | 705,215 |
| 7/1/77-78 | 8,660,000 | 8,821,886 | 8,813,727 | 8,577,641 | (153,727) | 244,245 |
| 7/1/78-79 | 10,960,000 | 11,127,222 | 11,209,475 | 10,757,598 | (249,475) | 369,624 |
| 7/1/79-80 | 14,990,000 | 15,046,047 | 15,223,803 | 14,594,007 | (233,803) | 452,040 |
| 7/1/80-81 | 18,640,000 | 18,835,296 | 19,103,657 | 18,495,412 | (463,657) | 339,884 |
| 7/1/81-82 | 20,050,000 | 20,624,676 | 21,039,015 | 20,341,776 | (989,015) | 282,900 |
| 7/1/82-83 | 25,080,000 | 26,017,933 | 26,824,811 | 25,274,927 | (1,744,811) | 743,006 |
| 7/1/83-84 | 33,130,000 | 34,323,785 | 35,430,676 | 33,412,586 | (2,300,676) | 911,199 |
| 7/1/84-85 | 33,890,000 | 34,427,572 | 35,319,532 | 34,331,089 | (1,429,532) | 96,483 |
| 7/1/85-86 | 40,880,000 | 41,621,601 | 42,801,704 | 41,381,076 | (1,921,704) | 240,525 |
| 7/1/86-87 | 44,920,000 | 46,369,618 | 47,898,995 | 45,339,729 | (2,978,995) | 1,029,889 |
| 7/1/87-88 | 48,820,000 | 50,042,054 | 51,531,664 | 49,094,000 | (2,711,664) | 948,054 |
| 7/1/88-89 | 44,190,000 | 44,446,587 | 45,430,648 | 44,485,132 | (1,240,648) | (38,545) |
| 7/1/89-90 | 57,130,000 | 58,412,625 | 59,952,652 | 57,761,392 | (2,822,652) | 651,233 |
| Total | 444,591,719 | 454,589,364 | 464,832,312 | 446,496,177 | (20,240,593) | 8,093,187 |

(2) Exhibit 4.2

(3) Exhibit 4.2; Average of Certain Methods, Column (5b)

(4), (5) Exhibit 4.3

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 TOWERS WATSON ESTIMATES

OLD FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Towers Watson Estimates | | | | | | | | | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|-------------------------|-----------------------------------|----------------------------------|-----------------------------------|--|--|-----------------------------------|--|--------------------------------------|--|-------------|--|--|
| | | Paid LDF Low Range (3a) | Paid LDF High Range (3b) | Berquist- Sherman Method (3c) | Adjusted Case Reserve Method (3d) | Sherman- Diss Model (3e) | Selected Central Ultimate (4) | Average of All Methods (5a) | Average of Certain Methods (5b) | | | |
| 7/1/64-65 | 950,283 | 958,836 | 967,388 | | 958,582 | | 950,283 | 961,602 | 961,602 | (11,319) | - | |
| 7/1/65-66 | 1,308,136 | 1,273,899 | 1,285,262 | | 1,299,215 | | 1,299,215 | 1,286,125 | 1,286,125 | 13,090 | (8,921) | |
| 7/1/66-67 | 1,231,069 | 1,242,149 | 1,253,228 | | 1,242,890 | | 1,231,069 | 1,246,089 | 1,246,089 | (15,020) | - | |
| 7/1/67-68 | 1,369,647 | 1,381,974 | 1,394,301 | | 1,383,493 | | 1,369,647 | 1,386,589 | 1,386,589 | (16,942) | - | |
| 7/1/68-69 | 1,408,114 | 1,420,787 | 1,433,604 | | 1,423,110 | | 1,408,114 | 1,425,834 | 1,425,834 | (17,720) | - | |
| 7/1/69-70 | 1,652,875 | 1,637,481 | 1,652,417 | | 1,662,296 | | 1,650,000 | 1,650,731 | 1,650,731 | (731) | (2,875) | |
| 7/1/70-71 | 2,611,990 | 2,514,712 | 2,538,665 | | 2,613,591 | | 2,580,000 | 2,555,656 | 2,555,656 | 24,344 | (31,990) | |
| 7/1/71-72 | 1,887,828 | 1,904,819 | 1,923,347 | | 1,913,320 | | 1,890,000 | 1,913,829 | 1,913,829 | (23,829) | 2,172 | |
| 7/1/72-73 | 2,053,356 | 2,041,601 | 2,061,666 | | 2,072,053 | | 2,048,391 | 2,058,440 | 2,058,440 | (10,049) | (4,965) | |
| 7/1/73-74 | 6,870,748 | 5,637,418 | 5,693,961 | | 6,512,097 | | 5,665,000 | 5,947,825 | 5,947,825 | (282,825) | (1,205,748) | |
| 7/1/74-75 | 6,365,495 | 5,236,028 | 5,298,598 | 6,507,307 | 6,018,569 | | 5,270,000 | 5,765,126 | 5,517,732 | (247,732) | (1,095,495) | |
| 7/1/75-76 | 6,288,944 | 5,821,747 | 5,920,804 | 6,600,717 | 6,138,010 | | 5,870,000 | 6,120,320 | 5,960,187 | (90,187) | (418,944) | |
| 7/1/76-77 | 14,791,886 | 11,891,938 | 12,134,223 | 15,975,422 | 13,659,308 | | 12,020,000 | 13,415,223 | 12,561,823 | (541,823) | (2,771,886) | |
| 7/1/77-78 | 9,521,986 | 8,536,372 | 8,778,348 | 10,294,147 | 9,150,938 | | 8,660,000 | 9,189,951 | 8,821,886 | (161,886) | (861,986) | |
| 7/1/78-79 | 12,565,105 | 10,614,044 | 10,990,353 | 13,814,969 | 11,777,269 | 12,646,393 | 10,960,000 | 11,968,606 | 11,127,222 | (167,222) | (1,605,105) | |
| 7/1/79-80 | 17,113,190 | 14,273,778 | 14,895,322 | 18,965,981 | 15,969,041 | 17,915,759 | 14,990,000 | 16,403,976 | 15,046,047 | (56,047) | (2,123,190) | |
| 7/1/80-81 | 20,928,392 | 17,924,084 | 18,884,519 | 24,748,256 | 19,697,284 | 20,941,475 | 18,640,000 | 20,439,124 | 18,835,296 | (195,296) | (2,288,392) | |
| 7/1/81-82 | 23,130,732 | 19,539,614 | 20,751,594 | 27,790,211 | 21,582,819 | 28,828,066 | 20,050,000 | 23,698,461 | 20,624,676 | (574,676) | (3,080,732) | |
| 7/1/82-83 | 31,474,464 | 24,083,137 | 25,774,272 | 39,213,857 | 28,196,389 | 39,624,348 | 25,080,000 | 31,378,401 | 26,017,933 | (937,933) | (6,394,464) | |
| 7/1/83-84 | 41,484,947 | 31,595,853 | 34,354,761 | 53,029,694 | 37,020,740 | 49,776,757 | 33,130,000 | 41,155,561 | 34,323,785 | (1,193,785) | (8,354,947) | |
| 7/1/84-85 | 38,284,863 | 32,235,805 | 35,546,960 | 50,505,116 | 35,499,951 | 42,684,313 | 33,890,000 | 39,294,429 | 34,427,572 | (537,572) | (4,394,863) | |
| 7/1/85-86 | 47,063,587 | 38,661,261 | 43,102,374 | 63,576,009 | 43,101,168 | 57,299,891 | 40,880,000 | 49,148,141 | 41,621,601 | (741,601) | (6,183,587) | |
| 7/1/86-87 | 55,576,793 | 42,124,664 | 47,717,903 | 77,703,765 | 49,266,288 | 66,723,798 | 44,920,000 | 56,707,284 | 46,369,618 | (1,449,618) | (10,656,793) | |
| 7/1/87-88 | 58,844,655 | 45,412,031 | 52,215,825 | 87,867,214 | 52,498,305 | 74,393,560 | 48,820,000 | 62,477,387 | 50,042,054 | (1,222,054) | (10,024,655) | |
| 7/1/88-89 | 48,267,196 | 40,988,592 | 47,696,054 | 73,298,124 | 44,655,115 | 61,410,066 | 44,190,000 | 53,609,590 | 44,446,587 | (256,587) | (4,077,196) | |
| 7/1/89-90 | 66,526,432 | 52,913,972 | 62,344,260 | 103,046,963 | 59,979,642 | 90,066,064 | 57,130,000 | 73,670,180 | 58,412,625 | (1,282,625) | (9,396,432) | |
| Total | 519,572,713 | 421,866,596 | 466,610,009 | | 475,291,483 | | 444,591,719 | 534,874,478 | 454,589,364 | (9,997,645) | (74,980,994) | |

(2) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 2, Sheet 4b
 (3),(4) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 5, Sheet 3a
 (5a) Average of (3a) through (3e)
 (5b) Average of (3a), (3b), (3d); excludes Berquist-Sherman and Sherman-Diss methods
 Excludes methods that appear to get little weight in selections or are used to test high and low range

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 CASUALTY ACTUARIAL CONSULTANTS, INC. ESTIMATES

OLD FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | CACI Estimates | | | | | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|----------------------|-----------------------------|------------------|-----------------|--------------------------------|-------------------------------------|------------------------------|--|--|
| | | Paid LDE (3a) | Paid BE (3b) | Frequency/ Severity (3c) | Selected Central Ultimate (4) | Average of Methods (5) | | |
| 7/1/64-65 | 950,283 | 950,283 | 950,283 | 950,283 | 950,283 | 950,283 | - | - |
| 7/1/65-66 | 1,308,136 | 1,262,536 | 1,262,536 | 1,262,536 | 1,274,036 | 1,262,536 | 11,500 | (34,100) |
| 7/1/66-67 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | - | - |
| 7/1/67-68 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 | - | - |
| 7/1/68-69 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 | - | - |
| 7/1/69-70 | 1,652,875 | 1,622,875 | 1,622,875 | 1,622,875 | 1,630,375 | 1,622,875 | 7,500 | (22,500) |
| 7/1/70-71 | 2,611,990 | 2,492,281 | 2,492,281 | 2,492,281 | 2,522,281 | 2,492,281 | 30,000 | (89,709) |
| 7/1/71-72 | 1,887,828 | 1,887,828 | 1,887,828 | 1,887,828 | 1,887,828 | 1,887,828 | - | - |
| 7/1/72-73 | 2,053,356 | 2,023,391 | 2,023,391 | 2,023,391 | 2,030,891 | 2,023,391 | 7,500 | (22,465) |
| 7/1/73-74 | 6,870,748 | 5,587,133 | 5,587,133 | 5,587,133 | 5,974,855 | 5,587,133 | 387,722 | (895,893) |
| 7/1/74-75 | 6,365,495 | 5,188,805 | 5,188,805 | 5,188,805 | 5,482,978 | 5,188,805 | 294,173 | (882,517) |
| 7/1/75-76 | 6,288,944 | 5,769,242 | 5,769,242 | 5,769,242 | 5,899,168 | 5,769,242 | 129,926 | (389,776) |
| 7/1/76-77 | 14,791,886 | 11,855,395 | 11,859,034 | 11,855,395 | 12,590,428 | 11,856,608 | 733,820 | (2,201,458) |
| 7/1/77-78 | 9,521,986 | 8,576,100 | 8,580,722 | 8,576,100 | 8,813,727 | 8,577,641 | 236,086 | (708,259) |
| 7/1/78-79 | 12,565,105 | 10,757,012 | 10,758,771 | 10,757,012 | 11,209,475 | 10,757,598 | 451,877 | (1,355,630) |
| 7/1/79-80 | 17,113,190 | 14,590,391 | 14,601,240 | 14,590,391 | 15,223,803 | 14,594,007 | 629,796 | (1,889,387) |
| 7/1/80-81 | 20,928,392 | 18,491,804 | 18,502,627 | 18,491,804 | 19,103,657 | 18,495,412 | 608,245 | (1,824,735) |
| 7/1/81-82 | 23,130,732 | 20,341,791 | 20,341,745 | 20,341,791 | 21,039,015 | 20,341,776 | 697,239 | (2,091,717) |
| 7/1/82-83 | 31,474,464 | 25,250,574 | 25,323,633 | 25,250,574 | 26,824,811 | 25,274,927 | 1,549,884 | (4,649,653) |
| 7/1/83-84 | 41,484,947 | 33,381,111 | 33,475,536 | 33,381,111 | 35,430,676 | 33,412,586 | 2,018,090 | (6,054,271) |
| 7/1/84-85 | 38,284,863 | 34,320,563 | 34,352,141 | 34,320,563 | 35,319,532 | 34,331,089 | 988,443 | (2,965,331) |
| 7/1/85-86 | 47,063,587 | 41,359,845 | 41,423,538 | 41,359,845 | 42,801,704 | 41,381,076 | 1,420,628 | (4,261,883) |
| 7/1/86-87 | 55,576,793 | 45,292,801 | 45,433,585 | 45,292,801 | 47,898,995 | 45,339,729 | 2,559,266 | (7,677,798) |
| 7/1/87-88 | 58,844,655 | 49,016,375 | 49,249,251 | 49,016,375 | 51,531,664 | 49,094,000 | 2,437,664 | (7,312,991) |
| 7/1/88-89 | 48,267,196 | 44,454,948 | 44,545,499 | 44,454,948 | 45,430,648 | 44,485,132 | 945,516 | (2,836,548) |
| 7/1/89-90 | 66,526,432 | 57,708,641 | 57,866,894 | 57,708,641 | 59,952,652 | 57,761,392 | 2,191,260 | (6,573,780) |
| Total | 519,572,713 | 446,190,555 | 447,107,420 | 446,190,555 | 464,832,312 | 446,496,177 | 18,336,135 | (54,740,401) |

(2),(3),(4) CACI MSF Report as of 06-30-2012, Table 13a
 (5) Average of (3a) through (3c)

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 TOWERS WATSON AND CACI

OLD FUND
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Towers Watson Estimates | | CACI Estimates | | Differences | |
|-------------------------|--|------------------------------|--|------------------------------|--|--------------------------------------|
| | Selected Central Ultimate (2) | Average of Methods (3) | Selected Central Ultimate (4) | Average of Methods (5) | Selected Central Ultimate (6)=(2)-(4) | Average of Methods (7)=(3)-(5) |
| 7/1/64-65 | 2,284,015 | 2,289,371 | 2,284,015 | 2,288,583 | - | 788 |
| 7/1/65-66 | 3,150,234 | 3,157,515 | 3,150,234 | 3,156,534 | - | 981 |
| 7/1/66-67 | 3,087,045 | 3,094,185 | 3,087,045 | 3,093,219 | - | 966 |
| 7/1/67-68 | 3,584,928 | 3,593,174 | 3,584,928 | 3,592,098 | - | 1,076 |
| 7/1/68-69 | 3,860,215 | 3,869,073 | 3,860,215 | 3,871,796 | - | (2,723) |
| 7/1/69-70 | 4,252,278 | 4,262,007 | 4,252,278 | 4,265,035 | - | (3,028) |
| 7/1/70-71 | 4,372,500 | 4,382,778 | 4,372,500 | 4,389,990 | - | (7,212) |
| 7/1/71-72 | 4,679,000 | 4,658,186 | 4,651,419 | 4,646,086 | 27,581 | 12,100 |
| 7/1/72-73 | 4,697,987 | 4,708,989 | 4,697,987 | 4,721,477 | - | (12,488) |
| 7/1/73-74 | 8,575,000 | 8,732,174 | 8,666,705 | 8,598,505 | (91,705) | 133,669 |
| 7/1/74-75 | 9,780,000 | 10,008,219 | 9,914,547 | 9,812,834 | (134,547) | 195,385 |
| 7/1/75-76 | 9,250,000 | 9,274,046 | 9,286,027 | 9,286,027 | (36,027) | (11,981) |
| 7/1/76-77 | 12,770,000 | 13,124,799 | 12,979,928 | 12,820,239 | (209,928) | 304,560 |
| 7/1/77-78 | 18,225,000 | 18,383,971 | 18,346,067 | 18,291,730 | (121,067) | 92,241 |
| 7/1/78-79 | 21,200,000 | 21,509,891 | 21,425,679 | 21,356,775 | (225,679) | 153,116 |
| 7/1/79-80 | 30,335,000 | 31,211,509 | 30,889,594 | 30,642,868 | (554,594) | 568,641 |
| 7/1/80-81 | 34,950,000 | 35,814,324 | 35,554,531 | 35,280,363 | (604,531) | 533,961 |
| 7/1/81-82 | 43,705,000 | 45,004,110 | 44,510,689 | 44,076,502 | (805,689) | 927,608 |
| 7/1/82-83 | 50,950,000 | 52,198,528 | 51,684,825 | 51,284,719 | (734,825) | 913,809 |
| 7/1/83-84 | 71,115,000 | 72,461,097 | 72,030,159 | 71,649,666 | (915,159) | 811,431 |
| 7/1/84-85 | 78,860,000 | 79,486,660 | 79,295,196 | 79,179,789 | (435,196) | 306,871 |
| 7/1/85-86 | 84,400,000 | 84,953,325 | 84,901,318 | 84,858,943 | (501,318) | 94,382 |
| 7/1/86-87 | 86,715,000 | 87,026,934 | 87,128,538 | 87,128,538 | (413,538) | (101,604) |
| 7/1/87-88 | 62,605,000 | 62,898,433 | 63,344,594 | 63,344,594 | (739,594) | (446,161) |
| 7/1/88-89 | 61,080,000 | 61,276,742 | 62,136,335 | 62,136,335 | (1,056,335) | (859,593) |
| 7/1/89-90 | 66,305,000 | 66,380,617 | 67,604,904 | 67,604,904 | (1,299,904) | (1,224,287) |
| Total | 784,788,202 | 793,760,657 | 793,640,257 | 791,378,149 | (8,852,055) | 2,382,508 |

(2), (3) Exhibit 5.2

(4), (5) Exhibit 5.3

MONTANA STATE FUND
 COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
 TOWERS WATSON ESTIMATES

OLD FUND
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Towers Watson Estimates | | | | | | | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|-------------------------|-----------------------------------|----------------------------------|-----------------------------------|---|--|-----------------------------------|--|------------------------------|--|--|
| | | Paid LDF Low Range (3a) | Paid LDF High Range (3b) | Reported Development Method (3c) | Adjusted Case Reserve Method (3d) | Sherman- Diss Model (3e) | Selected Central Ultimate (4) | Average of Methods (5) | | |
| 7/1/64-65 | 2,284,015 | 2,284,015 | 2,295,435 | 2,284,015 | 2,294,020 | | 2,284,015 | 2,289,371 | (5,356) | - |
| 7/1/65-66 | 3,150,234 | 3,150,234 | 3,165,985 | 3,150,234 | 3,163,605 | | 3,150,234 | 3,157,515 | (7,281) | - |
| 7/1/66-67 | 3,087,045 | 3,087,045 | 3,102,480 | 3,087,045 | 3,100,171 | | 3,087,045 | 3,094,185 | (7,140) | - |
| 7/1/67-68 | 3,584,928 | 3,584,928 | 3,602,853 | 3,584,928 | 3,599,988 | | 3,584,928 | 3,593,174 | (8,246) | - |
| 7/1/68-69 | 3,860,215 | 3,860,215 | 3,879,516 | 3,860,215 | 3,876,345 | | 3,860,215 | 3,869,073 | (8,858) | - |
| 7/1/69-70 | 4,252,278 | 4,252,278 | 4,273,540 | 4,252,278 | 4,269,931 | | 4,252,278 | 4,262,007 | (9,729) | - |
| 7/1/70-71 | 4,372,500 | 4,372,500 | 4,394,362 | 4,372,500 | 4,391,751 | | 4,372,500 | 4,382,778 | (10,278) | - |
| 7/1/71-72 | 4,667,416 | 4,627,546 | 4,650,684 | 4,667,416 | 4,687,096 | | 4,679,000 | 4,658,186 | 20,814 | 11,584 |
| 7/1/72-73 | 4,697,987 | 4,697,987 | 4,721,477 | 4,697,987 | 4,718,503 | | 4,697,987 | 4,708,989 | (11,002) | - |
| 7/1/73-74 | 8,871,307 | 8,555,563 | 8,598,340 | 8,871,307 | 8,903,485 | | 8,575,000 | 8,732,174 | (157,174) | (296,307) |
| 7/1/74-75 | 10,219,685 | 9,754,027 | 9,804,758 | 10,219,686 | 10,254,404 | | 9,780,000 | 10,008,219 | (228,219) | (439,685) |
| 7/1/75-76 | 9,276,027 | 9,221,340 | 9,283,209 | 9,276,027 | 9,315,609 | | 9,250,000 | 9,274,046 | (24,046) | (26,027) |
| 7/1/76-77 | 13,458,995 | 12,717,874 | 12,819,852 | 13,458,995 | 13,502,473 | | 12,770,000 | 13,124,799 | (354,799) | (688,995) |
| 7/1/77-78 | 18,509,080 | 18,127,972 | 18,319,043 | 18,509,080 | 18,579,790 | | 18,225,000 | 18,383,971 | (158,971) | (284,080) |
| 7/1/78-79 | 21,632,389 | 21,144,291 | 21,409,909 | 21,632,389 | 21,714,440 | 21,648,424 | 21,200,000 | 21,509,891 | (309,891) | (432,389) |
| 7/1/79-80 | 31,629,769 | 30,277,385 | 30,762,055 | 31,629,769 | 31,736,234 | 31,652,102 | 30,335,000 | 31,211,509 | (876,509) | (1,294,769) |
| 7/1/80-81 | 36,377,036 | 34,811,030 | 35,488,584 | 36,377,036 | 36,498,857 | 35,896,114 | 34,950,000 | 35,814,324 | (864,324) | (1,427,036) |
| 7/1/81-82 | 45,813,251 | 43,429,227 | 44,425,140 | 45,698,718 | 45,958,710 | 45,508,754 | 43,705,000 | 45,004,110 | (1,299,110) | (2,108,251) |
| 7/1/82-83 | 52,885,141 | 50,501,791 | 51,783,945 | 52,826,774 | 53,058,929 | 52,821,201 | 50,950,000 | 52,198,528 | (1,248,528) | (1,935,141) |
| 7/1/83-84 | 73,171,638 | 70,571,721 | 72,508,171 | 73,112,792 | 73,418,885 | 72,693,917 | 71,115,000 | 72,461,097 | (1,346,097) | (2,056,638) |
| 7/1/84-85 | 79,641,416 | 77,931,519 | 80,326,325 | 79,720,684 | 79,928,800 | 79,525,974 | 78,860,000 | 79,486,660 | (626,660) | (781,416) |
| 7/1/85-86 | 85,028,441 | 83,399,809 | 86,220,661 | 85,036,309 | 85,337,233 | 84,772,614 | 84,400,000 | 84,953,325 | (553,325) | (628,441) |
| 7/1/86-87 | 86,892,211 | 85,506,109 | 88,663,529 | 86,952,399 | 87,211,852 | 86,800,779 | 86,715,000 | 87,026,934 | (311,934) | (177,211) |
| 7/1/87-88 | 62,348,827 | 62,067,725 | 64,379,417 | 62,959,264 | 62,599,792 | 62,485,968 | 62,605,000 | 62,898,433 | (293,433) | 256,173 |
| 7/1/88-89 | 60,497,043 | 60,721,164 | 63,184,373 | 61,101,567 | 60,753,433 | 60,623,175 | 61,080,000 | 61,276,742 | (196,742) | 582,957 |
| 7/1/89-90 | 65,371,889 | 65,821,000 | 68,696,663 | 66,084,560 | 65,652,525 | 65,648,338 | 66,305,000 | 66,380,617 | (75,617) | 933,111 |
| Total | 795,580,763 | 778,476,295 | 800,760,306 | 797,423,974 | 798,526,861 | | 784,788,202 | 793,760,657 | (8,972,455) | (10,792,561) |

(2) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 2, Sheet 4c
 (3),(4) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 5, Sheet 3b
 (5) Average of (3a) through (3e)

MONTANA STATE FUND
COMPARISON OF ULTIMATE ESTIMATES & SELECTIONS
CASUALTY ACTUARIAL CONSULTANTS, INC. ESTIMATES

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | CACI Estimates | | | | | Difference Selected - Average (6)=(5)-(4) | Difference Selected - Case Incurred (7)=(2)-(4) |
|-------------------------|-----------------------------------|---------------------|--------------------|--------------------------------|--|------------------------------|--|--|
| | | Paid LDE (3a) | Paid BE (3b) | Frequency/ Severity (3c) | Selected Central Ultimate (4) | Average of Methods (5) | | |
| 7/1/64-65 | 2,284,015 | 2,288,583 | 2,288,583 | 2,288,583 | 2,284,015 | 2,288,583 | (4,568) | - |
| 7/1/65-66 | 3,150,234 | 3,156,534 | 3,156,534 | 3,156,534 | 3,150,234 | 3,156,534 | (6,300) | - |
| 7/1/66-67 | 3,087,045 | 3,093,219 | 3,093,219 | 3,093,219 | 3,087,045 | 3,093,219 | (6,174) | - |
| 7/1/67-68 | 3,584,928 | 3,592,098 | 3,592,098 | 3,592,098 | 3,584,928 | 3,592,098 | (7,170) | - |
| 7/1/68-69 | 3,860,215 | 3,871,796 | 3,871,796 | 3,871,796 | 3,860,215 | 3,871,796 | (11,581) | - |
| 7/1/69-70 | 4,252,278 | 4,265,035 | 4,265,035 | 4,265,035 | 4,252,278 | 4,265,035 | (12,757) | - |
| 7/1/70-71 | 4,372,500 | 4,389,990 | 4,389,990 | 4,389,990 | 4,372,500 | 4,389,990 | (17,490) | - |
| 7/1/71-72 | 4,667,416 | 4,646,056 | 4,646,146 | 4,646,056 | 4,651,419 | 4,646,086 | 5,333 | (15,997) |
| 7/1/72-73 | 4,697,987 | 4,721,477 | 4,721,477 | 4,721,477 | 4,697,987 | 4,721,477 | (23,490) | - |
| 7/1/73-74 | 8,871,307 | 8,598,341 | 8,598,832 | 8,598,341 | 8,666,705 | 8,598,505 | 68,200 | (204,602) |
| 7/1/74-75 | 10,219,685 | 9,812,551 | 9,813,401 | 9,812,551 | 9,914,547 | 9,812,834 | 101,713 | (305,138) |
| 7/1/75-76 | 9,276,027 | 9,285,889 | 9,286,304 | 9,285,889 | 9,286,027 | 9,286,027 | - | 10,000 |
| 7/1/76-77 | 13,458,995 | 12,819,617 | 12,821,482 | 12,819,617 | 12,979,928 | 12,820,239 | 159,689 | (479,067) |
| 7/1/77-78 | 18,509,080 | 18,291,124 | 18,292,941 | 18,291,124 | 18,346,067 | 18,291,730 | 54,337 | (163,013) |
| 7/1/78-79 | 21,632,389 | 21,355,734 | 21,358,858 | 21,355,734 | 21,425,679 | 21,356,775 | 68,904 | (206,710) |
| 7/1/79-80 | 31,629,769 | 30,640,714 | 30,647,177 | 30,640,714 | 30,889,594 | 30,642,868 | 246,726 | (740,175) |
| 7/1/80-81 | 36,377,036 | 35,277,215 | 35,286,659 | 35,277,215 | 35,554,531 | 35,280,363 | 274,168 | (822,505) |
| 7/1/81-82 | 45,813,251 | 44,071,186 | 44,087,133 | 44,071,186 | 44,510,689 | 44,076,502 | 434,187 | (1,302,562) |
| 7/1/82-83 | 52,885,141 | 51,277,354 | 51,299,449 | 51,277,354 | 51,684,825 | 51,284,719 | 400,106 | (1,200,316) |
| 7/1/83-84 | 73,171,638 | 71,638,543 | 71,671,911 | 71,638,543 | 72,030,159 | 71,649,666 | 380,493 | (1,141,479) |
| 7/1/84-85 | 79,641,416 | 79,191,704 | 79,155,958 | 79,191,704 | 79,295,196 | 79,179,789 | 115,407 | (346,220) |
| 7/1/85-86 | 85,028,441 | 84,867,423 | 84,841,984 | 84,867,423 | 84,901,318 | 84,858,943 | 42,375 | (127,123) |
| 7/1/86-87 | 86,892,211 | 87,131,648 | 87,122,319 | 87,131,648 | 87,128,538 | 87,128,538 | - | 236,327 |
| 7/1/87-88 | 62,348,827 | 63,340,913 | 63,351,956 | 63,340,913 | 63,344,594 | 63,344,594 | - | 995,767 |
| 7/1/88-89 | 60,497,043 | 62,123,081 | 62,093,412 | 62,192,512 | 62,136,335 | 62,136,335 | - | 1,639,292 |
| 7/1/89-90 | 65,371,889 | 67,560,106 | 67,564,792 | 67,689,815 | 67,604,904 | 67,604,904 | - | 2,233,015 |
| Total | 795,580,763 | 791,307,931 | 791,319,446 | 791,507,071 | 793,640,257 | 791,378,149 | 2,262,108 | (1,940,506) |

(2),(3),(4) CACI MSF Report as of 06-30-2012, Table 14a

(5) Average of (3a) through (3c)

MONTANA STATE FUND
 COMPARISON OF CASE OUTSTANDING AND INDICATED ACTUARIAL RESERVES
 TOWERS WATSON AND CACI

NEW FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Outstanding Losses (3)=(4)-(2) | Case Incurred Losses (4) | Towers Watson | | | CACI | | |
|-------------------------|-----------------------|--|-----------------------------------|-----------------------------|---------------------|-------------------------------------|-----------------------------|---------------------|--------------------------------------|
| | | | | Selected Ultimate (5) | IBNR (6)=(5)-(4) | Total Outstanding (7)=(3)+(6) | Selected Ultimate (8) | IBNR (9)=(8)-(4) | Total Outstanding (10)=(3)+(9) |
| 7/1/90-91 | 49,216,329 | 16,448,526 | 65,664,855 | 56,200,000 | (9,464,855) | 6,983,671 | 59,874,072 | (5,790,783) | 10,657,743 |
| 7/1/91-92 | 46,536,111 | 13,640,293 | 60,176,404 | 54,100,000 | (6,076,404) | 7,563,889 | 57,068,805 | (3,107,599) | 10,532,694 |
| 7/1/92-93 | 48,390,014 | 22,206,183 | 70,596,197 | 57,450,000 | (13,146,197) | 9,059,986 | 61,868,575 | (8,727,622) | 13,478,561 |
| 7/1/93-94 | 44,500,024 | 16,131,797 | 60,631,821 | 54,100,000 | (6,531,821) | 9,599,976 | 56,945,791 | (3,686,030) | 12,445,767 |
| 7/1/94-95 | 38,797,000 | 10,745,089 | 49,542,089 | 48,050,000 | (1,492,089) | 9,253,000 | 50,244,808 | 702,719 | 11,447,808 |
| 7/1/95-96 | 34,677,930 | 9,694,343 | 44,372,273 | 44,050,000 | (322,273) | 9,372,070 | 45,641,706 | 1,269,433 | 10,963,776 |
| 7/1/96-97 | 31,899,033 | 9,734,624 | 41,633,657 | 41,400,000 | (233,657) | 9,500,967 | 42,597,375 | 963,718 | 10,698,342 |
| 7/1/97-98 | 32,093,259 | 16,528,558 | 48,621,817 | 42,750,000 | (5,871,817) | 10,656,741 | 44,763,185 | (3,858,632) | 12,669,926 |
| 7/1/98-99 | 36,410,731 | 20,328,432 | 56,739,163 | 49,000,000 | (7,739,163) | 12,589,269 | 51,894,188 | (4,844,975) | 15,483,457 |
| 7/1/99-00 | 34,349,153 | 14,219,211 | 48,568,364 | 48,250,000 | (318,364) | 13,900,847 | 49,041,166 | 472,802 | 14,692,013 |
| 7/1/00-01 | 43,145,932 | 18,624,300 | 61,770,232 | 62,375,000 | 604,768 | 19,229,068 | 63,208,661 | 1,438,429 | 20,062,729 |
| 7/1/01-02 | 42,738,508 | 20,816,038 | 63,554,546 | 62,525,000 | (1,029,546) | 19,786,492 | 64,090,863 | 536,317 | 21,352,355 |
| 7/1/02-03 | 52,162,512 | 25,847,136 | 78,009,648 | 78,650,000 | 640,352 | 26,487,488 | 80,734,232 | 2,724,584 | 28,571,720 |
| 7/1/03-04 | 50,448,065 | 20,589,413 | 71,037,478 | 79,750,000 | 8,712,522 | 29,301,935 | 80,836,213 | 9,798,735 | 30,388,148 |
| 7/1/04-05 | 54,656,606 | 25,701,288 | 80,357,894 | 88,600,000 | 8,242,106 | 33,943,394 | 91,027,577 | 10,669,683 | 36,370,971 |
| 7/1/05-06 | 60,618,368 | 26,007,539 | 86,625,907 | 101,550,000 | 14,924,093 | 40,931,632 | 104,217,569 | 17,591,662 | 43,599,201 |
| 7/1/06-07 | 60,304,559 | 28,871,261 | 89,175,820 | 106,600,000 | 17,424,180 | 46,295,441 | 108,827,752 | 19,651,932 | 48,523,193 |
| 7/1/07-08 | 59,541,387 | 34,262,319 | 93,803,706 | 109,450,000 | 15,646,294 | 49,908,613 | 112,894,739 | 19,091,033 | 53,353,352 |
| 7/1/08-09 | 47,107,558 | 26,969,170 | 74,076,728 | 95,050,000 | 20,973,272 | 47,942,442 | 96,062,820 | 21,986,092 | 48,955,262 |
| 7/1/09-10 | 40,885,275 | 22,584,729 | 63,470,004 | 89,300,000 | 25,829,996 | 48,414,725 | 90,796,633 | 27,326,629 | 49,911,358 |
| 7/1/10-11 | 36,588,251 | 25,933,719 | 62,521,970 | 97,150,000 | 34,628,030 | 60,561,749 | 97,050,898 | 34,528,928 | 60,462,647 |
| 7/1/11-12 | 17,903,182 | 28,288,825 | 46,192,007 | 76,250,000 | 30,057,993 | 58,346,818 | 85,868,672 | 39,676,665 | 67,965,490 |
| Total | 962,969,787 | 454,172,793 | 1,417,142,580 | 1,542,600,000 | 125,457,420 | 579,630,213 | 1,595,556,300 | 178,413,720 | 632,586,513 |

(2) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 1, Sheet 5b

(4) Exhibit 2.2

(5),(8) Exhibit 2.1

MONTANA STATE FUND
COMPARISON OF CASE OUTSTANDING AND INDICATED ACTUARIAL RESERVES
TOWERS WATSON AND CACI

NEW FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Outstanding Losses (3)=(4)-(2) | Case Incurred Losses (4) | Towers Watson | | | CACI | | |
|-------------------------|-----------------------|--|-----------------------------------|-----------------------------|---------------------|-------------------------------------|-----------------------------|---------------------|--------------------------------------|
| | | | | Selected Ultimate (5) | IBNR (6)=(5)-(4) | Total Outstanding (7)=(3)+(6) | Selected Ultimate (8) | IBNR (9)=(8)-(4) | Total Outstanding (10)=(3)+(9) |
| 7/1/90-91 | 64,942,374 | 996,209 | 65,938,583 | 67,135,000 | 1,196,417 | 2,192,626 | 68,095,699 | 2,157,116 | 3,153,325 |
| 7/1/91-92 | 64,523,477 | 2,416,096 | 66,939,573 | 67,305,000 | 365,427 | 2,781,523 | 67,869,950 | 930,377 | 3,346,473 |
| 7/1/92-93 | 58,652,881 | 3,010,456 | 61,663,337 | 61,645,000 | (18,337) | 2,992,119 | 61,825,549 | 162,212 | 3,172,668 |
| 7/1/93-94 | 52,959,268 | 1,189,849 | 54,149,117 | 55,350,000 | 1,200,883 | 2,390,732 | 56,081,924 | 1,932,807 | 3,122,656 |
| 7/1/94-95 | 44,869,235 | 1,269,069 | 46,138,304 | 47,205,000 | 1,066,696 | 2,335,765 | 48,077,014 | 1,938,710 | 3,207,779 |
| 7/1/95-96 | 34,190,591 | 2,839,759 | 37,030,350 | 36,615,000 | (415,350) | 2,424,409 | 36,828,458 | (201,892) | 2,637,867 |
| 7/1/96-97 | 27,248,595 | 2,185,940 | 29,434,535 | 29,260,000 | (174,535) | 2,011,405 | 29,528,841 | 94,306 | 2,280,246 |
| 7/1/97-98 | 28,061,758 | 1,561,290 | 29,623,048 | 30,100,000 | 476,952 | 2,038,242 | 30,629,920 | 1,006,872 | 2,568,162 |
| 7/1/98-99 | 30,603,162 | 2,411,154 | 33,014,316 | 33,305,000 | 290,684 | 2,701,838 | 33,672,081 | 657,765 | 3,068,919 |
| 7/1/99-00 | 29,549,612 | 2,500,039 | 32,049,651 | 32,515,000 | 465,349 | 2,965,388 | 32,906,590 | 856,939 | 3,356,978 |
| 7/1/00-01 | 35,315,333 | 2,698,810 | 38,014,143 | 39,040,000 | 1,025,857 | 3,724,667 | 39,782,247 | 1,768,104 | 4,466,914 |
| 7/1/01-02 | 34,969,904 | 2,205,684 | 37,175,588 | 38,840,000 | 1,664,412 | 3,870,096 | 39,862,477 | 2,686,889 | 4,892,573 |
| 7/1/02-03 | 41,470,943 | 4,625,806 | 46,096,749 | 47,285,000 | 1,188,251 | 5,814,057 | 48,002,738 | 1,905,989 | 6,531,795 |
| 7/1/03-04 | 39,572,264 | 5,005,819 | 44,578,083 | 46,060,000 | 1,481,917 | 6,487,736 | 46,599,091 | 2,021,008 | 7,026,827 |
| 7/1/04-05 | 41,172,517 | 5,707,217 | 46,879,734 | 49,250,000 | 2,370,266 | 8,077,483 | 49,589,101 | 2,709,367 | 8,416,584 |
| 7/1/05-06 | 46,030,724 | 7,011,958 | 53,042,682 | 56,835,000 | 3,792,318 | 10,804,276 | 56,675,208 | 3,632,526 | 10,644,484 |
| 7/1/06-07 | 45,761,704 | 4,594,425 | 50,356,129 | 58,080,000 | 7,723,871 | 12,318,296 | 57,936,540 | 7,580,411 | 12,174,836 |
| 7/1/07-08 | 40,577,191 | 9,330,700 | 49,907,891 | 56,960,000 | 7,052,109 | 16,382,809 | 53,911,768 | 4,003,877 | 13,334,577 |
| 7/1/08-09 | 33,272,101 | 10,946,579 | 44,218,680 | 50,230,000 | 6,011,320 | 16,957,899 | 47,854,914 | 3,636,234 | 14,582,813 |
| 7/1/09-10 | 22,656,682 | 7,162,927 | 29,819,609 | 40,895,000 | 11,075,391 | 18,238,318 | 38,742,794 | 8,923,185 | 16,086,112 |
| 7/1/10-11 | 17,662,304 | 10,472,791 | 28,135,095 | 42,925,000 | 14,789,905 | 25,262,696 | 42,700,944 | 14,565,849 | 25,038,640 |
| 7/1/11-12 | 5,901,517 | 11,537,176 | 17,438,693 | 36,925,000 | 19,486,307 | 31,023,483 | 39,226,422 | 21,787,729 | 33,324,905 |
| Total | 839,964,137 | 101,679,753 | 941,643,890 | 1,023,760,000 | 82,116,110 | 183,795,863 | 1,026,400,270 | 84,756,380 | 186,436,133 |

(2) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 1, Sheet 5b

(4) Exhibit 3.2

(5),(8) Exhibit 3.1

MONTANA STATE FUND
COMPARISON OF CASE OUTSTANDING AND INDICATED ACTUARIAL RESERVES
TOWERS WATSON AND CACI

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Outstanding Losses (3)=(4)-(2) | Case Incurred Losses (4) | Towers Watson | | | CACI | | |
|-------------------------|-----------------------|--|-----------------------------------|-----------------------------|---------------------|-------------------------------------|-----------------------------|---------------------|--------------------------------------|
| | | | | Selected Ultimate (5) | IBNR (6)=(5)-(4) | Total Outstanding (7)=(3)+(6) | Selected Ultimate (8) | IBNR (9)=(8)-(4) | Total Outstanding (10)=(3)+(9) |
| Prior | 496,892 | 74,000 | 570,892 | 970,892 | 400,000 | 474,000 | na | na | na |
| 7/1/64-65 | 950,283 | - | 950,283 | 950,283 | - | - | 950,283 | - | - |
| 7/1/65-66 | 1,262,536 | 45,600 | 1,308,136 | 1,299,215 | (8,921) | 36,679 | 1,274,036 | (34,100) | 11,500 |
| 7/1/66-67 | 1,231,069 | - | 1,231,069 | 1,231,069 | - | - | 1,231,069 | - | - |
| 7/1/67-68 | 1,369,647 | - | 1,369,647 | 1,369,647 | - | - | 1,369,647 | - | - |
| 7/1/68-69 | 1,408,114 | - | 1,408,114 | 1,408,114 | - | - | 1,408,114 | - | - |
| 7/1/69-70 | 1,622,875 | 30,000 | 1,652,875 | 1,650,000 | (2,875) | 27,125 | 1,630,375 | (22,500) | 7,500 |
| 7/1/70-71 | 2,492,281 | 119,709 | 2,611,990 | 2,580,000 | (31,990) | 87,719 | 2,522,281 | (89,709) | 30,000 |
| 7/1/71-72 | 1,887,828 | - | 1,887,828 | 1,890,000 | 2,172 | 2,172 | 1,887,828 | - | - |
| 7/1/72-73 | 2,023,391 | 29,965 | 2,053,356 | 2,048,391 | (4,965) | 25,000 | 2,030,891 | (22,465) | 7,500 |
| 7/1/73-74 | 5,587,133 | 1,283,615 | 6,870,748 | 5,665,000 | (1,205,748) | 77,867 | 5,974,855 | (895,893) | 387,722 |
| 7/1/74-75 | 5,188,805 | 1,176,690 | 6,365,495 | 5,270,000 | (1,095,495) | 81,195 | 5,482,978 | (882,517) | 294,173 |
| 7/1/75-76 | 5,769,242 | 519,702 | 6,288,944 | 5,870,000 | (418,944) | 100,758 | 5,899,168 | (389,776) | 129,926 |
| 7/1/76-77 | 11,784,687 | 3,007,199 | 14,791,886 | 12,020,000 | (2,771,886) | 235,313 | 12,590,428 | (2,201,458) | 805,741 |
| 7/1/77-78 | 8,457,692 | 1,064,294 | 9,521,986 | 8,660,000 | (861,986) | 202,308 | 8,813,727 | (708,259) | 356,035 |
| 7/1/78-79 | 10,515,163 | 2,049,942 | 12,565,105 | 10,960,000 | (1,605,105) | 444,837 | 11,209,475 | (1,355,630) | 694,312 |
| 7/1/79-80 | 14,137,976 | 2,975,214 | 17,113,190 | 14,990,000 | (2,123,190) | 852,024 | 15,223,803 | (1,889,387) | 1,085,827 |
| 7/1/80-81 | 17,746,453 | 3,181,939 | 20,928,392 | 18,640,000 | (2,288,392) | 893,547 | 19,103,657 | (1,824,735) | 1,357,204 |
| 7/1/81-82 | 19,336,303 | 3,794,429 | 23,130,732 | 20,050,000 | (3,080,732) | 713,697 | 21,039,015 | (2,091,717) | 1,702,712 |
| 7/1/82-83 | 23,754,068 | 7,720,396 | 31,474,464 | 25,080,000 | (6,394,464) | 1,325,932 | 26,824,811 | (4,649,653) | 3,070,743 |
| 7/1/83-84 | 31,052,196 | 10,432,751 | 41,484,947 | 33,130,000 | (8,354,947) | 2,077,804 | 35,430,676 | (6,054,271) | 4,378,480 |
| 7/1/84-85 | 31,573,655 | 6,711,208 | 38,284,863 | 33,890,000 | (4,394,863) | 2,316,345 | 35,319,532 | (2,965,331) | 3,745,877 |
| 7/1/85-86 | 37,565,708 | 9,497,879 | 47,063,587 | 40,880,000 | (6,183,587) | 3,314,292 | 42,801,704 | (4,261,883) | 5,235,996 |
| 7/1/86-87 | 40,584,947 | 14,991,846 | 55,576,793 | 44,920,000 | (10,656,793) | 4,335,053 | 47,898,995 | (7,677,798) | 7,314,048 |
| 7/1/87-88 | 43,338,970 | 15,505,685 | 58,844,655 | 48,820,000 | (10,024,655) | 5,481,030 | 51,531,664 | (7,312,991) | 8,192,694 |
| 7/1/88-89 | 38,690,120 | 9,577,076 | 48,267,196 | 44,190,000 | (4,077,196) | 5,499,880 | 45,430,648 | (2,836,548) | 6,740,528 |
| 7/1/89-90 | 49,450,421 | 17,076,011 | 66,526,432 | 57,130,000 | (9,396,432) | 7,679,579 | 59,952,652 | (6,573,780) | 10,502,231 |
| Total | 409,278,455 | 110,865,150 | 520,143,605 | 445,562,611 | (74,580,994) | 36,284,156 | 464,832,312 | (54,740,401) | 56,050,749 |

(2) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 2, Sheet 4b

(4) Exhibit 4.2

(5),(8) Exhibit 4.1

MONTANA STATE FUND
COMPARISON OF CASE OUTSTANDING AND INDICATED ACTUARIAL RESERVES
TOWERS WATSON AND CACI

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Outstanding Losses (3)=(4)-(2) | Case Incurred Losses (4) | Towers Watson | | | CACI | | |
|-------------------------|-----------------------|--|-----------------------------------|-----------------------------|---------------------|-------------------------------------|-----------------------------|---------------------|--------------------------------------|
| | | | | Selected Ultimate (5) | IBNR (6)=(5)-(4) | Total Outstanding (7)=(3)+(6) | Selected Ultimate (8) | IBNR (9)=(8)-(4) | Total Outstanding (10)=(3)+(9) |
| Prior | 96,670 | - | 96,670 | 111,670 | 15,000 | 15,000 | na | na | na |
| 7/1/64-65 | 2,284,015 | - | 2,284,015 | 2,284,015 | - | - | 2,284,015 | - | - |
| 7/1/65-66 | 3,150,234 | - | 3,150,234 | 3,150,234 | - | - | 3,150,234 | - | - |
| 7/1/66-67 | 3,087,045 | - | 3,087,045 | 3,087,045 | - | - | 3,087,045 | - | - |
| 7/1/67-68 | 3,584,928 | - | 3,584,928 | 3,584,928 | - | - | 3,584,928 | - | - |
| 7/1/68-69 | 3,860,215 | - | 3,860,215 | 3,860,215 | - | - | 3,860,215 | - | - |
| 7/1/69-70 | 4,252,278 | - | 4,252,278 | 4,252,278 | - | - | 4,252,278 | - | - |
| 7/1/70-71 | 4,372,500 | - | 4,372,500 | 4,372,500 | - | - | 4,372,500 | - | - |
| 7/1/71-72 | 4,627,546 | 39,870 | 4,667,416 | 4,679,000 | 11,584 | 51,454 | 4,651,419 | (15,997) | 23,873 |
| 7/1/72-73 | 4,697,987 | - | 4,697,987 | 4,697,987 | - | - | 4,697,987 | - | - |
| 7/1/73-74 | 8,555,563 | 315,744 | 8,871,307 | 8,575,000 | (296,307) | 19,437 | 8,666,705 | (204,602) | 111,142 |
| 7/1/74-75 | 9,754,027 | 465,658 | 10,219,685 | 9,780,000 | (439,685) | 25,973 | 9,914,547 | (305,138) | 160,520 |
| 7/1/75-76 | 9,221,340 | 54,687 | 9,276,027 | 9,250,000 | (26,027) | 28,660 | 9,286,027 | 10,000 | 64,687 |
| 7/1/76-77 | 12,717,874 | 741,121 | 13,458,995 | 12,770,000 | (688,995) | 52,126 | 12,979,928 | (479,067) | 262,054 |
| 7/1/77-78 | 18,127,972 | 381,108 | 18,509,080 | 18,225,000 | (284,080) | 97,028 | 18,346,067 | (163,013) | 218,095 |
| 7/1/78-79 | 21,144,291 | 488,098 | 21,632,389 | 21,200,000 | (432,389) | 55,709 | 21,425,679 | (206,710) | 281,388 |
| 7/1/79-80 | 30,277,385 | 1,352,384 | 31,629,769 | 30,335,000 | (1,294,769) | 57,615 | 30,889,594 | (740,175) | 612,209 |
| 7/1/80-81 | 34,790,153 | 1,586,883 | 36,377,036 | 34,950,000 | (1,427,036) | 159,847 | 35,554,531 | (822,505) | 764,378 |
| 7/1/81-82 | 43,377,152 | 2,436,099 | 45,813,251 | 43,705,000 | (2,108,251) | 327,848 | 44,510,689 | (1,302,562) | 1,133,537 |
| 7/1/82-83 | 50,370,682 | 2,514,459 | 52,885,141 | 50,950,000 | (1,935,141) | 579,318 | 51,684,825 | (1,200,316) | 1,314,143 |
| 7/1/83-84 | 70,233,866 | 2,937,772 | 73,171,638 | 71,115,000 | (2,056,638) | 881,134 | 72,030,159 | (1,141,479) | 1,796,293 |
| 7/1/84-85 | 77,411,245 | 2,230,171 | 79,641,416 | 78,860,000 | (781,416) | 1,448,755 | 79,295,196 | (346,220) | 1,883,951 |
| 7/1/85-86 | 82,636,244 | 2,392,197 | 85,028,441 | 84,400,000 | (628,441) | 1,763,756 | 84,901,318 | (127,123) | 2,265,074 |
| 7/1/86-87 | 84,511,783 | 2,380,428 | 86,892,211 | 86,715,000 | (177,211) | 2,203,217 | 87,128,538 | 236,327 | 2,616,755 |
| 7/1/87-88 | 61,198,950 | 1,149,877 | 62,348,827 | 62,605,000 | 256,173 | 1,406,050 | 63,344,594 | 995,767 | 2,145,644 |
| 7/1/88-89 | 59,733,732 | 763,311 | 60,497,043 | 61,080,000 | 582,957 | 1,346,268 | 62,136,335 | 1,639,292 | 2,402,603 |
| 7/1/89-90 | 64,589,011 | 782,878 | 65,371,889 | 66,305,000 | 933,111 | 1,715,989 | 67,604,904 | 2,233,015 | 3,015,893 |
| Total | 772,664,688 | 23,012,745 | 795,677,433 | 784,899,872 | (10,777,561) | 12,235,184 | 793,640,257 | (1,940,506) | 21,072,239 |

(2) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 2, Sheet 4c

(4) Exhibit 5.2

(5),(8) Exhibit 5.1

MONTANA STATE FUND
AVERAGE OUTSTANDINGS

NEW FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Outstanding Losses (2) | TW Indicated Total Outstanding (3) | CACI Indicated Total Outstanding (4) | Number of Open Claims (5) | Average Outstandings | | |
|-------------------------|--------------------------------------|--|--|------------------------------------|----------------------|--------------------------------|----------------------------------|
| | | | | | Case (6)=(2)/(5) | TW Indicated (7)=(3)/(5) | CACI Indicated (8)=(4)/(5) |
| 7/1/90-91 | 16,448,526 | 6,983,671 | 10,657,743 | 106 | 155,175 | 65,884 | 100,545 |
| 7/1/91-92 | 13,640,293 | 7,563,889 | 10,532,694 | 101 | 135,052 | 74,890 | 104,284 |
| 7/1/92-93 | 22,206,183 | 9,059,986 | 13,478,561 | 112 | 198,269 | 80,893 | 120,344 |
| 7/1/93-94 | 16,131,797 | 9,599,976 | 12,445,767 | 93 | 173,460 | 103,226 | 133,825 |
| 7/1/94-95 | 10,745,089 | 9,253,000 | 11,447,808 | 87 | 123,507 | 106,356 | 131,584 |
| 7/1/95-96 | 9,694,343 | 9,372,070 | 10,963,776 | 99 | 97,923 | 94,667 | 110,745 |
| 7/1/96-97 | 9,734,624 | 9,500,967 | 10,698,342 | 79 | 123,223 | 120,265 | 135,422 |
| 7/1/97-98 | 16,528,558 | 10,656,741 | 12,669,926 | 104 | 158,928 | 102,469 | 121,826 |
| 7/1/98-99 | 20,328,432 | 12,589,269 | 15,483,457 | 107 | 189,985 | 117,657 | 144,705 |
| 7/1/99-00 | 14,219,211 | 13,900,847 | 14,692,013 | 100 | 142,192 | 139,008 | 146,920 |
| 7/1/00-01 | 18,624,300 | 19,229,068 | 20,062,729 | 121 | 153,920 | 158,918 | 165,808 |
| 7/1/01-02 | 20,816,038 | 19,786,492 | 21,352,355 | 169 | 123,172 | 117,080 | 126,345 |
| 7/1/02-03 | 25,847,136 | 26,487,488 | 28,571,720 | 199 | 129,885 | 133,103 | 143,576 |
| 7/1/03-04 | 20,589,413 | 29,301,935 | 30,388,148 | 209 | 98,514 | 140,201 | 145,398 |
| 7/1/04-05 | 25,701,288 | 33,943,394 | 36,370,971 | 232 | 110,781 | 146,308 | 156,771 |
| 7/1/05-06 | 26,007,539 | 40,931,632 | 43,599,201 | 278 | 93,552 | 147,236 | 156,832 |
| 7/1/06-07 | 28,871,261 | 46,295,441 | 48,523,193 | 327 | 88,291 | 141,576 | 148,389 |
| 7/1/07-08 | 34,262,319 | 49,908,613 | 53,353,352 | 392 | 87,404 | 127,318 | 136,105 |
| 7/1/08-09 | 26,969,170 | 47,942,442 | 48,955,262 | 428 | 63,012 | 112,015 | 114,381 |
| 7/1/09-10 | 22,584,729 | 48,414,725 | 49,911,358 | 470 | 48,053 | 103,010 | 106,194 |
| 7/1/10-11 | 25,933,719 | 60,561,749 | 60,462,647 | 865 | 29,981 | 70,014 | 69,899 |
| 7/1/11-12 | 28,288,825 | 58,346,818 | 67,965,490 | 2,946 | 9,602 | 19,805 | 23,070 |
| Total | 454,172,793 | 579,630,213 | 632,586,513 | 7,624 | | | |

(2) - (4) Exhibit 6.1

(5) Provided by MSF

MONTANA STATE FUND
AVERAGE OUTSTANDINGS

NEW FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Outstanding Losses (2) | TW | CACI | Number of Open Claims (5) | Average Outstandings | | |
|-------------------------|--------------------------------------|--|--|------------------------------------|----------------------|--------------------------------|----------------------------------|
| | | Indicated Total Outstanding (3) | Indicated Total Outstanding (4) | | Case (6)=(2)/(5) | TW Indicated (7)=(3)/(5) | CACI Indicated (8)=(4)/(5) |
| 7/1/90-91 | 996,209 | 2,192,626 | 3,153,325 | 104 | 9,579 | 21,083 | 30,320 |
| 7/1/91-92 | 2,416,096 | 2,781,523 | 3,346,473 | 99 | 24,405 | 28,096 | 33,803 |
| 7/1/92-93 | 3,010,456 | 2,992,119 | 3,172,668 | 111 | 27,121 | 26,956 | 28,583 |
| 7/1/93-94 | 1,189,849 | 2,390,732 | 3,122,656 | 88 | 13,521 | 27,167 | 35,485 |
| 7/1/94-95 | 1,269,069 | 2,335,765 | 3,207,779 | 82 | 15,476 | 28,485 | 39,119 |
| 7/1/95-96 | 2,839,759 | 2,424,409 | 2,637,867 | 96 | 29,581 | 25,254 | 27,478 |
| 7/1/96-97 | 2,185,940 | 2,011,405 | 2,280,246 | 74 | 29,540 | 27,181 | 30,814 |
| 7/1/97-98 | 1,561,290 | 2,038,242 | 2,568,162 | 100 | 15,613 | 20,382 | 25,682 |
| 7/1/98-99 | 2,411,154 | 2,701,838 | 3,068,919 | 100 | 24,112 | 27,018 | 30,689 |
| 7/1/99-00 | 2,500,039 | 2,965,388 | 3,356,978 | 98 | 25,511 | 30,259 | 34,255 |
| 7/1/00-01 | 2,698,810 | 3,724,667 | 4,466,914 | 117 | 23,067 | 31,835 | 38,179 |
| 7/1/01-02 | 2,205,684 | 3,870,096 | 4,892,573 | 162 | 13,615 | 23,889 | 30,201 |
| 7/1/02-03 | 4,625,806 | 5,814,057 | 6,531,795 | 193 | 23,968 | 30,125 | 33,843 |
| 7/1/03-04 | 5,005,819 | 6,487,736 | 7,026,827 | 202 | 24,781 | 32,118 | 34,786 |
| 7/1/04-05 | 5,707,217 | 8,077,483 | 8,416,584 | 223 | 25,593 | 36,222 | 37,743 |
| 7/1/05-06 | 7,011,958 | 10,804,276 | 10,644,484 | 272 | 25,779 | 39,722 | 39,134 |
| 7/1/06-07 | 4,594,425 | 12,318,296 | 12,174,836 | 315 | 14,585 | 39,106 | 38,650 |
| 7/1/07-08 | 9,330,700 | 16,382,809 | 13,334,577 | 364 | 25,634 | 45,008 | 36,633 |
| 7/1/08-09 | 10,946,579 | 16,957,899 | 14,582,813 | 399 | 27,435 | 42,501 | 36,548 |
| 7/1/09-10 | 7,162,927 | 18,238,318 | 16,086,112 | 428 | 16,736 | 42,613 | 37,584 |
| 7/1/10-11 | 10,472,791 | 25,262,696 | 25,038,640 | 695 | 15,069 | 36,349 | 36,027 |
| 7/1/11-12 | 11,537,176 | 31,023,483 | 33,324,905 | 1,021 | 11,300 | 30,385 | 32,639 |
| Total | 101,679,753 | 183,795,863 | 186,436,133 | 5,343 | | | |

(2) - (4) Exhibit 6.2

(5) Provided by MSF

MONTANA STATE FUND
AVERAGE OUTSTANDINGS

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Outstanding Losses (2) | TW | CACI | Number of Open Claims (5) | Average Outstandings | | |
|-------------------------|--------------------------------------|--|--|------------------------------------|----------------------|--------------------------------|----------------------------------|
| | | Indicated Total Outstanding (3) | Indicated Total Outstanding (4) | | Case (6)=(2)/(5) | TW Indicated (7)=(3)/(5) | CACI Indicated (8)=(4)/(5) |
| 7/1/64-65 | - | - | - | - | - | - | - |
| 7/1/65-66 | 45,600 | 36,679 | 11,500 | 1 | 45,600 | 36,679 | 11,500 |
| 7/1/66-67 | - | - | - | - | - | - | - |
| 7/1/67-68 | - | - | - | - | - | - | - |
| 7/1/68-69 | - | - | - | - | - | - | - |
| 7/1/69-70 | 30,000 | 27,125 | 7,500 | 1 | 30,000 | 27,125 | 7,500 |
| 7/1/70-71 | 119,709 | 87,719 | 30,000 | 3 | 39,903 | 29,240 | 10,000 |
| 7/1/71-72 | - | 2,172 | - | 1 | - | 2,172 | - |
| 7/1/72-73 | 29,965 | 25,000 | 7,500 | 1 | 29,965 | 25,000 | 7,500 |
| 7/1/73-74 | 1,283,615 | 77,867 | 387,722 | 8 | 160,452 | 9,733 | 48,465 |
| 7/1/74-75 | 1,176,690 | 81,195 | 294,173 | 11 | 106,972 | 7,381 | 26,743 |
| 7/1/75-76 | 519,702 | 100,758 | 129,926 | 5 | 103,940 | 20,152 | 25,985 |
| 7/1/76-77 | 3,007,199 | 235,313 | 805,741 | 15 | 200,480 | 15,688 | 53,716 |
| 7/1/77-78 | 1,064,294 | 202,308 | 356,035 | 16 | 66,518 | 12,644 | 22,252 |
| 7/1/78-79 | 2,049,942 | 444,837 | 694,312 | 12 | 170,829 | 37,070 | 57,859 |
| 7/1/79-80 | 2,975,214 | 852,024 | 1,085,827 | 33 | 90,158 | 25,819 | 32,904 |
| 7/1/80-81 | 3,181,939 | 893,547 | 1,357,204 | 37 | 85,998 | 24,150 | 36,681 |
| 7/1/81-82 | 3,794,429 | 713,697 | 1,702,712 | 45 | 84,321 | 15,860 | 37,838 |
| 7/1/82-83 | 7,720,396 | 1,325,932 | 3,070,743 | 50 | 154,408 | 26,519 | 61,415 |
| 7/1/83-84 | 10,432,751 | 2,077,804 | 4,378,480 | 62 | 168,270 | 33,513 | 70,621 |
| 7/1/84-85 | 6,711,208 | 2,316,345 | 3,745,877 | 66 | 101,685 | 35,096 | 56,756 |
| 7/1/85-86 | 9,497,879 | 3,314,292 | 5,235,996 | 83 | 114,432 | 39,931 | 63,084 |
| 7/1/86-87 | 14,991,846 | 4,335,053 | 7,314,048 | 103 | 145,552 | 42,088 | 71,010 |
| 7/1/87-88 | 15,505,685 | 5,481,030 | 8,192,694 | 96 | 161,518 | 57,094 | 85,341 |
| 7/1/88-89 | 9,577,076 | 5,499,880 | 6,740,528 | 80 | 119,713 | 68,749 | 84,257 |
| 7/1/89-90 | 17,076,011 | 7,679,579 | 10,502,231 | 98 | 174,245 | 78,363 | 107,166 |
| Total | 110,791,150 | 35,810,156 | 56,050,749 | 827 | | | |

(2) - (4) Exhibit 6.3

(5) Provided by MSF

MONTANA STATE FUND
AVERAGE OUTSTANDINGS

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Outstanding Losses (2) | TW | CACI | Number of Open Claims (5) | Average Outstandings | | |
|-------------------------|--------------------------------------|--|--|------------------------------------|----------------------|--------------------------------|----------------------------------|
| | | Indicated Total Outstanding (3) | Indicated Total Outstanding (4) | | Case (6)=(2)/(5) | TW Indicated (7)=(3)/(5) | CACI Indicated (8)=(4)/(5) |
| 7/1/64-65 | - | - | - | - | - | - | - |
| 7/1/65-66 | - | - | - | 1 | - | - | - |
| 7/1/66-67 | - | - | - | - | - | - | - |
| 7/1/67-68 | - | - | - | - | - | - | - |
| 7/1/68-69 | - | - | - | - | - | - | - |
| 7/1/69-70 | - | - | - | - | - | - | - |
| 7/1/70-71 | - | - | - | 3 | - | - | - |
| 7/1/71-72 | 39,870 | 51,454 | 23,873 | 1 | 39,870 | 51,454 | 23,873 |
| 7/1/72-73 | - | - | - | 1 | - | - | - |
| 7/1/73-74 | 315,744 | 19,437 | 111,142 | 8 | 39,468 | 2,430 | 13,893 |
| 7/1/74-75 | 465,658 | 25,973 | 160,520 | 10 | 46,566 | 2,597 | 16,052 |
| 7/1/75-76 | 54,687 | 28,660 | 64,687 | 5 | 10,937 | 5,732 | 12,937 |
| 7/1/76-77 | 741,121 | 52,126 | 262,054 | 15 | 49,408 | 3,475 | 17,470 |
| 7/1/77-78 | 381,108 | 97,028 | 218,095 | 16 | 23,819 | 6,064 | 13,631 |
| 7/1/78-79 | 488,098 | 55,709 | 281,388 | 12 | 40,675 | 4,642 | 23,449 |
| 7/1/79-80 | 1,352,384 | 57,615 | 612,209 | 33 | 40,981 | 1,746 | 18,552 |
| 7/1/80-81 | 1,586,883 | 159,847 | 764,378 | 37 | 42,889 | 4,320 | 20,659 |
| 7/1/81-82 | 2,436,099 | 327,848 | 1,133,537 | 43 | 56,653 | 7,624 | 26,361 |
| 7/1/82-83 | 2,514,459 | 579,318 | 1,314,143 | 50 | 50,289 | 11,586 | 26,283 |
| 7/1/83-84 | 2,937,772 | 881,134 | 1,796,293 | 62 | 47,383 | 14,212 | 28,972 |
| 7/1/84-85 | 2,230,171 | 1,448,755 | 1,883,951 | 66 | 33,790 | 21,951 | 28,545 |
| 7/1/85-86 | 2,392,197 | 1,763,756 | 2,265,074 | 79 | 30,281 | 22,326 | 28,672 |
| 7/1/86-87 | 2,380,428 | 2,203,217 | 2,616,755 | 102 | 23,338 | 21,600 | 25,654 |
| 7/1/87-88 | 1,149,877 | 1,406,050 | 2,145,644 | 93 | 12,364 | 15,119 | 23,071 |
| 7/1/88-89 | 763,311 | 1,346,268 | 2,402,603 | 77 | 9,913 | 17,484 | 31,203 |
| 7/1/89-90 | 782,878 | 1,715,989 | 3,015,893 | 91 | 8,603 | 18,857 | 33,142 |
| Total | 23,012,745 | 12,220,184 | 21,072,239 | 805 | | | |

(2) - (4) Exhibit 6.4

(5) Provided by MSF

MONTANA STATE FUND
SURVIVAL RATIOS

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Outstanding Losses (2) | TW | CACI | Average Annual Payments | | | Survival Ratio (Based on Latest Year) | | |
|-------------------------|--------------------------------------|-----------------------------|-----------------------------|-------------------------|--------------|--------------|---------------------------------------|-------------|--------------|
| | | Indicated | Indicated | Latest | Latest 3 | Latest 5 | Case | TW | CACI |
| | | Total Outstanding (3) | Total Outstanding (4) | Year (5) | Years (6) | Years (7) | (8)=(2)/(5) | (9)=(3)/(5) | (10)=(4)/(5) |
| 7/1/64-65 | - | - | - | 1,434 | 478 | 628 | - | - | - |
| 7/1/65-66 | 45,600 | 36,679 | 11,500 | 13,935 | 4,696 | 17,384 | 3.3 | 2.6 | 0.8 |
| 7/1/66-67 | - | - | - | - | - | - | - | - | - |
| 7/1/67-68 | - | - | - | - | 4,453 | 3,632 | - | - | - |
| 7/1/68-69 | - | - | - | - | 178 | 131 | - | - | - |
| 7/1/69-70 | 30,000 | 27,125 | 7,500 | - | - | 3,865 | - | - | - |
| 7/1/70-71 | 119,709 | 87,719 | 30,000 | 147 | 77,306 | 66,827 | 814.3 | 596.7 | 204.1 |
| 7/1/71-72 | - | 2,172 | - | - | - | - | - | - | - |
| 7/1/72-73 | 29,965 | 25,000 | 7,500 | - | 1,980 | 2,597 | - | - | - |
| 7/1/73-74 | 1,283,615 | 77,867 | 387,722 | 36,480 | 40,180 | 51,139 | 35.2 | 2.1 | 10.6 |
| 7/1/74-75 | 1,176,690 | 81,195 | 294,173 | 121,906 | 69,758 | 63,759 | 9.7 | 0.7 | 2.4 |
| 7/1/75-76 | 519,702 | 100,758 | 129,926 | 12,681 | 45,183 | 32,183 | 41.0 | 7.9 | 10.2 |
| 7/1/76-77 | 3,007,199 | 235,313 | 805,741 | 200,337 | 263,937 | 353,621 | 15.0 | 1.2 | 4.0 |
| 7/1/77-78 | 1,064,294 | 202,308 | 356,035 | 43,495 | 68,357 | 59,920 | 24.5 | 4.7 | 8.2 |
| 7/1/78-79 | 2,049,942 | 444,837 | 694,312 | 92,608 | 88,367 | 96,984 | 22.1 | 4.8 | 7.5 |
| 7/1/79-80 | 2,975,214 | 852,024 | 1,085,827 | 215,497 | 171,640 | 137,371 | 13.8 | 4.0 | 5.0 |
| 7/1/80-81 | 3,181,939 | 893,547 | 1,357,204 | 155,719 | 178,716 | 193,212 | 20.4 | 5.7 | 8.7 |
| 7/1/81-82 | 3,794,429 | 713,697 | 1,702,712 | 263,559 | 385,208 | 407,186 | 14.4 | 2.7 | 6.5 |
| 7/1/82-83 | 7,720,396 | 1,325,932 | 3,070,743 | 303,259 | 376,416 | 379,972 | 25.5 | 4.4 | 10.1 |
| 7/1/83-84 | 10,432,751 | 2,077,804 | 4,378,480 | 804,324 | 730,175 | 745,113 | 13.0 | 2.6 | 5.4 |
| 7/1/84-85 | 6,711,208 | 2,316,345 | 3,745,877 | 446,776 | 396,227 | 445,381 | 15.0 | 5.2 | 8.4 |
| 7/1/85-86 | 9,497,879 | 3,314,292 | 5,235,996 | 738,680 | 567,840 | 684,321 | 12.9 | 4.5 | 7.1 |
| 7/1/86-87 | 14,991,846 | 4,335,053 | 7,314,048 | 1,064,299 | 880,636 | 890,728 | 14.1 | 4.1 | 6.9 |
| 7/1/87-88 | 15,505,685 | 5,481,030 | 8,192,694 | 670,239 | 701,539 | 758,730 | 23.1 | 8.2 | 12.2 |
| 7/1/88-89 | 9,577,076 | 5,499,880 | 6,740,528 | 447,133 | 561,338 | 619,866 | 21.4 | 12.3 | 15.1 |
| 7/1/89-90 | 17,076,011 | 7,679,579 | 10,502,231 | 946,998 | 1,029,447 | 1,310,606 | 18.0 | 8.1 | 11.1 |
| Total | 110,791,150 | 35,810,156 | 56,050,749 | 6,579,506 | 6,644,055 | 7,325,156 | 16.8 | 5.4 | 8.5 |

(2) - (4) Exhibit 6.3

(5) - (7) Provided by MSF

MONTANA STATE FUND
SURVIVAL RATIOS

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Outstanding Losses (2) | TW | CACI | Average Annual Payments | | | Survival Ratio (Based on Latest Year) | | |
|-------------------------|--------------------------------------|--------------------|--------------------|-------------------------|--------------|--------------|---------------------------------------|-------------|--------------|
| | | Indicated Total | Indicated Total | Latest | Latest 3 | Latest 5 | Case | TW | CACI |
| | | Outstanding (3) | Outstanding (4) | Year (5) | Years (6) | Years (7) | (8)=(2)/(5) | (9)=(3)/(5) | (10)=(4)/(5) |
| 7/1/64-65 | - | - | - | - | - | - | - | - | - |
| 7/1/65-66 | - | - | - | - | - | - | - | - | - |
| 7/1/66-67 | - | - | - | - | - | - | - | - | - |
| 7/1/67-68 | - | - | - | - | - | - | - | - | - |
| 7/1/68-69 | - | - | - | - | - | - | - | - | - |
| 7/1/69-70 | - | - | - | - | - | - | - | - | - |
| 7/1/70-71 | - | - | - | - | - | - | - | - | - |
| 7/1/71-72 | 39,870 | 51,454 | 23,873 | 1,924 | 1,924 | 1,939 | 20.7 | 26.7 | 12.4 |
| 7/1/72-73 | - | - | - | - | - | - | - | - | - |
| 7/1/73-74 | 315,744 | 19,437 | 111,142 | 20,416 | 24,000 | 25,292 | 15.5 | 1.0 | 5.4 |
| 7/1/74-75 | 465,658 | 25,973 | 160,520 | 25,664 | 29,336 | 30,963 | 18.1 | 1.0 | 6.3 |
| 7/1/75-76 | 54,687 | 28,660 | 64,687 | 5,600 | 5,841 | 15,141 | 9.8 | 5.1 | 11.6 |
| 7/1/76-77 | 741,121 | 52,126 | 262,054 | 49,300 | 53,964 | 55,573 | 15.0 | 1.1 | 5.3 |
| 7/1/77-78 | 381,108 | 97,028 | 218,095 | 17,307 | 38,825 | 47,246 | 22.0 | 5.6 | 12.6 |
| 7/1/78-79 | 488,098 | 55,709 | 281,388 | 33,386 | 45,707 | 51,436 | 14.6 | 1.7 | 8.4 |
| 7/1/79-80 | 1,352,384 | 57,615 | 612,209 | 87,589 | 92,984 | 98,228 | 15.4 | 0.7 | 7.0 |
| 7/1/80-81 | 1,586,883 | 159,847 | 764,378 | 114,611 | 115,332 | 128,462 | 13.8 | 1.4 | 6.7 |
| 7/1/81-82 | 2,436,099 | 327,848 | 1,133,537 | 173,561 | 200,467 | 209,526 | 14.0 | 1.9 | 6.5 |
| 7/1/82-83 | 2,514,459 | 579,318 | 1,314,143 | 169,849 | 174,465 | 180,707 | 14.8 | 3.4 | 7.7 |
| 7/1/83-84 | 2,937,772 | 881,134 | 1,796,293 | 220,858 | 204,387 | 231,382 | 13.3 | 4.0 | 8.1 |
| 7/1/84-85 | 2,230,171 | 1,448,755 | 1,883,951 | 155,795 | 163,858 | 189,655 | 14.3 | 9.3 | 12.1 |
| 7/1/85-86 | 2,392,197 | 1,763,756 | 2,265,074 | 175,154 | 197,029 | 197,504 | 13.7 | 10.1 | 12.9 |
| 7/1/86-87 | 2,380,428 | 2,203,217 | 2,616,755 | 195,423 | 188,294 | 209,990 | 12.2 | 11.3 | 13.4 |
| 7/1/87-88 | 1,149,877 | 1,406,050 | 2,145,644 | 144,150 | 161,863 | 177,224 | 8.0 | 9.8 | 14.9 |
| 7/1/88-89 | 763,311 | 1,346,268 | 2,402,603 | 161,544 | 142,047 | 168,433 | 4.7 | 8.3 | 14.9 |
| 7/1/89-90 | 782,878 | 1,715,989 | 3,015,893 | 89,181 | 155,368 | 157,496 | 8.8 | 19.2 | 33.8 |
| Total | 23,012,745 | 12,220,184 | 21,072,239 | 1,841,312 | 1,995,691 | 2,176,197 | 12.5 | 6.6 | 11.4 |

(2) - (4) Exhibit 6.4

(5) - (7) Provided by MSF

MONTANA STATE FUND
CHANGE IN SELECTED ULTIMATES
TOWERS WATSON ESTIMATES

NEW FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)

| Accident Year (1) | Towers Watson Selected Central Ultimates | | | | | Change in Period | | | | |
|-------------------------|--|------------------|------------------|------------------|------------------|--|--|--|--|--|
| | <u>6/30/2008</u> | <u>6/30/2009</u> | <u>6/30/2010</u> | <u>6/30/2011</u> | <u>6/30/2012</u> | <u>6/30/2008 -</u> <u>6/30/2009</u> | <u>6/30/2009 -</u> <u>6/30/2010</u> | <u>6/30/2010 -</u> <u>6/30/2011</u> | <u>6/30/2011 -</u> <u>6/30/2012</u> | <u>6/30/2008 -</u> <u>6/30/2012</u> |
| | (2) | (3) | (4) | (5) | (6) | (7)=(3)-(2) | (8)=(4)-(3) | (9)=(5)-(4) | (10)=(6)-(5) | (11)=(6)-(2) |
| 7/1/90-91 | 53,425,000 | 53,859,000 | 54,450,000 | 55,800,000 | 56,200,000 | 434,000 | 591,000 | 1,350,000 | 400,000 | 2,775,000 |
| 7/1/91-92 | 53,250,000 | 53,304,000 | 53,700,000 | 53,700,000 | 54,100,000 | 54,000 | 396,000 | - | 400,000 | 850,000 |
| 7/1/92-93 | 55,700,000 | 55,846,000 | 56,450,000 | 56,700,000 | 57,450,000 | 146,000 | 604,000 | 250,000 | 750,000 | 1,750,000 |
| 7/1/93-94 | 53,575,000 | 53,494,000 | 54,050,000 | 54,100,000 | 54,100,000 | (81,000) | 556,000 | 50,000 | - | 525,000 |
| 7/1/94-95 | 47,600,000 | 47,446,000 | 47,850,000 | 47,950,000 | 48,050,000 | (154,000) | 404,000 | 100,000 | 100,000 | 450,000 |
| 7/1/95-96 | 43,300,000 | 43,200,000 | 43,350,000 | 43,950,000 | 44,050,000 | (100,000) | 150,000 | 600,000 | 100,000 | 750,000 |
| 7/1/96-97 | 40,700,000 | 40,895,000 | 41,400,000 | 41,200,000 | 41,400,000 | 195,000 | 505,000 | (200,000) | 200,000 | 700,000 |
| 7/1/97-98 | 41,075,000 | 41,341,000 | 41,950,000 | 42,450,000 | 42,750,000 | 266,000 | 609,000 | 500,000 | 300,000 | 1,675,000 |
| 7/1/98-99 | 47,900,000 | 48,078,000 | 48,550,000 | 48,600,000 | 49,000,000 | 178,000 | 472,000 | 50,000 | 400,000 | 1,100,000 |
| 7/1/99-00 | 45,350,000 | 45,426,000 | 47,600,000 | 47,900,000 | 48,250,000 | 76,000 | 2,174,000 | 300,000 | 350,000 | 2,900,000 |
| 7/1/00-01 | 59,350,000 | 60,295,000 | 60,800,000 | 62,150,000 | 62,375,000 | 945,000 | 505,000 | 1,350,000 | 225,000 | 3,025,000 |
| 7/1/01-02 | 60,900,000 | 61,312,000 | 61,375,000 | 62,075,000 | 62,525,000 | 412,000 | 63,000 | 700,000 | 450,000 | 1,625,000 |
| 7/1/02-03 | 75,250,000 | 76,202,000 | 76,900,000 | 77,750,000 | 78,650,000 | 952,000 | 698,000 | 850,000 | 900,000 | 3,400,000 |
| 7/1/03-04 | 78,250,000 | 78,035,000 | 79,700,000 | 79,700,000 | 79,750,000 | (215,000) | 1,665,000 | - | 50,000 | 1,500,000 |
| 7/1/04-05 | 85,150,000 | 86,358,000 | 89,000,000 | 89,300,000 | 88,600,000 | 1,208,000 | 2,642,000 | 300,000 | (700,000) | 3,450,000 |
| 7/1/05-06 | 95,275,000 | 97,813,000 | 100,600,000 | 100,950,000 | 101,550,000 | 2,538,000 | 2,787,000 | 350,000 | 600,000 | 6,275,000 |
| 7/1/06-07 | 105,950,000 | 104,225,000 | 106,350,000 | 107,400,000 | 106,600,000 | (1,725,000) | 2,125,000 | 1,050,000 | (800,000) | 650,000 |
| 7/1/07-08 | 110,750,000 | 109,013,000 | 108,550,000 | 109,450,000 | 109,450,000 | (1,737,000) | (463,000) | 900,000 | - | (1,300,000) |
| 7/1/08-09 | | 98,508,000 | 94,600,000 | 94,600,000 | 95,050,000 | | (3,908,000) | - | 450,000 | (3,458,000) |
| 7/1/09-10 | | | 87,000,000 | 89,500,000 | 89,300,000 | | | 2,500,000 | (200,000) | 2,300,000 |
| 7/1/10-11 | | | | 94,950,000 | 97,150,000 | | | | 2,200,000 | 2,200,000 |
| 7/1/11-12 | | | | | 76,250,000 | | | | | |
| Total | 1,152,750,000 | 1,254,650,000 | 1,354,225,000 | 1,460,175,000 | 1,542,600,000 | 3,392,000 | 12,575,000 | 11,000,000 | 6,175,000 | 33,142,000 |

(2) TW 4/09 Rate Report

(3) - (6) TW Year end Reserve Reports

MONTANA STATE FUND
CHANGE IN SELECTED ULTIMATES
TOWERS WATSON ESTIMATES

NEW FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

| Accident Year | Towers Watson Selected Central Ultimates | | | | | Change in Period | | | | |
|------------------|--|------------------|------------------|------------------|------------------|--|--|--|--|--|
| | <u>6/30/2008</u> | <u>6/30/2009</u> | <u>6/30/2010</u> | <u>6/30/2011</u> | <u>6/30/2012</u> | <u>6/30/2008 -</u> <u>6/30/2009</u> | <u>6/30/2009 -</u> <u>6/30/2010</u> | <u>6/30/2010 -</u> <u>6/30/2011</u> | <u>6/30/2011 -</u> <u>6/30/2012</u> | <u>6/30/2008 -</u> <u>6/30/2012</u> |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7)=(3)-(2) | (8)=(4)-(3) | (9)=(5)-(4) | (10)=(6)-(5) |
| 7/1/90-91 | 67,600,000 | 67,700,000 | 67,300,000 | 67,195,000 | 67,135,000 | 100,000 | (400,000) | (105,000) | (60,000) | (465,000) |
| 7/1/91-92 | 66,800,000 | 66,800,000 | 67,065,000 | 67,195,000 | 67,305,000 | - | 265,000 | 130,000 | 110,000 | 505,000 |
| 7/1/92-93 | 61,550,000 | 61,500,000 | 61,660,000 | 61,695,000 | 61,645,000 | (50,000) | 160,000 | 35,000 | (50,000) | 95,000 |
| 7/1/93-94 | 56,100,000 | 56,000,000 | 55,555,000 | 55,430,000 | 55,350,000 | (100,000) | (445,000) | (125,000) | (80,000) | (750,000) |
| 7/1/94-95 | 47,450,000 | 47,375,000 | 47,345,000 | 47,210,000 | 47,205,000 | (75,000) | (30,000) | (135,000) | (5,000) | (245,000) |
| 7/1/95-96 | 36,050,000 | 36,050,000 | 36,415,000 | 36,460,000 | 36,615,000 | - | 365,000 | 45,000 | 155,000 | 565,000 |
| 7/1/96-97 | 28,600,000 | 28,875,000 | 29,220,000 | 29,245,000 | 29,260,000 | 275,000 | 345,000 | 25,000 | 15,000 | 660,000 |
| 7/1/97-98 | 29,775,000 | 30,050,000 | 29,865,000 | 29,785,000 | 30,100,000 | 275,000 | (185,000) | (80,000) | 315,000 | 325,000 |
| 7/1/98-99 | 33,250,000 | 33,250,000 | 33,295,000 | 33,250,000 | 33,305,000 | - | 45,000 | (45,000) | 55,000 | 55,000 |
| 7/1/99-00 | 32,425,000 | 32,325,000 | 32,480,000 | 32,325,000 | 32,515,000 | (100,000) | 155,000 | (155,000) | 190,000 | 90,000 |
| 7/1/00-01 | 38,775,000 | 39,025,000 | 39,340,000 | 39,145,000 | 39,040,000 | 250,000 | 315,000 | (195,000) | (105,000) | 265,000 |
| 7/1/01-02 | 39,800,000 | 39,925,000 | 39,445,000 | 39,105,000 | 38,840,000 | 125,000 | (480,000) | (340,000) | (265,000) | (960,000) |
| 7/1/02-03 | 48,750,000 | 48,950,000 | 48,595,000 | 47,985,000 | 47,285,000 | 200,000 | (355,000) | (610,000) | (700,000) | (1,465,000) |
| 7/1/03-04 | 47,550,000 | 47,650,000 | 47,305,000 | 46,630,000 | 46,060,000 | 100,000 | (345,000) | (675,000) | (570,000) | (1,490,000) |
| 7/1/04-05 | 52,000,000 | 52,150,000 | 51,465,000 | 50,395,000 | 49,250,000 | 150,000 | (685,000) | (1,070,000) | (1,145,000) | (2,750,000) |
| 7/1/05-06 | 58,800,000 | 59,000,000 | 58,690,000 | 57,625,000 | 56,835,000 | 200,000 | (310,000) | (1,065,000) | (790,000) | (1,965,000) |
| 7/1/06-07 | 57,900,000 | 58,300,000 | 59,370,000 | 58,340,000 | 58,080,000 | 400,000 | 1,070,000 | (1,030,000) | (260,000) | 180,000 |
| 7/1/07-08 | 56,700,000 | 57,500,000 | 59,145,000 | 57,355,000 | 56,960,000 | 800,000 | 1,645,000 | (1,790,000) | (395,000) | 260,000 |
| 7/1/08-09 | | 51,000,000 | 51,100,000 | 49,760,000 | 50,230,000 | | 100,000 | (1,340,000) | 470,000 | (770,000) |
| 7/1/09-10 | | | 42,470,000 | 42,255,000 | 40,895,000 | | | (215,000) | (1,360,000) | (1,575,000) |
| 7/1/10-11 | | | | 42,655,000 | 42,925,000 | | | | 270,000 | 270,000 |
| 7/1/11-12 | | | | | 36,925,000 | | | | | |
| Total | 859,875,000 | 913,425,000 | 957,125,000 | 991,040,000 | 1,023,760,000 | 2,550,000 | 1,230,000 | (8,740,000) | (4,205,000) | (9,165,000) |

(2) TW 4/09 Rate Report

(3) - (6) TW Year end Reserve Reports

MONTANA STATE FUND
 CHANGE IN SELECTED ULTIMATES
 TOWERS WATSON ESTIMATES

OLD FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

| Accident Year (1) | Towers Watson Selected Central Ultimates | | | | | Change in Period | | | | |
|-------------------------|--|-------------|-------------|-------------|-------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 6/30/2008 | 6/30/2009 | 6/30/2010 | 6/30/2011 | 6/30/2012 | 6/30/2008 - 6/30/2009 | 6/30/2009 - 6/30/2010 | 6/30/2010 - 6/30/2011 | 6/30/2011 - 6/30/2012 | 6/30/2008 - 6/30/2012 |
| | (2) | (3) | (4) | (5) | (6) | (7)=(3)-(2) | (8)=(4)-(3) | (9)=(5)-(4) | (10)=(6)-(5) | (11)=(6)-(2) |
| 7/1/64-65 | 947,143 | 948,849 | 948,849 | 948,849 | 950,283 | 1,706 | - | - | 1,434 | 3,140 |
| 7/1/65-66 | 1,190,000 | 1,260,000 | 1,270,000 | 1,290,000 | 1,299,215 | 70,000 | 10,000 | 20,000 | 9,215 | 109,215 |
| 7/1/66-67 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | - | - | - | - | - |
| 7/1/67-68 | 1,356,259 | 1,356,289 | 1,369,647 | 1,369,647 | 1,369,647 | 30 | 13,358 | - | - | 13,388 |
| 7/1/68-69 | 1,407,579 | 1,407,579 | 1,407,579 | 1,408,114 | 1,408,114 | - | - | 535 | - | 535 |
| 7/1/69-70 | 1,630,000 | 1,640,000 | 1,640,000 | 1,650,000 | 1,650,000 | 10,000 | - | 10,000 | - | 20,000 |
| 7/1/70-71 | 2,200,000 | 2,290,000 | 2,370,000 | 2,580,000 | 2,580,000 | 90,000 | 80,000 | 210,000 | - | 380,000 |
| 7/1/71-72 | 1,900,000 | 1,890,000 | 1,890,000 | 1,890,000 | 1,890,000 | (10,000) | - | - | - | (10,000) |
| 7/1/72-73 | 2,020,000 | 2,020,000 | 2,023,241 | 2,048,391 | 2,048,391 | - | 3,241 | 25,150 | - | 28,391 |
| 7/1/73-74 | 5,525,000 | 5,547,000 | 5,595,000 | 5,630,000 | 5,665,000 | 22,000 | 48,000 | 35,000 | 35,000 | 140,000 |
| 7/1/74-75 | 4,980,000 | 5,060,000 | 5,110,000 | 5,150,000 | 5,270,000 | 80,000 | 50,000 | 40,000 | 120,000 | 290,000 |
| 7/1/75-76 | 5,720,000 | 5,730,000 | 5,820,000 | 5,860,000 | 5,870,000 | 10,000 | 90,000 | 40,000 | 10,000 | 150,000 |
| 7/1/76-77 | 10,750,000 | 11,200,000 | 11,590,000 | 11,810,000 | 12,020,000 | 450,000 | 390,000 | 220,000 | 210,000 | 1,270,000 |
| 7/1/77-78 | 8,420,000 | 8,420,000 | 8,550,000 | 8,610,000 | 8,660,000 | - | 130,000 | 60,000 | 50,000 | 240,000 |
| 7/1/78-79 | 10,540,000 | 10,640,000 | 10,770,000 | 10,850,000 | 10,960,000 | 100,000 | 130,000 | 80,000 | 110,000 | 420,000 |
| 7/1/79-80 | 14,490,000 | 14,490,000 | 14,650,000 | 14,830,000 | 14,990,000 | - | 160,000 | 180,000 | 160,000 | 500,000 |
| 7/1/80-81 | 18,220,000 | 18,390,000 | 18,390,000 | 18,460,000 | 18,640,000 | 170,000 | - | 70,000 | 180,000 | 420,000 |
| 7/1/81-82 | 19,010,000 | 19,180,000 | 19,450,000 | 19,840,000 | 20,050,000 | 170,000 | 270,000 | 390,000 | 210,000 | 1,040,000 |
| 7/1/82-83 | 24,400,000 | 24,510,000 | 24,730,000 | 25,010,000 | 25,080,000 | 110,000 | 220,000 | 280,000 | 70,000 | 680,000 |
| 7/1/83-84 | 31,150,000 | 31,810,000 | 31,970,000 | 32,520,000 | 33,130,000 | 660,000 | 160,000 | 550,000 | 610,000 | 1,980,000 |
| 7/1/84-85 | 33,740,000 | 33,860,000 | 33,810,000 | 33,740,000 | 33,890,000 | 120,000 | (50,000) | (70,000) | 150,000 | 150,000 |
| 7/1/85-86 | 39,640,000 | 40,500,000 | 40,560,000 | 40,580,000 | 40,880,000 | 860,000 | 60,000 | 20,000 | 300,000 | 1,240,000 |
| 7/1/86-87 | 43,550,000 | 44,300,000 | 44,320,000 | 44,460,000 | 44,920,000 | 750,000 | 20,000 | 140,000 | 460,000 | 1,370,000 |
| 7/1/87-88 | 48,280,000 | 48,530,000 | 48,740,000 | 48,780,000 | 48,820,000 | 250,000 | 210,000 | 40,000 | 40,000 | 540,000 |
| 7/1/88-89 | 43,500,000 | 43,680,000 | 43,920,000 | 44,110,000 | 44,190,000 | 180,000 | 240,000 | 190,000 | 80,000 | 690,000 |
| 7/1/89-90 | 54,380,000 | 55,030,000 | 55,800,000 | 56,320,000 | 57,130,000 | 650,000 | 770,000 | 520,000 | 810,000 | 2,750,000 |
| Total | 430,177,050 | 434,920,786 | 437,925,385 | 440,976,070 | 444,591,719 | 4,743,736 | 3,004,599 | 3,050,685 | 3,615,649 | 14,414,669 |

(2) - (6) TW Year end Reserve Reports

MONTANA STATE FUND
CHANGE IN SELECTED ULTIMATES
TOWERS WATSON ESTIMATES

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

| Accident Year (1) | Towers Watson Selected Central Ultimates | | | | | Change in Period | | | | |
|-------------------------|--|-------------|-------------|-------------|-------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 6/30/2008 | 6/30/2009 | 6/30/2010 | 6/30/2011 | 6/30/2012 | 6/30/2008 - 6/30/2009 | 6/30/2009 - 6/30/2010 | 6/30/2010 - 6/30/2011 | 6/30/2011 - 6/30/2012 | 6/30/2008 - 6/30/2012 |
| | (2) | (3) | (4) | (5) | (6) | (7)=(3)-(2) | (8)=(4)-(3) | (9)=(5)-(4) | (10)=(6)-(5) | (11)=(6)-(2) |
| 7/1/64-65 | 2,284,015 | 2,284,015 | 2,284,015 | 2,284,015 | 2,284,015 | - | - | - | - | - |
| 7/1/65-66 | 3,150,234 | 3,150,234 | 3,150,234 | 3,150,234 | 3,150,234 | - | - | - | - | - |
| 7/1/66-67 | 3,087,045 | 3,087,045 | 3,087,045 | 3,087,045 | 3,087,045 | - | - | - | - | - |
| 7/1/67-68 | 3,584,928 | 3,584,928 | 3,584,928 | 3,584,928 | 3,584,928 | - | - | - | - | - |
| 7/1/68-69 | 3,860,215 | 3,860,215 | 3,860,215 | 3,860,215 | 3,860,215 | - | - | - | - | - |
| 7/1/69-70 | 4,252,278 | 4,252,278 | 4,252,278 | 4,252,278 | 4,252,278 | - | - | - | - | - |
| 7/1/70-71 | 4,372,500 | 4,372,500 | 4,372,500 | 4,372,500 | 4,372,500 | - | - | - | - | - |
| 7/1/71-72 | 4,666,500 | 4,676,500 | 4,676,500 | 4,676,500 | 4,679,000 | 10,000 | - | - | 2,500 | 12,500 |
| 7/1/72-73 | 4,697,987 | 4,697,987 | 4,697,987 | 4,697,987 | 4,697,987 | - | - | - | - | - |
| 7/1/73-74 | 8,480,000 | 8,505,000 | 8,535,000 | 8,555,000 | 8,575,000 | 25,000 | 30,000 | 20,000 | 20,000 | 95,000 |
| 7/1/74-75 | 9,665,000 | 9,695,000 | 9,725,000 | 9,755,000 | 9,780,000 | 30,000 | 30,000 | 30,000 | 25,000 | 115,000 |
| 7/1/75-76 | 9,220,000 | 9,235,000 | 9,245,000 | 9,245,000 | 9,250,000 | 15,000 | 10,000 | - | 5,000 | 30,000 |
| 7/1/76-77 | 12,590,000 | 12,635,000 | 12,650,000 | 12,700,000 | 12,770,000 | 45,000 | 15,000 | 50,000 | 70,000 | 180,000 |
| 7/1/77-78 | 18,130,000 | 18,165,000 | 18,185,000 | 18,205,000 | 18,225,000 | 35,000 | 20,000 | 20,000 | 20,000 | 95,000 |
| 7/1/78-79 | 21,145,000 | 21,190,000 | 21,230,000 | 21,230,000 | 21,200,000 | 45,000 | 40,000 | - | (30,000) | 55,000 |
| 7/1/79-80 | 30,245,000 | 30,295,000 | 30,295,000 | 30,290,000 | 30,335,000 | 50,000 | - | (5,000) | 45,000 | 90,000 |
| 7/1/80-81 | 34,695,000 | 34,790,000 | 34,880,000 | 34,925,000 | 34,950,000 | 95,000 | 90,000 | 45,000 | 25,000 | 255,000 |
| 7/1/81-82 | 43,380,000 | 43,445,000 | 43,580,000 | 43,570,000 | 43,705,000 | 65,000 | 135,000 | (10,000) | 135,000 | 325,000 |
| 7/1/82-83 | 50,780,000 | 50,800,000 | 50,850,000 | 50,915,000 | 50,950,000 | 20,000 | 50,000 | 65,000 | 35,000 | 170,000 |
| 7/1/83-84 | 71,230,000 | 71,190,000 | 71,075,000 | 71,045,000 | 71,115,000 | (40,000) | (115,000) | (30,000) | 70,000 | (115,000) |
| 7/1/84-85 | 79,215,000 | 79,215,000 | 79,065,000 | 78,935,000 | 78,860,000 | - | (150,000) | (130,000) | (75,000) | (355,000) |
| 7/1/85-86 | 84,860,000 | 84,605,000 | 84,415,000 | 84,450,000 | 84,400,000 | (255,000) | (190,000) | 35,000 | (50,000) | (460,000) |
| 7/1/86-87 | 87,195,000 | 87,070,000 | 86,880,000 | 86,765,000 | 86,715,000 | (125,000) | (190,000) | (115,000) | (50,000) | (480,000) |
| 7/1/87-88 | 62,990,000 | 62,825,000 | 62,620,000 | 62,620,000 | 62,605,000 | (165,000) | (205,000) | - | (15,000) | (385,000) |
| 7/1/88-89 | 61,540,000 | 61,360,000 | 61,170,000 | 61,100,000 | 61,080,000 | (180,000) | (190,000) | (70,000) | (20,000) | (460,000) |
| 7/1/89-90 | 66,540,000 | 66,360,000 | 66,335,000 | 66,410,000 | 66,305,000 | (180,000) | (25,000) | 75,000 | (105,000) | (235,000) |
| Total | 785,855,702 | 785,345,702 | 784,700,702 | 784,680,702 | 784,788,202 | (510,000) | (645,000) | (20,000) | 107,500 | (1,067,500) |

(2) - (6) TW Year end Reserve Reports

MONTANA STATE FUND
FINANCIAL RISK ANALYSTS
OUTSTANDING LOSSES AT CENTRAL ESTIMATE

NEW FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident <u>Year</u> (1) | <u>Paid</u> <u>Losses</u> (2) | <u>Case</u> <u>Incurred</u> <u>Losses</u> (3) | FRA Selected Ultimate Losses <u>Central Est</u> (4) | Total Indicated Undiscounted Outstanding <u>Central Est</u> (5)=(4)-(2) | <u>Case</u> <u>Outstanding</u> <u>Losses</u> (6)=(3)-(2) | Undiscounted Indicated IBNR (7)=(5)-(6) | <u>Discount</u> <u>Factor</u> (8) | Total Indicated Undiscounted Outstanding <u>Central Est</u> (9)=(5) x (8) |
|--------------------------------|-------------------------------------|--|--|--|---|--|---|--|
| 7/1/90-91 | 49,216,329 | 65,664,855 | 60,437,652 | 11,221,323 | 16,448,526 | (5,227,203) | 0.811 | 9,101,615 |
| 7/1/91-92 | 46,536,111 | 60,176,404 | 59,033,052 | 12,496,941 | 13,640,293 | (1,143,352) | 0.807 | 10,090,030 |
| 7/1/92-93 | 48,390,014 | 70,596,197 | 61,745,658 | 13,355,644 | 22,206,183 | (8,850,539) | 0.804 | 10,732,596 |
| 7/1/93-94 | 44,500,024 | 60,631,821 | 57,983,531 | 13,483,507 | 16,131,797 | (2,648,290) | 0.800 | 10,782,761 |
| 7/1/94-95 | 38,797,000 | 49,542,089 | 51,522,416 | 12,725,416 | 10,745,089 | 1,980,327 | 0.793 | 10,086,165 |
| 7/1/95-96 | 34,677,930 | 44,372,273 | 46,919,239 | 12,241,309 | 9,694,343 | 2,546,966 | 0.786 | 9,619,221 |
| 7/1/96-97 | 31,899,033 | 41,633,657 | 43,861,170 | 11,962,137 | 9,734,624 | 2,227,513 | 0.777 | 9,290,992 |
| 7/1/97-98 | 32,093,259 | 48,621,817 | 44,962,656 | 12,869,397 | 16,528,558 | (3,659,161) | 0.770 | 9,905,575 |
| 7/1/98-99 | 36,410,731 | 56,739,163 | 54,727,607 | 18,316,876 | 20,328,432 | (2,011,557) | 0.757 | 13,871,370 |
| 7/1/99-00 | 34,349,153 | 48,568,364 | 51,764,174 | 17,415,021 | 14,219,211 | 3,195,810 | 0.757 | 13,176,205 |
| 7/1/00-01 | 43,145,932 | 61,770,232 | 64,589,460 | 21,443,528 | 18,624,300 | 2,819,228 | 0.750 | 16,086,935 |
| 7/1/01-02 | 42,738,508 | 63,554,546 | 65,518,133 | 22,779,625 | 20,816,038 | 1,963,587 | 0.738 | 16,809,085 |
| 7/1/02-03 | 52,162,512 | 78,009,648 | 84,250,420 | 32,087,908 | 25,847,136 | 6,240,772 | 0.733 | 23,504,393 |
| 7/1/03-04 | 50,448,065 | 71,037,478 | 82,835,723 | 32,387,658 | 20,589,413 | 11,798,245 | 0.731 | 23,659,184 |
| 7/1/04-05 | 54,656,606 | 80,357,894 | 93,244,170 | 38,587,564 | 25,701,288 | 12,886,276 | 0.723 | 27,906,526 |
| 7/1/05-06 | 60,618,368 | 86,625,907 | 106,506,473 | 45,888,105 | 26,007,539 | 19,880,566 | 0.716 | 32,846,706 |
| 7/1/06-07 | 60,304,559 | 89,175,820 | 110,719,170 | 50,414,611 | 28,871,261 | 21,543,350 | 0.714 | 35,985,949 |
| 7/1/07-08 | 59,541,387 | 93,803,706 | 114,592,044 | 55,050,657 | 34,262,319 | 20,788,338 | 0.709 | 39,041,926 |
| 7/1/08-09 | 47,107,558 | 74,076,728 | 97,465,538 | 50,357,980 | 26,969,170 | 23,388,810 | 0.713 | 35,885,097 |
| 7/1/09-10 | 40,885,275 | 63,470,004 | 92,646,033 | 51,760,758 | 22,584,729 | 29,176,029 | 0.713 | 36,915,773 |
| 7/1/10-11 | 36,588,251 | 62,521,970 | 99,038,731 | 62,450,480 | 25,933,719 | 36,516,761 | 0.728 | 45,445,214 |
| 7/1/11-12 | 17,903,182 | 46,192,007 | 86,902,045 | 68,998,863 | 28,288,825 | 40,710,038 | 0.762 | 52,597,833 |
| Total | 962,969,787 | 1,417,142,580 | 1,631,265,094 | 668,295,307 | 454,172,793 | 214,122,514 | | 493,341,151 |

(2), (3) Exhibit 6.1

(4) Exhibit 10.2

(8) Appendix 2.1

MONTANA STATE FUND
 FINANCIAL RISK ANALYSTS ESTIMATES & SELECTIONS
 SUMMARY OF METHODS

NEW FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Financial Risk Analysts Paid Loss Development | | | Financial Risk Analysts Incurred Loss Development | | TW Average of Certain Methods (8) | CACI Average of Methods (9) | Financial Risk Analysts Selected Ultimate Losses | | |
|-------------------------|-----------------------------------|--|------------------|-------------------|--|-------------------|---|---|---|---------------------|--------------------|
| | | Low Range (3) | Mid Range (4) | High Range (5) | Low Range (6) | High Range (7) | | | Low Range (10) | Central Est (11) | High Range (12) |
| 7/1/90-91 | 65,664,855 | 60,437,652 | 63,439,848 | 66,638,909 | 65,467,860 | 71,706,022 | 57,178,073 | 58,426,377 | 59,228,899 | 60,437,652 | 61,646,405 |
| 7/1/91-92 | 60,176,404 | 58,170,139 | 61,101,914 | 64,312,905 | 59,033,052 | 65,411,751 | 56,436,492 | 56,291,906 | 58,170,139 | 59,033,052 | 60,213,713 |
| 7/1/92-93 | 70,596,197 | 61,745,658 | 64,939,399 | 68,471,870 | 69,960,831 | 77,726,413 | 60,693,393 | 59,686,670 | 60,510,745 | 61,745,658 | 62,980,571 |
| 7/1/93-94 | 60,631,821 | 57,983,531 | 61,054,033 | 64,436,035 | 59,782,976 | 66,755,635 | 56,959,591 | 56,024,284 | 56,024,284 | 57,983,531 | 59,143,202 |
| 7/1/94-95 | 49,542,089 | 51,522,416 | 54,470,988 | 57,652,342 | 49,789,799 | 55,933,018 | 50,165,195 | 50,244,808 | 49,542,089 | 51,522,416 | 52,552,864 |
| 7/1/95-96 | 44,372,273 | 46,919,239 | 49,658,796 | 52,675,776 | 44,815,996 | 50,495,647 | 45,240,773 | 45,641,706 | 44,815,996 | 46,919,239 | 49,658,796 |
| 7/1/96-97 | 41,633,657 | 43,861,170 | 46,508,790 | 49,411,602 | 42,341,429 | 47,961,973 | 42,372,095 | 42,597,375 | 42,341,429 | 43,861,170 | 44,738,393 |
| 7/1/97-98 | 48,621,817 | 44,962,656 | 47,722,676 | 50,803,629 | 49,205,279 | 56,012,333 | 45,657,737 | 43,798,527 | 44,063,403 | 44,962,656 | 45,861,909 |
| 7/1/98-99 | 56,739,163 | 51,921,702 | 55,235,079 | 58,839,741 | 57,533,511 | 65,703,951 | 52,436,084 | 50,682,944 | 51,921,702 | 54,727,607 | 55,235,079 |
| 7/1/99-00 | 48,568,364 | 50,115,414 | 53,412,933 | 57,053,943 | 50,122,552 | 57,407,806 | 50,098,942 | 49,041,167 | 50,115,414 | 51,764,174 | 53,412,933 |
| 7/1/00-01 | 61,770,232 | 64,589,460 | 68,990,345 | 73,822,690 | 64,488,122 | 74,062,508 | 62,924,283 | 63,208,661 | 64,488,122 | 64,589,460 | 65,881,249 |
| 7/1/01-02 | 63,554,546 | 65,518,133 | 70,048,415 | 75,006,082 | 66,859,382 | 77,282,328 | 64,925,818 | 64,090,864 | 63,554,546 | 65,518,133 | 70,048,415 |
| 7/1/02-03 | 78,009,648 | 82,938,394 | 88,937,083 | 95,666,047 | 84,250,420 | 97,902,108 | 81,723,449 | 80,734,232 | 82,938,394 | 84,250,420 | 85,937,739 |
| 7/1/03-04 | 71,037,478 | 82,835,723 | 88,939,939 | 95,750,427 | 77,501,888 | 90,430,709 | 81,508,429 | 80,836,213 | 80,168,806 | 82,835,723 | 85,887,831 |
| 7/1/04-05 | 80,357,894 | 93,244,170 | 100,240,215 | 108,110,767 | 89,197,262 | 104,224,189 | 91,309,506 | 91,027,577 | 91,220,716 | 93,244,170 | 96,742,193 |
| 7/1/05-06 | 86,625,907 | 106,506,473 | 115,053,662 | 124,570,746 | 97,367,519 | 114,606,075 | 103,571,531 | 104,217,569 | 101,936,996 | 106,506,473 | 114,606,075 |
| 7/1/06-07 | 89,175,820 | 110,719,170 | 119,945,768 | 130,257,847 | 103,443,951 | 122,705,928 | 108,656,535 | 108,827,753 | 107,081,561 | 110,719,170 | 114,040,745 |
| 7/1/07-08 | 93,803,706 | 115,212,584 | 124,917,830 | 135,932,987 | 113,971,503 | 136,015,374 | 112,537,199 | 112,894,739 | 113,971,503 | 114,592,044 | 115,212,584 |
| 7/1/08-09 | 74,076,728 | 97,465,538 | 105,756,468 | 115,272,194 | 97,188,667 | 116,448,616 | 95,644,045 | 96,062,820 | 97,327,103 | 97,465,538 | 100,876,832 |
| 7/1/09-10 | 63,470,004 | 92,646,033 | 100,618,662 | 109,736,078 | 90,190,876 | 108,724,117 | 89,403,485 | 90,796,634 | 90,190,876 | 92,646,033 | 96,632,348 |
| 7/1/10-11 | 62,521,970 | 97,910,160 | 106,435,222 | 116,387,226 | 97,471,751 | 118,354,089 | 96,211,209 | 97,050,898 | 97,471,751 | 99,038,731 | 100,605,711 |
| 7/1/11-12 | 46,192,007 | 86,902,045 | 95,406,057 | 106,219,579 | 88,503,885 | 108,689,792 | 76,668,703 | 85,868,672 | 83,860,473 | 86,902,045 | 89,943,617 |
| Total | 1,417,142,580 | 1,624,127,460 | 1,742,834,122 | 1,877,029,422 | 1,618,488,511 | 1,884,560,382 | 1,582,322,567 | 1,588,052,396 | 1,590,944,946 | 1,631,265,094 | 1,681,859,202 |

(2) Exhibit 6.1
 (3) - (5) Exhibit 11.2
 (6) - (8) Exhibit 11.1
 (9) Exhibit 2.2
 (10) Exhibit 2.3

MONTANA STATE FUND
FINANCIAL RISK ANALYSTS
OUTSTANDING LOSSES AT CENTRAL ESTIMATE

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Incurred Losses (3) | FRA Selected Ultimate Losses Central Est (4) | Total Indicated Outstanding Central Est (5)=(4)-(2) | Case Outstanding Losses (6)=(3)-(2) | Indicated IBNR (7)=(5)-(6) | Discount Factor (8) | Total Indicated Undiscounted Outstanding Central Est (9)=(5) x (8) |
|-------------------------|-----------------------|-----------------------------------|---|---|--|----------------------------------|---------------------------|---|
| Prior | 496,892 | 570,892 | 970,892 | 474,000 | 74,000 | 400,000 | 1.000 | 474,000 |
| 7/1/64-65 | 950,283 | 950,283 | 950,283 | - | - | - | 1.000 | - |
| 7/1/65-66 | 1,262,536 | 1,308,136 | 1,262,536 | - | 45,600 | (45,600) | 1.000 | - |
| 7/1/66-67 | 1,231,069 | 1,231,069 | 1,231,069 | - | - | - | 0.985 | - |
| 7/1/67-68 | 1,369,647 | 1,369,647 | 1,369,647 | - | - | - | 0.971 | - |
| 7/1/68-69 | 1,408,114 | 1,408,114 | 1,408,114 | - | - | - | 0.957 | - |
| 7/1/69-70 | 1,622,875 | 1,652,875 | 1,626,121 | 3,246 | 30,000 | (26,754) | 0.943 | 3,061 |
| 7/1/70-71 | 2,492,281 | 2,611,990 | 2,502,250 | 9,969 | 119,709 | (109,740) | 0.930 | 9,267 |
| 7/1/71-72 | 1,887,828 | 1,887,828 | 1,876,501 | (11,327) | - | (11,327) | 0.916 | (10,379) |
| 7/1/72-73 | 2,023,391 | 2,053,356 | 2,039,578 | 16,187 | 29,965 | (13,778) | 0.976 | 15,797 |
| 7/1/73-74 | 5,587,133 | 6,870,748 | 5,654,179 | 67,046 | 1,283,615 | (1,216,569) | 0.952 | 63,821 |
| 7/1/74-75 | 5,188,805 | 6,365,495 | 5,271,826 | 83,021 | 1,176,690 | (1,093,669) | 0.931 | 77,251 |
| 7/1/75-76 | 5,769,242 | 6,288,944 | 5,890,396 | 121,154 | 519,702 | (398,548) | 0.912 | 110,492 |
| 7/1/76-77 | 11,784,687 | 14,791,886 | 12,385,706 | 601,019 | 3,007,199 | (2,406,180) | 0.918 | 551,856 |
| 7/1/77-78 | 8,457,692 | 9,521,986 | 8,762,169 | 304,477 | 1,064,294 | (759,817) | 0.921 | 280,454 |
| 7/1/78-79 | 10,515,163 | 12,565,105 | 11,030,406 | 515,243 | 2,049,942 | (1,534,699) | 0.931 | 479,640 |
| 7/1/79-80 | 14,137,976 | 17,113,190 | 15,042,806 | 904,830 | 2,975,214 | (2,070,384) | 0.912 | 825,386 |
| 7/1/80-81 | 17,746,453 | 20,928,392 | 19,166,169 | 1,419,716 | 3,181,939 | (1,762,223) | 0.895 | 1,270,930 |
| 7/1/81-82 | 19,336,303 | 23,130,732 | 21,173,252 | 1,836,949 | 3,794,429 | (1,957,480) | 0.879 | 1,615,229 |
| 7/1/82-83 | 23,754,068 | 31,474,464 | 28,212,564 | 4,458,496 | 7,720,396 | (3,261,900) | 0.886 | 3,948,890 |
| 7/1/83-84 | 31,052,196 | 41,484,947 | 35,088,981 | 4,036,785 | 10,432,751 | (6,395,966) | 0.880 | 3,551,160 |
| 7/1/84-85 | 31,573,655 | 38,284,863 | 36,206,165 | 4,632,510 | 6,711,208 | (2,078,699) | 0.868 | 4,020,555 |
| 7/1/85-86 | 37,565,708 | 47,063,587 | 44,373,458 | 6,807,750 | 9,497,879 | (2,690,130) | 0.863 | 5,874,407 |
| 7/1/86-87 | 40,584,947 | 55,576,793 | 50,933,863 | 10,348,916 | 14,991,846 | (4,642,931) | 0.858 | 8,880,404 |
| 7/1/87-88 | 43,338,970 | 58,844,655 | 55,227,314 | 11,888,344 | 15,505,685 | (3,617,342) | 0.852 | 10,122,924 |
| 7/1/88-89 | 38,690,120 | 48,267,196 | 47,687,068 | 8,996,948 | 9,577,076 | (580,129) | 0.843 | 7,584,427 |
| 7/1/89-90 | 49,450,421 | 66,526,432 | 62,505,332 | 13,054,911 | 17,076,011 | (4,021,100) | 0.832 | 10,865,602 |
| Total | 409,278,455 | 520,143,605 | 479,848,643 | 70,570,188 | 110,865,150 | (40,294,963) | | 60,615,174 |

(2), (3) Exhibit 6.3

(4) Exhibit 10.4

(8) Appendix 2.1

MONTANA STATE FUND
 FINANCIAL RISK ANALYSTS ESTIMATES & SELECTIONS
 SUMMARY OF METHODS

OLD FUND
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Financial Risk Analysts Paid Loss Development | | | Financial Risk Analysts Incurred Loss Development | | TW Average of Certain Methods (8) | CACI Average of Methods (9) | Financial Risk Analysts Selected Ultimate Losses | | |
|-------------------------|-----------------------------------|--|------------------|-------------------|--|-------------------|---|---|---|-------------|-------------|
| | | Low Range (3) | Mid Range (4) | High Range (5) | Low Range (6) | High Range (7) | Low Range (10) | Central Est (11) | High Range (12) | | |
| Prior | 570,892 | 496,892 | 496,892 | 496,892 | 570,892 | 570,892 | 970,892 | N/A | 970,892 | 970,892 | 970,892 |
| 7/1/64-65 | 950,283 | 950,283 | 950,283 | 950,283 | 950,283 | 950,283 | 961,602 | 950,283 | 950,283 | 950,283 | 950,283 |
| 7/1/65-66 | 1,308,136 | 1,262,536 | 1,262,536 | 1,262,536 | 1,308,136 | 1,308,136 | 1,286,125 | 1,262,536 | 1,262,536 | 1,262,536 | 1,308,136 |
| 7/1/66-67 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 | 1,246,089 | 1,231,069 | 1,231,069 | 1,231,069 | 1,231,069 |
| 7/1/67-68 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 | 1,386,589 | 1,369,647 | 1,369,647 | 1,369,647 | 1,369,647 |
| 7/1/68-69 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 | 1,425,834 | 1,408,114 | 1,408,114 | 1,408,114 | 1,408,114 |
| 7/1/69-70 | 1,652,875 | 1,622,875 | 1,626,121 | 1,627,744 | 1,652,875 | 1,652,875 | 1,650,731 | 1,622,875 | 1,622,875 | 1,626,121 | 1,652,875 |
| 7/1/70-71 | 2,611,990 | 2,492,281 | 2,502,250 | 2,507,235 | 2,611,990 | 2,611,990 | 2,555,656 | 2,492,281 | 2,492,281 | 2,502,250 | 2,507,235 |
| 7/1/71-72 | 1,887,828 | 1,887,828 | 1,897,267 | 1,902,931 | 1,853,847 | 1,876,501 | 1,913,829 | 1,887,828 | 1,853,847 | 1,876,501 | 1,902,931 |
| 7/1/72-73 | 2,053,356 | 2,023,391 | 2,039,578 | 2,061,835 | 2,020,502 | 2,045,143 | 2,058,440 | 2,023,391 | 2,020,502 | 2,039,578 | 2,045,143 |
| 7/1/73-74 | 6,870,748 | 5,587,133 | 5,654,179 | 5,737,986 | 6,774,558 | 6,870,748 | 5,947,825 | 5,587,133 | 5,587,133 | 5,654,179 | 5,737,986 |
| 7/1/74-75 | 6,365,495 | 5,199,183 | 5,271,826 | 5,370,413 | 6,155,434 | 6,365,495 | 5,517,732 | 5,188,805 | 5,199,183 | 5,271,826 | 5,370,413 |
| 7/1/75-76 | 6,288,944 | 5,798,088 | 5,890,396 | 6,017,319 | 6,093,987 | 6,320,389 | 5,960,187 | 5,769,242 | 5,798,088 | 5,890,396 | 6,017,319 |
| 7/1/76-77 | 14,791,886 | 11,890,749 | 12,102,874 | 12,385,706 | 14,362,921 | 14,939,805 | 12,561,823 | 11,856,608 | 11,890,749 | 12,385,706 | 12,950,500 |
| 7/1/77-78 | 9,521,986 | 8,593,015 | 8,762,169 | 8,998,984 | 9,217,282 | 9,617,206 | 8,821,886 | 8,577,641 | 8,593,015 | 8,762,169 | 8,998,984 |
| 7/1/78-79 | 12,565,105 | 10,799,072 | 11,030,406 | 11,356,376 | 12,100,196 | 12,627,931 | 11,127,222 | 10,757,598 | 10,799,072 | 11,030,406 | 11,356,376 |
| 7/1/79-80 | 17,113,190 | 14,675,219 | 15,042,806 | 15,509,360 | 16,343,096 | 17,113,190 | 15,046,047 | 14,594,007 | 14,675,219 | 15,042,806 | 15,509,360 |
| 7/1/80-81 | 20,928,392 | 18,598,283 | 19,166,169 | 19,787,295 | 19,986,614 | 21,053,962 | 18,835,296 | 18,495,412 | 18,598,283 | 19,166,169 | 19,787,295 |
| 7/1/81-82 | 23,130,732 | 20,515,817 | 21,173,252 | 21,927,368 | 22,089,849 | 23,385,170 | 20,624,676 | 20,341,776 | 20,515,817 | 21,173,252 | 22,089,849 |
| 7/1/82-83 | 31,474,464 | 25,464,361 | 26,367,015 | 27,388,440 | 30,058,113 | 31,915,106 | 26,017,933 | 25,274,927 | 25,464,361 | 28,212,564 | 30,058,113 |
| 7/1/83-84 | 41,484,947 | 33,784,789 | 35,088,981 | 36,517,382 | 38,995,850 | 41,858,312 | 34,323,785 | 33,412,586 | 33,784,789 | 35,088,981 | 37,042,416 |
| 7/1/84-85 | 38,284,863 | 34,888,889 | 36,309,703 | 37,888,386 | 36,102,626 | 38,935,706 | 34,427,572 | 34,331,089 | 34,888,889 | 36,206,165 | 38,412,046 |
| 7/1/85-86 | 47,063,587 | 42,186,290 | 43,989,444 | 45,980,427 | 44,757,471 | 48,475,495 | 41,621,601 | 41,381,076 | 42,186,290 | 44,373,458 | 45,980,427 |
| 7/1/86-87 | 55,576,793 | 46,429,179 | 48,458,427 | 50,771,769 | 53,409,298 | 57,911,018 | 46,369,618 | 45,339,729 | 46,429,179 | 50,933,863 | 54,341,394 |
| 7/1/87-88 | 58,844,655 | 50,489,900 | 52,786,865 | 55,343,865 | 57,667,762 | 62,728,402 | 50,042,054 | 49,094,000 | 50,489,900 | 55,227,314 | 59,036,134 |
| 7/1/88-89 | 48,267,196 | 45,847,792 | 47,975,749 | 50,297,156 | 47,398,386 | 51,597,633 | 44,446,587 | 44,485,132 | 45,847,792 | 47,687,068 | 50,297,156 |
| 7/1/89-90 | 66,526,432 | 59,587,757 | 62,505,332 | 65,571,258 | 65,661,588 | 71,582,441 | 58,412,625 | 57,761,392 | 59,587,757 | 62,505,332 | 65,661,588 |
| Total | 520,143,605 | 455,080,432 | 472,359,350 | 491,667,776 | 502,152,386 | 538,322,659 | 455,560,256 | 446,496,177 | 455,517,562 | 479,848,643 | 503,993,680 |

(2) Exhibit 6.3
 (3) - (5) Exhibit 11.4
 (6) - (7) Exhibit 11.3
 (9) Exhibit 4.2
 (10) Exhibit 4.3

MONTANA STATE FUND
 FINANCIAL RISK ANALYSTS
 OUTSTANDING LOSSES AT CENTRAL ESTIMATE

NEW FUND
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Incurred Losses (3) | FRA/TW Selected Ultimate Losses Central Est (4) | Total Indicated Undiscounted Outstanding Central Est (5)=(4)-(2) | Case Outstanding Losses (6)=(3)-(2) | Undiscounted Indicated IBNR (7)=(5)-(6) | Discount Factor (8) | Total Indicated Undiscounted Outstanding Central Est (9)=(5) x (8) |
|-------------------------|-----------------------|-----------------------------------|--|---|--|--|---------------------------|---|
| 7/1/90-91 | 64,942,374 | 65,938,583 | 67,135,000 | 2,192,626 | 996,209 | 1,196,417 | 0.813 | 1,782,166 |
| 7/1/91-92 | 64,523,477 | 66,939,573 | 67,305,000 | 2,781,523 | 2,416,096 | 365,427 | 0.807 | 2,243,855 |
| 7/1/92-93 | 58,652,881 | 61,663,337 | 61,645,000 | 2,992,119 | 3,010,456 | (18,337) | 0.803 | 2,402,073 |
| 7/1/93-94 | 52,959,268 | 54,149,117 | 55,350,000 | 2,390,732 | 1,189,849 | 1,200,883 | 0.787 | 1,880,311 |
| 7/1/94-95 | 44,869,235 | 46,138,304 | 47,205,000 | 2,335,765 | 1,269,069 | 1,066,696 | 0.782 | 1,827,035 |
| 7/1/95-96 | 34,190,591 | 37,030,350 | 36,615,000 | 2,424,409 | 2,839,759 | (415,350) | 0.789 | 1,912,616 |
| 7/1/96-97 | 27,248,595 | 29,434,535 | 29,260,000 | 2,011,405 | 2,185,940 | (174,535) | 0.786 | 1,580,763 |
| 7/1/97-98 | 28,061,758 | 29,623,048 | 30,100,000 | 2,038,242 | 1,561,290 | 476,952 | 0.776 | 1,582,287 |
| 7/1/98-99 | 30,603,162 | 33,014,316 | 33,305,000 | 2,701,838 | 2,411,154 | 290,684 | 0.779 | 2,103,921 |
| 7/1/99-00 | 29,549,612 | 32,049,651 | 32,515,000 | 2,965,388 | 2,500,039 | 465,349 | 0.780 | 2,313,003 |
| 7/1/00-01 | 35,315,333 | 38,014,143 | 39,040,000 | 3,724,667 | 2,698,810 | 1,025,857 | 0.776 | 2,891,087 |
| 7/1/01-02 | 34,969,904 | 37,175,588 | 38,840,000 | 3,870,096 | 2,205,684 | 1,664,412 | 0.772 | 2,988,488 |
| 7/1/02-03 | 41,470,943 | 46,096,749 | 47,285,000 | 5,814,057 | 4,625,806 | 1,188,251 | 0.779 | 4,526,243 |
| 7/1/03-04 | 39,572,264 | 44,578,083 | 46,060,000 | 6,487,736 | 5,005,819 | 1,481,917 | 0.781 | 5,069,517 |
| 7/1/04-05 | 41,172,517 | 46,879,734 | 49,250,000 | 8,077,483 | 5,707,217 | 2,370,266 | 0.787 | 6,360,210 |
| 7/1/05-06 | 46,030,724 | 53,042,682 | 56,835,000 | 10,804,276 | 7,011,958 | 3,792,318 | 0.790 | 8,536,458 |
| 7/1/06-07 | 45,761,704 | 50,356,129 | 58,080,000 | 12,318,296 | 4,594,425 | 7,723,871 | 0.792 | 9,757,322 |
| 7/1/07-08 | 40,577,191 | 49,907,891 | 56,960,000 | 16,382,809 | 9,330,700 | 7,052,109 | 0.810 | 13,263,522 |
| 7/1/08-09 | 33,272,101 | 44,218,680 | 50,230,000 | 16,957,899 | 10,946,579 | 6,011,320 | 0.821 | 13,920,739 |
| 7/1/09-10 | 22,656,682 | 29,819,609 | 40,895,000 | 18,238,318 | 7,162,927 | 11,075,391 | 0.844 | 15,393,140 |
| 7/1/10-11 | 17,662,304 | 28,135,095 | 42,925,000 | 25,262,696 | 10,472,791 | 14,789,905 | 0.865 | 21,849,706 |
| 7/1/11-12 | 5,901,517 | 17,438,693 | 36,925,000 | 31,023,483 | 11,537,176 | 19,486,307 | 0.884 | 27,434,066 |
| Total | 839,964,137 | 941,643,890 | 1,023,760,000 | 183,795,863 | 101,679,753 | 82,116,110 | | 151,618,528 |

(2), (3) Exhibit 6.2

(4) Exhibit 10.6

(8) Appendix 2.2

MONTANA STATE FUND
 FINANCIAL RISK ANALYSTS ESTIMATES & SELECTIONS
 SUMMARY OF METHODS

NEW FUND
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)
 AS OF JUNE 30, 2012

| Accident <u>Year</u> (1) | Case Incurred <u>Losses</u> (2) | TW Average Excluding <u>Low & High</u> (3) | CACI Average of <u>Methods</u> (4) | FRA/Towers Watson Selected Ultimate Losses | | |
|--------------------------------|--|--|--|---|---------------------------|--------------------------|
| | | | | <u>Low Range</u> (5) | <u>Central Est</u> (6) | <u>High Range</u> (7) |
| 7/1/90-91 | 65,938,583 | 67,097,309 | 68,095,699 | 66,927,000 | 67,135,000 | 67,343,000 |
| 7/1/91-92 | 66,939,573 | 66,906,669 | 67,869,950 | 67,041,000 | 67,305,000 | 67,569,000 |
| 7/1/92-93 | 61,663,337 | 61,349,432 | 61,866,102 | 61,361,000 | 61,645,000 | 61,929,000 |
| 7/1/93-94 | 54,149,117 | 55,966,097 | 56,081,924 | 55,123,000 | 55,350,000 | 55,577,000 |
| 7/1/94-95 | 46,138,304 | 47,815,790 | 48,077,014 | 46,983,000 | 47,205,000 | 47,427,000 |
| 7/1/95-96 | 37,030,350 | 36,541,617 | 36,777,985 | 36,385,000 | 36,615,000 | 36,845,000 |
| 7/1/96-97 | 29,434,535 | 29,535,108 | 29,528,842 | 29,069,000 | 29,260,000 | 29,451,000 |
| 7/1/97-98 | 29,623,048 | 30,257,721 | 30,629,920 | 29,906,000 | 30,100,000 | 30,294,000 |
| 7/1/98-99 | 33,014,316 | 33,167,302 | 33,672,081 | 33,048,000 | 33,305,000 | 33,562,000 |
| 7/1/99-00 | 32,049,651 | 32,479,537 | 32,906,590 | 32,233,000 | 32,515,000 | 32,797,000 |
| 7/1/00-01 | 38,014,143 | 38,470,475 | 39,782,248 | 38,686,000 | 39,040,000 | 39,394,000 |
| 7/1/01-02 | 37,175,588 | 38,945,962 | 39,862,478 | 38,472,000 | 38,840,000 | 39,208,000 |
| 7/1/02-03 | 46,096,749 | 47,714,261 | 48,002,738 | 46,733,000 | 47,285,000 | 47,837,000 |
| 7/1/03-04 | 44,578,083 | 45,896,646 | 46,599,091 | 45,444,000 | 46,060,000 | 46,676,000 |
| 7/1/04-05 | 46,879,734 | 48,929,833 | 49,589,101 | 48,483,000 | 49,250,000 | 50,017,000 |
| 7/1/05-06 | 53,042,682 | 56,628,597 | 56,675,208 | 55,809,000 | 56,835,000 | 57,861,000 |
| 7/1/06-07 | 50,356,129 | 57,602,365 | 57,936,540 | 56,910,000 | 58,080,000 | 59,250,000 |
| 7/1/07-08 | 49,907,891 | 56,221,213 | 53,911,768 | 55,404,000 | 56,960,000 | 58,516,000 |
| 7/1/08-09 | 44,218,680 | 49,904,027 | 47,854,914 | 48,619,000 | 50,230,000 | 51,841,000 |
| 7/1/09-10 | 29,819,609 | 40,060,308 | 38,742,794 | 39,162,000 | 40,895,000 | 42,628,000 |
| 7/1/10-11 | 28,135,095 | 42,579,495 | 42,700,945 | 40,525,000 | 42,925,000 | 45,325,000 |
| 7/1/11-12 | 17,438,693 | 37,357,024 | 39,226,422 | 33,978,000 | 36,925,000 | 39,872,000 |
| Total | 941,643,890 | 1,021,426,788 | 1,026,390,354 | 1,006,301,000 | 1,023,760,000 | 1,041,219,000 |

(2) Exhibit 6.2

(3) Exhibit 3.2

(4) Exhibit 3.3

(5) - (7) 120906 MSF New Fund Unpaid Losses at 06-30-2012, Exhibit 5, Sheet 3b.1

MONTANA STATE FUND
FINANCIAL RISK ANALYSTS
OUTSTANDING LOSSES AT CENTRAL ESTIMATE

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Case Incurred Losses (3) | FRA/TW Selected Ultimate Losses Central Est (4) | Total Indicated Outstanding Central Est (5)=(4)-(2) | Case Outstanding Losses (6)=(3)-(2) | Indicated IBNR (7)=(5)-(6) | Discount Factor (8) | Total Indicated Undiscounted Outstanding Central Est (9)=(5) x (8) |
|-------------------------|-----------------------|-----------------------------------|--|---|--|----------------------------------|---------------------------|---|
| Prior | 96,670 | 96,670 | 111,670 | 15,000 | - | 15,000 | 1.000 | 15,000 |
| 7/1/64-65 | 2,284,015 | 2,284,015 | 2,284,015 | - | - | - | 1.000 | - |
| 7/1/65-66 | 3,150,234 | 3,150,234 | 3,150,234 | - | - | - | 1.000 | - |
| 7/1/66-67 | 3,087,045 | 3,087,045 | 3,087,045 | - | - | - | 1.000 | - |
| 7/1/67-68 | 3,584,928 | 3,584,928 | 3,584,928 | - | - | - | 1.000 | - |
| 7/1/68-69 | 3,860,215 | 3,860,215 | 3,860,215 | - | - | - | 1.000 | - |
| 7/1/69-70 | 4,252,278 | 4,252,278 | 4,252,278 | - | - | - | 0.966 | - |
| 7/1/70-71 | 4,372,500 | 4,372,500 | 4,372,500 | - | - | - | 0.977 | - |
| 7/1/71-72 | 4,627,546 | 4,667,416 | 4,679,000 | 51,454 | 39,870 | 11,584 | 0.985 | 50,698 |
| 7/1/72-73 | 4,697,987 | 4,697,987 | 4,697,987 | - | - | - | 0.971 | - |
| 7/1/73-74 | 8,555,563 | 8,871,307 | 8,575,000 | 19,437 | 315,744 | (296,307) | 0.975 | 18,955 |
| 7/1/74-75 | 9,754,027 | 10,219,685 | 9,780,000 | 25,973 | 465,658 | (439,685) | 0.960 | 24,934 |
| 7/1/75-76 | 9,221,340 | 9,276,027 | 9,250,000 | 28,660 | 54,687 | (26,027) | 0.947 | 27,130 |
| 7/1/76-77 | 12,717,874 | 13,458,995 | 12,770,000 | 52,126 | 741,121 | (688,995) | 0.935 | 48,738 |
| 7/1/77-78 | 18,127,972 | 18,509,080 | 18,225,000 | 97,028 | 381,108 | (284,080) | 0.925 | 89,712 |
| 7/1/78-79 | 21,144,291 | 21,632,389 | 21,200,000 | 55,709 | 488,098 | (432,389) | 0.903 | 50,316 |
| 7/1/79-80 | 30,277,385 | 31,629,769 | 30,335,000 | 57,615 | 1,352,384 | (1,294,769) | 0.891 | 51,346 |
| 7/1/80-81 | 34,790,153 | 36,377,036 | 34,950,000 | 159,847 | 1,586,883 | (1,427,036) | 0.889 | 142,040 |
| 7/1/81-82 | 43,377,152 | 45,813,251 | 43,705,000 | 327,848 | 2,436,099 | (2,108,251) | 0.886 | 290,604 |
| 7/1/82-83 | 50,370,682 | 52,885,141 | 50,950,000 | 579,318 | 2,514,459 | (1,935,141) | 0.883 | 511,654 |
| 7/1/83-84 | 70,233,866 | 73,171,638 | 71,115,000 | 881,134 | 2,937,772 | (2,056,638) | 0.874 | 769,935 |
| 7/1/84-85 | 77,411,245 | 79,641,416 | 78,860,000 | 1,448,755 | 2,230,171 | (781,416) | 0.871 | 1,261,286 |
| 7/1/85-86 | 82,636,244 | 85,028,441 | 84,400,000 | 1,763,756 | 2,392,197 | (628,441) | 0.862 | 1,519,652 |
| 7/1/86-87 | 84,511,783 | 86,892,211 | 86,715,000 | 2,203,217 | 2,380,428 | (177,211) | 0.854 | 1,882,208 |
| 7/1/87-88 | 61,198,950 | 62,348,827 | 62,605,000 | 1,406,050 | 1,149,877 | 256,173 | 0.838 | 1,177,989 |
| 7/1/88-89 | 59,733,732 | 60,497,043 | 61,080,000 | 1,346,268 | 763,311 | 582,957 | 0.825 | 1,110,671 |
| 7/1/89-90 | 64,589,011 | 65,371,889 | 66,305,000 | 1,715,989 | 782,878 | 933,111 | 0.817 | 1,402,306 |
| Total | 772,664,688 | 795,677,433 | 784,899,872 | 12,235,184 | 23,012,745 | (10,777,561) | | 10,445,174 |

(2), (3) Exhibit 6.4

(4) Exhibit 10.8

(8) Appendix 2.2

MONTANA STATE FUND
FINANCIAL RISK ANALYSTS ESTIMATES & SELECTIONS
SUMMARY OF METHODS

OLD FUND
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | TW Average of Methods (3) | CACI Average of Methods (4) | FRA/Towers Watson Selected Ultimate Losses | | |
|-------------------------|-----------------------------------|------------------------------------|---|---|--------------------|-------------------|
| | | | | Low Range (5) | Central Est (6) | High Range (7) |
| Prior | 96,670 | na | na | 111,670 | 111,670 | 111,670 |
| 7/1/64-65 | 2,284,015 | 2,289,371 | 2,288,583 | 2,284,015 | 2,284,015 | 2,284,015 |
| 7/1/65-66 | 3,150,234 | 3,157,515 | 3,156,534 | 3,150,234 | 3,150,234 | 3,150,234 |
| 7/1/66-67 | 3,087,045 | 3,094,185 | 3,093,219 | 3,087,045 | 3,087,045 | 3,087,045 |
| 7/1/67-68 | 3,584,928 | 3,593,174 | 3,592,098 | 3,584,928 | 3,584,928 | 3,584,928 |
| 7/1/68-69 | 3,860,215 | 3,869,073 | 3,871,796 | 3,860,215 | 3,860,215 | 3,860,215 |
| 7/1/69-70 | 4,252,278 | 4,262,007 | 4,265,035 | 4,252,278 | 4,252,278 | 4,252,278 |
| 7/1/70-71 | 4,372,500 | 4,382,778 | 4,389,990 | 4,372,500 | 4,372,500 | 4,372,500 |
| 7/1/71-72 | 4,667,416 | 4,658,186 | 4,646,086 | 4,674,000 | 4,679,000 | 4,691,000 |
| 7/1/72-73 | 4,697,987 | 4,708,989 | 4,721,477 | 4,697,987 | 4,697,987 | 4,697,987 |
| 7/1/73-74 | 8,871,307 | 8,732,174 | 8,598,505 | 8,555,563 | 8,575,000 | 8,590,000 |
| 7/1/74-75 | 10,219,685 | 10,008,219 | 9,812,834 | 9,778,000 | 9,780,000 | 9,797,000 |
| 7/1/75-76 | 9,276,027 | 9,274,046 | 9,286,027 | 9,247,000 | 9,250,000 | 9,267,000 |
| 7/1/76-77 | 13,458,995 | 13,124,799 | 12,820,239 | 12,765,000 | 12,770,000 | 12,794,000 |
| 7/1/77-78 | 18,509,080 | 18,383,971 | 18,291,730 | 18,216,000 | 18,225,000 | 18,262,000 |
| 7/1/78-79 | 21,632,389 | 21,509,891 | 21,356,775 | 21,195,000 | 21,200,000 | 21,237,000 |
| 7/1/79-80 | 31,629,769 | 31,211,509 | 30,642,868 | 30,330,000 | 30,335,000 | 30,386,000 |
| 7/1/80-81 | 36,377,036 | 35,814,324 | 35,280,363 | 34,935,000 | 34,950,000 | 35,018,000 |
| 7/1/81-82 | 45,813,251 | 45,004,110 | 44,076,502 | 43,674,000 | 43,705,000 | 43,802,000 |
| 7/1/82-83 | 52,885,141 | 52,198,528 | 51,284,719 | 50,895,000 | 50,950,000 | 51,082,000 |
| 7/1/83-84 | 73,171,638 | 72,461,097 | 71,649,666 | 71,031,000 | 71,115,000 | 71,306,000 |
| 7/1/84-85 | 79,641,416 | 79,486,660 | 79,179,789 | 78,722,000 | 78,860,000 | 79,116,000 |
| 7/1/85-86 | 85,028,441 | 84,953,325 | 84,858,943 | 84,232,000 | 84,400,000 | 84,694,000 |
| 7/1/86-87 | 86,892,211 | 87,026,934 | 87,128,538 | 86,506,000 | 86,715,000 | 87,055,000 |
| 7/1/87-88 | 62,348,827 | 62,898,433 | 63,344,594 | 62,471,000 | 62,605,000 | 62,833,000 |
| 7/1/88-89 | 60,497,043 | 61,276,742 | 62,136,335 | 60,952,000 | 61,080,000 | 61,300,000 |
| 7/1/89-90 | 65,371,889 | 66,380,617 | 67,604,904 | 66,142,000 | 66,305,000 | 66,568,000 |
| Total | 795,677,433 | 793,760,657 | 791,378,149 | 783,721,435 | 784,899,872 | 787,198,872 |

(2) Exhibit 6.4

(3) Exhibit 5.2

(4) Exhibit 5.3

(5) - (7) 120906 MSF Old Fund Unpaid Losses at 06-30-2012, Exhibit 5, Sheet 3b

MONTANA STATE FUND
INCURRED LOSS DEVELOPMENT METHOD

NEW FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident <u>Year</u> (1) | Case Incurred <u>Losses</u> (2) | Low Range Loss Development <u>Factor</u> (3) | Low Range Projected Ultimate <u>Losses</u> (4)=(2)x(3) | Mid Range Loss Development <u>Factor</u> (5) | Mid Range Projected Ultimate <u>Losses</u> (6)=(2)x(5) |
|--------------------------------|--|--|--|--|--|
| 7/1/90-91 | 65,664,855 | 0.997 | 65,467,860 | 1.092 | 71,706,022 |
| 7/1/91-92 | 60,176,404 | 0.981 | 59,033,052 | 1.087 | 65,411,751 |
| 7/1/92-93 | 70,596,197 | 0.991 | 69,960,831 | 1.101 | 77,726,413 |
| 7/1/93-94 | 60,631,821 | 0.986 | 59,782,976 | 1.101 | 66,755,635 |
| 7/1/94-95 | 49,542,089 | 1.005 | 49,789,799 | 1.129 | 55,933,018 |
| 7/1/95-96 | 44,372,273 | 1.010 | 44,815,996 | 1.138 | 50,495,647 |
| 7/1/96-97 | 41,633,657 | 1.017 | 42,341,429 | 1.152 | 47,961,973 |
| 7/1/97-98 | 48,621,817 | 1.012 | 49,205,279 | 1.152 | 56,012,333 |
| 7/1/98-99 | 56,739,163 | 1.014 | 57,533,511 | 1.158 | 65,703,951 |
| 7/1/99-00 | 48,568,364 | 1.032 | 50,122,552 | 1.182 | 57,407,806 |
| 7/1/00-01 | 61,770,232 | 1.044 | 64,488,122 | 1.199 | 74,062,508 |
| 7/1/01-02 | 63,554,546 | 1.052 | 66,859,382 | 1.216 | 77,282,328 |
| 7/1/02-03 | 78,009,648 | 1.080 | 84,250,420 | 1.255 | 97,902,108 |
| 7/1/03-04 | 71,037,478 | 1.091 | 77,501,888 | 1.273 | 90,430,709 |
| 7/1/04-05 | 80,357,894 | 1.110 | 89,197,262 | 1.297 | 104,224,189 |
| 7/1/05-06 | 86,625,907 | 1.124 | 97,367,519 | 1.323 | 114,606,075 |
| 7/1/06-07 | 89,175,820 | 1.160 | 103,443,951 | 1.376 | 122,705,928 |
| 7/1/07-08 | 93,803,706 | 1.215 | 113,971,503 | 1.450 | 136,015,374 |
| 7/1/08-09 | 74,076,728 | 1.312 | 97,188,667 | 1.572 | 116,448,616 |
| 7/1/09-10 | 63,470,004 | 1.421 | 90,190,876 | 1.713 | 108,724,117 |
| 7/1/10-11 | 62,521,970 | 1.559 | 97,471,751 | 1.893 | 118,354,089 |
| 7/1/11-12 | 46,192,007 | 1.916 | 88,503,885 | 2.353 | 108,689,792 |
| Total | 1,417,142,580 | | 1,618,488,511 | | 1,884,560,382 |

(2) Exhibit 6.1

(3), (5) Exhibit 12.1.4 - 12.1.6

MONTANA STATE FUND
PAID LOSS DEVELOPMENT METHOD

NEW FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident <u>Year</u> (1) | Paid <u>Losses</u> (2) | Low Range Loss Development <u>Factor</u> (3) | Low Range Projected Ultimate <u>Losses</u> (4)=(2)x(3) | Mid Range Loss Development <u>Factor</u> (5) | Mid Range Projected Ultimate <u>Losses</u> (6)=(2)x(5) | High Range Loss Development <u>Factor</u> (7) | High Range Projected Ultimate <u>Losses</u> (8)=(2)x(7) |
|--------------------------------|------------------------------|--|--|--|--|---|---|
| 7/1/90-91 | 49,216,329 | 1.228 | 60,437,652 | 1.289 | 63,439,848 | 1.354 | 66,638,909 |
| 7/1/91-92 | 46,536,111 | 1.250 | 58,170,139 | 1.313 | 61,101,914 | 1.382 | 64,312,905 |
| 7/1/92-93 | 48,390,014 | 1.276 | 61,745,658 | 1.342 | 64,939,399 | 1.415 | 68,471,870 |
| 7/1/93-94 | 44,500,024 | 1.303 | 57,983,531 | 1.372 | 61,054,033 | 1.448 | 64,436,035 |
| 7/1/94-95 | 38,797,000 | 1.328 | 51,522,416 | 1.404 | 54,470,988 | 1.486 | 57,652,342 |
| 7/1/95-96 | 34,677,930 | 1.353 | 46,919,239 | 1.432 | 49,658,796 | 1.519 | 52,675,776 |
| 7/1/96-97 | 31,899,033 | 1.375 | 43,861,170 | 1.458 | 46,508,790 | 1.549 | 49,411,602 |
| 7/1/97-98 | 32,093,259 | 1.401 | 44,962,656 | 1.487 | 47,722,676 | 1.583 | 50,803,629 |
| 7/1/98-99 | 36,410,731 | 1.426 | 51,921,702 | 1.517 | 55,235,079 | 1.616 | 58,839,741 |
| 7/1/99-00 | 34,349,153 | 1.459 | 50,115,414 | 1.555 | 53,412,933 | 1.661 | 57,053,943 |
| 7/1/00-01 | 43,145,932 | 1.497 | 64,589,460 | 1.599 | 68,990,345 | 1.711 | 73,822,690 |
| 7/1/01-02 | 42,738,508 | 1.533 | 65,518,133 | 1.639 | 70,048,415 | 1.755 | 75,006,082 |
| 7/1/02-03 | 52,162,512 | 1.590 | 82,938,394 | 1.705 | 88,937,083 | 1.834 | 95,666,047 |
| 7/1/03-04 | 50,448,065 | 1.642 | 82,835,723 | 1.763 | 88,939,939 | 1.898 | 95,750,427 |
| 7/1/04-05 | 54,656,606 | 1.706 | 93,244,170 | 1.834 | 100,240,215 | 1.978 | 108,110,767 |
| 7/1/05-06 | 60,618,368 | 1.757 | 106,506,473 | 1.898 | 115,053,662 | 2.055 | 124,570,746 |
| 7/1/06-07 | 60,304,559 | 1.836 | 110,719,170 | 1.989 | 119,945,768 | 2.160 | 130,257,847 |
| 7/1/07-08 | 59,541,387 | 1.935 | 115,212,584 | 2.098 | 124,917,830 | 2.283 | 135,932,987 |
| 7/1/08-09 | 47,107,558 | 2.069 | 97,465,538 | 2.245 | 105,756,468 | 2.447 | 115,272,194 |
| 7/1/09-10 | 40,885,275 | 2.266 | 92,646,033 | 2.461 | 100,618,662 | 2.684 | 109,736,078 |
| 7/1/10-11 | 36,588,251 | 2.676 | 97,910,160 | 2.909 | 106,435,222 | 3.181 | 116,387,226 |
| 7/1/11-12 | 17,903,182 | 4.854 | 86,902,045 | 5.329 | 95,406,057 | 5.933 | 106,219,579 |
| Total | 962,969,787 | | 1,624,127,460 | | 1,742,834,122 | | 1,877,029,422 |

(2) Exhibit 6.1

(3), (5), (7) Exhibit 12.1.10 - 12.1.12

MONTANA STATE FUND
INCURRED LOSS DEVELOPMENT METHOD

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Case Incurred Losses (2) | Low Range Loss Development Factor (3) | Low Range Projected Ultimate Losses (4)=(2)x(3) | Mid Range Loss Development Factor (5) | Mid Range Projected Ultimate Losses (6)=(2)x(5) |
|-------------------------|-----------------------------------|---|---|---|---|
| Prior | 570,892 | 1.000 | 570,892 | 1.000 | 570,892 |
| 7/1/64-65 | 950,283 | 1.000 | 950,283 | 1.000 | 950,283 |
| 7/1/65-66 | 1,308,136 | 1.000 | 1,308,136 | 1.000 | 1,308,136 |
| 7/1/66-67 | 1,231,069 | 1.000 | 1,231,069 | 1.000 | 1,231,069 |
| 7/1/67-68 | 1,369,647 | 1.000 | 1,369,647 | 1.000 | 1,369,647 |
| 7/1/68-69 | 1,408,114 | 1.000 | 1,408,114 | 1.000 | 1,408,114 |
| 7/1/69-70 | 1,652,875 | 1.000 | 1,652,875 | 1.000 | 1,652,875 |
| 7/1/70-71 | 2,611,990 | 1.000 | 2,611,990 | 1.000 | 2,611,990 |
| 7/1/71-72 | 1,887,828 | 0.982 | 1,853,847 | 0.994 | 1,876,501 |
| 7/1/72-73 | 2,053,356 | 0.984 | 2,020,502 | 0.996 | 2,045,143 |
| 7/1/73-74 | 6,870,748 | 0.986 | 6,774,558 | 1.000 | 6,870,748 |
| 7/1/74-75 | 6,365,495 | 0.967 | 6,155,434 | 1.000 | 6,365,495 |
| 7/1/75-76 | 6,288,944 | 0.969 | 6,093,987 | 1.005 | 6,320,389 |
| 7/1/76-77 | 14,791,886 | 0.971 | 14,362,921 | 1.010 | 14,939,805 |
| 7/1/77-78 | 9,521,986 | 0.968 | 9,217,282 | 1.010 | 9,617,206 |
| 7/1/78-79 | 12,565,105 | 0.963 | 12,100,196 | 1.005 | 12,627,931 |
| 7/1/79-80 | 17,113,190 | 0.955 | 16,343,096 | 1.000 | 17,113,190 |
| 7/1/80-81 | 20,928,392 | 0.955 | 19,986,614 | 1.006 | 21,053,962 |
| 7/1/81-82 | 23,130,732 | 0.955 | 22,089,849 | 1.011 | 23,385,170 |
| 7/1/82-83 | 31,474,464 | 0.955 | 30,058,113 | 1.014 | 31,915,106 |
| 7/1/83-84 | 41,484,947 | 0.940 | 38,995,850 | 1.009 | 41,858,312 |
| 7/1/84-85 | 38,284,863 | 0.943 | 36,102,626 | 1.017 | 38,935,706 |
| 7/1/85-86 | 47,063,587 | 0.951 | 44,757,471 | 1.030 | 48,475,495 |
| 7/1/86-87 | 55,576,793 | 0.961 | 53,409,298 | 1.042 | 57,911,018 |
| 7/1/87-88 | 58,844,655 | 0.980 | 57,667,762 | 1.066 | 62,728,402 |
| 7/1/88-89 | 48,267,196 | 0.982 | 47,398,386 | 1.069 | 51,597,633 |
| 7/1/89-90 | 66,526,432 | 0.987 | 65,661,588 | 1.076 | 71,582,441 |
| Total | 520,143,605 | | 502,152,386 | | 538,322,659 |

(2) Exhibit 6.3

(3), (5) Exhibit 12.1.4 - 12.1.6

MONTANA STATE FUND
PAID LOSS DEVELOPMENT METHOD

OLD FUND
MEDICAL LOSSES ONLY (EXCLUDES LAE)
AS OF JUNE 30, 2012

| Accident Year (1) | Paid Losses (2) | Low Range Loss Development Factor (3) | Low Range Projected Ultimate Losses (4)=(2)x(3) | Mid Range Loss Development Factor (5) | Mid Range Projected Ultimate Losses (6)=(2)x(5) | High Range Loss Development Factor (7) | High Range Projected Ultimate Losses (8)=(2)x(7) |
|-------------------------|-----------------------|---|---|---|---|--|--|
| Prior | 496,892 | 1.000 | 496,892 | 1.000 | 496,892 | 1.000 | 496,892 |
| 7/1/64-65 | 950,283 | 1.000 | 950,283 | 1.000 | 950,283 | 1.000 | 950,283 |
| 7/1/65-66 | 1,262,536 | 1.000 | 1,262,536 | 1.000 | 1,262,536 | 1.000 | 1,262,536 |
| 7/1/66-67 | 1,231,069 | 1.000 | 1,231,069 | 1.000 | 1,231,069 | 1.000 | 1,231,069 |
| 7/1/67-68 | 1,369,647 | 1.000 | 1,369,647 | 1.000 | 1,369,647 | 1.000 | 1,369,647 |
| 7/1/68-69 | 1,408,114 | 1.000 | 1,408,114 | 1.000 | 1,408,114 | 1.000 | 1,408,114 |
| 7/1/69-70 | 1,622,875 | 1.000 | 1,622,875 | 1.002 | 1,626,121 | 1.003 | 1,627,744 |
| 7/1/70-71 | 2,492,281 | 1.000 | 2,492,281 | 1.004 | 2,502,250 | 1.006 | 2,507,235 |
| 7/1/71-72 | 1,887,828 | 1.000 | 1,887,828 | 1.005 | 1,897,267 | 1.008 | 1,902,931 |
| 7/1/72-73 | 2,023,391 | 1.000 | 2,023,391 | 1.008 | 2,039,578 | 1.019 | 2,061,835 |
| 7/1/73-74 | 5,587,133 | 1.000 | 5,587,133 | 1.012 | 5,654,179 | 1.027 | 5,737,986 |
| 7/1/74-75 | 5,188,805 | 1.002 | 5,199,183 | 1.016 | 5,271,826 | 1.035 | 5,370,413 |
| 7/1/75-76 | 5,769,242 | 1.005 | 5,798,088 | 1.021 | 5,890,396 | 1.043 | 6,017,319 |
| 7/1/76-77 | 11,784,687 | 1.009 | 11,890,749 | 1.027 | 12,102,874 | 1.051 | 12,385,706 |
| 7/1/77-78 | 8,457,692 | 1.016 | 8,593,015 | 1.036 | 8,762,169 | 1.064 | 8,998,984 |
| 7/1/78-79 | 10,515,163 | 1.027 | 10,799,072 | 1.049 | 11,030,406 | 1.080 | 11,356,376 |
| 7/1/79-80 | 14,137,976 | 1.038 | 14,675,219 | 1.064 | 15,042,806 | 1.097 | 15,509,360 |
| 7/1/80-81 | 17,746,453 | 1.048 | 18,598,283 | 1.080 | 19,166,169 | 1.115 | 19,787,295 |
| 7/1/81-82 | 19,336,303 | 1.061 | 20,515,817 | 1.095 | 21,173,252 | 1.134 | 21,927,368 |
| 7/1/82-83 | 23,754,068 | 1.072 | 25,464,361 | 1.110 | 26,367,015 | 1.153 | 27,388,440 |
| 7/1/83-84 | 31,052,196 | 1.088 | 33,784,789 | 1.130 | 35,088,981 | 1.176 | 36,517,382 |
| 7/1/84-85 | 31,573,655 | 1.105 | 34,888,889 | 1.150 | 36,309,703 | 1.200 | 37,888,386 |
| 7/1/85-86 | 37,565,708 | 1.123 | 42,186,290 | 1.171 | 43,989,444 | 1.224 | 45,980,427 |
| 7/1/86-87 | 40,584,947 | 1.144 | 46,429,179 | 1.194 | 48,458,427 | 1.251 | 50,771,769 |
| 7/1/87-88 | 43,338,970 | 1.165 | 50,489,900 | 1.218 | 52,786,865 | 1.277 | 55,343,865 |
| 7/1/88-89 | 38,690,120 | 1.185 | 45,847,792 | 1.240 | 47,975,749 | 1.300 | 50,297,156 |
| 7/1/89-90 | 49,450,421 | 1.205 | 59,587,757 | 1.264 | 62,505,332 | 1.326 | 65,571,258 |
| Total | 409,278,455 | | 455,080,432 | | 472,359,350 | | 491,667,776 |

(2) Exhibit 6.3
(3), (5), (7) Exhibit 12.1.10 - 12.1.12

MONTANA STATE FUND
CASE INCURRED LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 12.1

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | 977 | | | |
| 7/1/69-70 | | | | | | | | | | | 1,158 | 1,161 | | | | |
| 7/1/70-71 | | | | | | | | | | 1,286 | 1,289 | 1,295 | | | | |
| 7/1/71-72 | | | | | | | | | 1,266 | 1,268 | 1,268 | 1,270 | | | | |
| 7/1/72-73 | | | | | | | | 1,314 | 1,314 | 1,317 | 1,317 | 1,326 | | | | |
| 7/1/73-74 | | | | | | | 2,542 | 2,578 | 2,599 | 2,695 | 2,819 | 2,838 | | | | |
| 7/1/74-75 | | | | | | 2,367 | 2,449 | 2,531 | 2,610 | 2,863 | 2,892 | 2,933 | | | | |
| 7/1/75-76 | | | | | 2,324 | 2,394 | 2,430 | 2,561 | 2,760 | 2,821 | 2,965 | 2,960 | | | | |
| 7/1/76-77 | | | | 2,941 | 3,099 | 3,190 | 3,315 | 3,512 | 3,574 | 3,711 | 3,710 | 6,305 | | | | |
| 7/1/77-78 | | | 3,840 | 3,755 | 3,806 | 3,912 | 4,054 | 4,142 | 4,351 | 4,348 | 5,677 | 10,180 | 10,965 | | | |
| 7/1/78-79 | | 3,799 | 4,148 | 4,275 | 4,627 | 4,787 | 4,877 | 5,069 | 5,182 | 6,797 | 7,003 | 7,145 | | 7,400 | 7,779 | 8,529 |
| 7/1/79-80 | 4,548 | 5,406 | 5,632 | 6,103 | 6,403 | 6,556 | 7,087 | 7,382 | 9,168 | 9,464 | 9,635 | 9,986 | 10,401 | 10,924 | 11,262 | 12,382 |
| 7/1/80-81 | 5,087 | 5,716 | 6,494 | 7,018 | 7,450 | 8,086 | 8,310 | 10,461 | 10,986 | 11,499 | 11,540 | 12,349 | 13,333 | 13,761 | 15,817 | 15,417 |
| 7/1/81-82 | 4,123 | 6,346 | 7,035 | 7,419 | 8,376 | 8,639 | 10,877 | 11,305 | 11,724 | 11,854 | 12,418 | 13,321 | 15,277 | 16,100 | 15,870 | 19,750 |
| 7/1/82-83 | 5,552 | 7,479 | 8,466 | 9,782 | 10,300 | 13,040 | 14,367 | 14,938 | 16,057 | 16,573 | 17,427 | 21,004 | 20,435 | 20,002 | 27,469 | 24,177 |
| 7/1/83-84 | 5,922 | 8,794 | 11,632 | 13,193 | 16,771 | 18,074 | 18,615 | 19,016 | 22,103 | 23,128 | 24,494 | 27,486 | 26,530 | 30,716 | 27,300 | 27,747 |
| 7/1/84-85 | 6,042 | 11,509 | 14,185 | 18,701 | 20,492 | 21,186 | 21,523 | 23,645 | 25,053 | 26,320 | 30,423 | 28,994 | 33,389 | 29,450 | 30,061 | 30,308 |
| 7/1/85-86 | 8,075 | 12,393 | 19,071 | 21,382 | 22,705 | 23,974 | 26,100 | 28,481 | 33,621 | 34,908 | 33,357 | 42,015 | 35,617 | 36,488 | 36,769 | 36,751 |
| 7/1/86-87 | 11,369 | 16,833 | 21,181 | 23,100 | 24,094 | 26,065 | 28,524 | 30,485 | 37,638 | 36,559 | 47,069 | 36,650 | 37,797 | 37,961 | 37,150 | 37,578 |
| 7/1/87-88 | 14,095 | 19,436 | 22,822 | 24,733 | 34,106 | 34,824 | 51,618 | 37,614 | 37,422 | 46,194 | 40,028 | 41,645 | 42,747 | 42,597 | 42,786 | 45,960 |
| 7/1/88-89 | 14,686 | 20,293 | 22,443 | 27,685 | 30,036 | 33,017 | 36,942 | 34,873 | 41,860 | 35,827 | 35,061 | 35,521 | 35,453 | 35,758 | 39,713 | 42,164 |
| 7/1/89-90 | 15,784 | 22,779 | 28,847 | 32,696 | 33,809 | 41,417 | 38,938 | 48,597 | 40,964 | 43,359 | 44,167 | 44,637 | 44,629 | 48,232 | 53,543 | 55,135 |
| 7/1/90-91 | 16,968 | 26,729 | 30,378 | 34,704 | 43,204 | 39,839 | 49,022 | 41,843 | 45,548 | 45,249 | 45,538 | 44,998 | 47,673 | 54,404 | 55,677 | 55,984 |
| 7/1/91-92 | 23,868 | 35,032 | 36,334 | 49,302 | 43,966 | 53,498 | 42,159 | 43,824 | 44,807 | 44,986 | 45,564 | 48,471 | 52,233 | 53,360 | 54,718 | 56,667 |
| 7/1/92-93 | 24,553 | 33,621 | 49,468 | 46,881 | 54,586 | 41,097 | 41,944 | 42,233 | 43,119 | 44,471 | 48,349 | 58,254 | 60,520 | 61,373 | 62,667 | 66,791 |
| 7/1/93-94 | 24,717 | 48,350 | 43,641 | 46,713 | 38,820 | 40,649 | 39,322 | 38,721 | 39,760 | 46,528 | 52,357 | 52,818 | 54,911 | 54,725 | 57,665 | 59,547 |
| 7/1/94-95 | 32,769 | 38,135 | 41,839 | 35,140 | 34,984 | 33,151 | 33,949 | 34,555 | 39,128 | 43,954 | 45,696 | 46,471 | 47,282 | 49,848 | 50,038 | 49,252 |
| 7/1/95-96 | 20,689 | 28,649 | 29,342 | 32,100 | 30,531 | 31,296 | 34,493 | 36,913 | 40,810 | 42,065 | 44,485 | 43,815 | 44,652 | 45,692 | 46,337 | 43,970 |
| 7/1/96-97 | 20,093 | 31,765 | 30,876 | 29,375 | 26,348 | 28,368 | 31,378 | 34,038 | 36,588 | 37,619 | 38,217 | 38,947 | 39,447 | 40,932 | 41,275 | 41,634 |
| 7/1/97-98 | 16,265 | 30,469 | 26,583 | 27,295 | 30,418 | 33,680 | 39,146 | 41,334 | 42,058 | 44,398 | 45,258 | 47,802 | 48,248 | 49,368 | 48,622 | |
| 7/1/98-99 | 23,223 | 26,013 | 30,480 | 31,778 | 35,591 | 41,859 | 45,857 | 50,049 | 50,750 | 51,005 | 53,670 | 55,781 | 56,855 | 56,739 | | |
| 7/1/99-00 | 15,148 | 22,529 | 24,973 | 29,483 | 35,011 | 38,809 | 43,352 | 46,389 | 46,195 | 47,993 | 49,102 | 48,221 | 48,568 | | | |
| 7/1/00-01 | 15,516 | 29,925 | 39,982 | 47,697 | 51,684 | 56,059 | 57,370 | 57,493 | 59,910 | 60,054 | 61,577 | 61,770 | | | | |
| 7/1/01-02 | 19,775 | 36,187 | 42,601 | 47,040 | 48,944 | 52,201 | 56,593 | 58,796 | 60,284 | 61,593 | 63,555 | | | | | |
| 7/1/02-03 | 40,977 | 45,508 | 53,334 | 59,142 | 63,833 | 71,223 | 75,496 | 77,093 | 79,499 | 78,010 | | | | | | |
| 7/1/03-04 | 43,338 | 49,593 | 58,158 | 61,675 | 64,798 | 68,988 | 70,726 | 71,086 | 71,037 | | | | | | | |
| 7/1/04-05 | 49,774 | 57,042 | 61,105 | 67,059 | 74,285 | 76,931 | 79,334 | 80,358 | | | | | | | | |
| 7/1/05-06 | 50,751 | 62,619 | 72,312 | 77,641 | 85,447 | 88,092 | 86,626 | | | | | | | | | |
| 7/1/06-07 | 56,692 | 71,153 | 76,787 | 83,960 | 87,045 | 89,176 | | | | | | | | | | |
| 7/1/07-08 | 51,927 | 70,236 | 78,733 | 84,128 | 93,804 | | | | | | | | | | | |
| 7/1/08-09 | 50,739 | 62,411 | 68,142 | 74,077 | | | | | | | | | | | | |
| 7/1/09-10 | 50,710 | 58,929 | 63,470 | | | | | | | | | | | | | |
| 7/1/10-11 | 51,373 | 62,522 | | | | | | | | | | | | | | |
| 7/1/11-12 | 46,192 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE INCURRED LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 12.2

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | 942 | 946 | |
| 7/1/65-66 | | | | | | | | | | | | | 1,373 | 1,153 | 1,164 | |
| 7/1/66-67 | | | | | | | | | | | | 1,231 | 1,231 | 1,231 | 1,231 | |
| 7/1/67-68 | | | | | | | | | | | 1,400 | 1,382 | 1,366 | 1,365 | 1,366 | |
| 7/1/68-69 | | | | | | | | | | 1,417 | 1,426 | 1,426 | 1,426 | 1,428 | 1,428 | |
| 7/1/69-70 | | | | | | | | | 1,591 | 1,625 | 1,610 | 1,610 | 1,606 | 1,610 | 1,604 | |
| 7/1/70-71 | | | | | | | | 2,252 | 1,955 | 1,945 | 1,930 | 1,910 | 1,987 | 1,934 | 1,941 | 1,989 |
| 7/1/71-72 | | | | | | | 1,896 | 1,984 | 1,961 | 1,921 | 1,941 | 1,938 | 1,910 | 1,910 | 1,910 | 1,884 |
| 7/1/72-73 | | | | | | 1,984 | 2,018 | 1,986 | 1,986 | 1,994 | 2,009 | 1,997 | 1,997 | 2,019 | 2,076 | 2,043 |
| 7/1/73-74 | | | | | 5,442 | 4,728 | 4,742 | 8,745 | 5,047 | 5,454 | 5,368 | 5,287 | 5,688 | 5,822 | 6,502 | 6,509 |
| 7/1/74-75 | | | | 4,778 | 4,894 | 4,851 | 7,735 | 4,942 | 5,032 | 4,947 | 4,966 | 5,023 | 5,785 | 5,408 | 5,445 | 5,393 |
| 7/1/75-76 | | | 5,026 | 5,017 | 4,967 | 5,056 | 5,203 | 5,223 | 5,077 | 5,232 | 5,392 | 5,663 | 6,499 | 5,929 | 6,090 | 6,059 |
| 7/1/76-77 | | 6,057 | 5,980 | 6,091 | 7,110 | 6,825 | 8,330 | 8,271 | 8,304 | 8,549 | 9,189 | 10,104 | 10,693 | 10,800 | 12,490 | 12,891 |
| 7/1/77-78 | 7,254 | 8,121 | 7,937 | 9,378 | 7,991 | 8,008 | 8,094 | 7,872 | 8,024 | 8,766 | 8,831 | 8,918 | 9,007 | 9,410 | 9,510 | 9,510 |
| 7/1/78-79 | 9,406 | 9,532 | 9,851 | 9,623 | 9,960 | 9,650 | 9,832 | 9,916 | 10,329 | 11,212 | 11,330 | 11,472 | 11,556 | 11,989 | 12,128 | 12,303 |
| 7/1/79-80 | 12,559 | 12,932 | 12,722 | 12,910 | 13,186 | 13,288 | 13,455 | 14,714 | 15,600 | 15,527 | 16,157 | 15,970 | 16,264 | 16,501 | 16,897 | 17,004 |
| 7/1/80-81 | 27,832 | 16,216 | 16,280 | 16,451 | 16,790 | 16,819 | 18,028 | 18,607 | 19,093 | 19,117 | 20,244 | 20,124 | 20,553 | 20,966 | 21,033 | 20,928 |
| 7/1/81-82 | 15,823 | 16,229 | 16,791 | 17,215 | 17,355 | 18,258 | 19,147 | 18,676 | 18,778 | 18,911 | 19,633 | 20,578 | 21,973 | 22,293 | 23,131 | |
| 7/1/82-83 | 23,912 | 23,967 | 24,374 | 24,662 | 25,491 | 26,107 | 26,159 | 26,810 | 27,432 | 28,567 | 30,340 | 31,497 | 31,982 | 31,474 | | |
| 7/1/83-84 | 27,811 | 27,870 | 26,732 | 28,647 | 30,899 | 31,749 | 32,949 | 33,409 | 33,913 | 40,696 | 40,971 | 41,350 | 41,485 | | | |
| 7/1/84-85 | 30,701 | 30,417 | 32,708 | 32,744 | 34,345 | 34,014 | 34,100 | 35,845 | 35,788 | 37,246 | 37,755 | 38,285 | | | | |
| 7/1/85-86 | 37,030 | 38,079 | 40,659 | 40,936 | 41,365 | 42,842 | 45,654 | 44,699 | 45,056 | 46,359 | 47,064 | | | | | |
| 7/1/86-87 | 39,857 | 45,459 | 46,281 | 46,910 | 47,465 | 50,894 | 52,325 | 53,541 | 54,326 | 55,577 | | | | | | |
| 7/1/87-88 | 49,911 | 53,539 | 53,266 | 55,266 | 57,233 | 57,976 | 58,226 | 58,749 | 58,845 | | | | | | | |
| 7/1/88-89 | 43,512 | 43,449 | 44,728 | 46,045 | 47,612 | 47,767 | 48,233 | 48,267 | | | | | | | | |
| 7/1/89-90 | 55,687 | 58,752 | 60,956 | 62,689 | 64,457 | 65,123 | 66,526 | | | | | | | | | |
| 7/1/90-91 | 62,594 | 64,987 | 68,780 | 67,625 | 68,559 | 65,665 | | | | | | | | | | |
| 7/1/91-92 | 57,857 | 59,171 | 59,459 | 60,426 | 60,176 | | | | | | | | | | | |
| 7/1/92-93 | 67,731 | 67,928 | 73,236 | 70,596 | | | | | | | | | | | | |
| 7/1/93-94 | 60,749 | 61,166 | 60,632 | | | | | | | | | | | | | |
| 7/1/94-95 | 49,519 | 49,542 | | | | | | | | | | | | | | |
| 7/1/95-96 | 44,372 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE INCURRED LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 12.3

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>396</u> | <u>408</u> | <u>420</u> | <u>432</u> | <u>444</u> | <u>456</u> | <u>468</u> | <u>480</u> | <u>492</u> | <u>504</u> | <u>516</u> | <u>528</u> | <u>540</u> | <u>552</u> | <u>564</u> | <u>576</u> |
| 7/1/64-65 | | | | | | 947 | 943 | 943 | 943 | 943 | 947 | 947 | 949 | 949 | 949 | 950 |
| 7/1/65-66 | | | | | 1,157 | 1,158 | 1,217 | 1,218 | 1,218 | 1,232 | 1,232 | 1,303 | 1,304 | 1,304 | 1,308 | |
| 7/1/66-67 | | | | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | | |
| 7/1/67-68 | | | 1,355 | 1,351 | 1,351 | 1,351 | 1,351 | 1,351 | 1,356 | 1,356 | 1,370 | 1,370 | 1,370 | | | |
| 7/1/68-69 | | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,408 | 1,408 | 1,408 | 1,408 | 1,408 | | | | |
| 7/1/69-70 | 1,604 | 1,604 | 1,604 | 1,604 | 1,604 | 1,644 | 1,644 | 1,653 | 1,653 | 1,653 | 1,653 | | | | | |
| 7/1/70-71 | 2,353 | 2,182 | 2,170 | 2,498 | 2,497 | 2,562 | 2,469 | 2,570 | 2,660 | 2,612 | | | | | | |
| 7/1/71-72 | 1,884 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | | | | | | |
| 7/1/72-73 | 2,043 | 2,043 | 2,043 | 2,017 | 2,017 | 2,053 | 2,053 | 2,053 | | | | | | | | |
| 7/1/73-74 | 6,535 | 6,758 | 6,953 | 6,978 | 7,070 | 7,138 | 6,871 | | | | | | | | | |
| 7/1/74-75 | 5,520 | 5,846 | 5,953 | 5,933 | 6,295 | 6,365 | | | | | | | | | | |
| 7/1/75-76 | 6,146 | 6,203 | 6,206 | 6,211 | 6,289 | | | | | | | | | | | |
| 7/1/76-77 | 15,502 | 14,721 | 14,811 | 14,792 | | | | | | | | | | | | |
| 7/1/77-78 | 9,527 | 9,781 | 9,522 | | | | | | | | | | | | | |
| 7/1/78-79 | 12,581 | 12,565 | | | | | | | | | | | | | | |
| 7/1/79-80 | 17,113 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE INCURRED LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 12.4

AS OF JUNE 30, 2012

| Accident Year | Loss Development Factors (Age to Age) | | | | | | | | | | | | | | | |
|------------------------|---------------------------------------|-------|-------|-------|-------|-------|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | 1.003 | | | | | |
| 7/1/71-72 | | | | | | | | | | 1.002 | 1.005 | | | | | |
| 7/1/72-73 | | | | | | | | | 1.002 | 1.000 | 1.002 | | | | | |
| 7/1/73-74 | | | | | | | | 1.000 | 1.002 | 1.000 | 1.007 | | | | | |
| 7/1/74-75 | | | | | | | 1.014 | 1.008 | 1.037 | 1.046 | 1.007 | | | | | |
| 7/1/75-76 | | | | | | 1.035 | 1.033 | 1.031 | 1.097 | 1.010 | 1.014 | | | | | |
| 7/1/76-77 | | | | | 1.030 | 1.015 | 1.054 | 1.078 | 1.022 | 1.051 | 0.998 | | | | | |
| 7/1/77-78 | | | | 1.054 | 1.029 | 1.029 | 1.039 | 1.059 | 1.018 | 1.038 | 1.000 | 1.699 | | | | |
| 7/1/78-79 | | | 0.978 | 1.014 | 1.028 | 1.036 | 1.022 | 1.050 | 0.999 | 1.306 | 1.793 | 1.077 | | | | |
| 7/1/79-80 | | 1.092 | 1.031 | 1.082 | 1.035 | 1.019 | 1.039 | 1.022 | 1.312 | 1.030 | 1.020 | | | 1.051 | 1.096 | 1.103 |
| 7/1/80-81 | 1.189 | 1.042 | 1.084 | 1.049 | 1.024 | 1.081 | 1.042 | 1.242 | 1.032 | 1.018 | 1.036 | 1.042 | 1.050 | 1.031 | 1.099 | 1.014 |
| 7/1/81-82 | 1.124 | 1.136 | 1.081 | 1.062 | 1.085 | 1.028 | 1.259 | 1.050 | 1.047 | 1.004 | 1.070 | 1.080 | 1.032 | 1.149 | 0.975 | 1.805 |
| 7/1/82-83 | 1.539 | 1.109 | 1.055 | 1.129 | 1.031 | 1.259 | 1.039 | 1.037 | 1.011 | 1.048 | 1.073 | 1.147 | 1.054 | 0.986 | 1.244 | 0.801 |
| 7/1/83-84 | 1.347 | 1.132 | 1.155 | 1.053 | 1.266 | 1.102 | 1.040 | 1.075 | 1.032 | 1.052 | 1.205 | 0.973 | 0.979 | 1.373 | 0.880 | 0.989 |
| 7/1/84-85 | 1.485 | 1.323 | 1.134 | 1.271 | 1.078 | 1.030 | 1.022 | 1.162 | 1.046 | 1.059 | 1.122 | 0.965 | 1.158 | 0.889 | 1.016 | 1.002 |
| 7/1/85-86 | 1.905 | 1.233 | 1.318 | 1.096 | 1.034 | 1.016 | 1.099 | 1.060 | 1.051 | 1.156 | 0.953 | 1.152 | 0.882 | 1.021 | 1.008 | 1.013 |
| 7/1/86-87 | 1.535 | 1.539 | 1.121 | 1.062 | 1.056 | 1.089 | 1.091 | 1.180 | 1.038 | 0.956 | 1.260 | 0.848 | 1.024 | 1.008 | 1.000 | 1.008 |
| 7/1/87-88 | 1.481 | 1.258 | 1.091 | 1.043 | 1.082 | 1.094 | 1.069 | 1.235 | 0.971 | 1.287 | 0.779 | 1.031 | 1.004 | 0.979 | 1.012 | 1.061 |
| 7/1/88-89 | 1.379 | 1.174 | 1.084 | 1.379 | 1.021 | 1.482 | 0.729 | 0.995 | 1.234 | 0.867 | 1.040 | 1.026 | 0.996 | 1.004 | 1.074 | 1.086 |
| 7/1/89-90 | 1.382 | 1.106 | 1.234 | 1.085 | 1.099 | 1.119 | 0.944 | 1.200 | 0.856 | 0.979 | 1.013 | 0.998 | 1.009 | 1.111 | 1.062 | 1.032 |
| 7/1/90-91 | 1.443 | 1.266 | 1.133 | 1.034 | 1.225 | 0.940 | 1.248 | 0.843 | 1.058 | 1.019 | 1.011 | 1.000 | 1.081 | 1.110 | 1.030 | 1.010 |
| 7/1/91-92 | 1.575 | 1.137 | 1.142 | 1.245 | 0.922 | 1.231 | 0.854 | 1.089 | 0.993 | 1.006 | 0.988 | 1.059 | 1.141 | 1.023 | 1.006 | 1.118 |
| 7/1/92-93 | 1.468 | 1.037 | 1.357 | 0.892 | 1.217 | 0.788 | 1.039 | 1.022 | 1.004 | 1.013 | 1.064 | 1.078 | 1.022 | 1.025 | 1.036 | 1.021 |
| 7/1/93-94 | 1.369 | 1.471 | 0.948 | 1.164 | 0.753 | 1.021 | 1.007 | 1.021 | 1.031 | 1.087 | 1.205 | 1.039 | 1.014 | 1.021 | 1.066 | 1.014 |
| 7/1/94-95 | 1.956 | 0.903 | 1.070 | 0.831 | 1.047 | 0.967 | 0.985 | 1.027 | 1.170 | 1.125 | 1.009 | 1.040 | 0.997 | 1.054 | 1.033 | 1.020 |
| 7/1/95-96 | 1.164 | 1.097 | 0.840 | 0.996 | 0.948 | 1.024 | 1.018 | 1.132 | 1.123 | 1.040 | 1.017 | 1.017 | 1.054 | 1.004 | 0.984 | 1.005 |
| 7/1/96-97 | 1.385 | 1.024 | 1.094 | 0.951 | 1.025 | 1.102 | 1.070 | 1.106 | 1.031 | 1.058 | 0.985 | 1.019 | 1.023 | 1.014 | 0.949 | 1.009 |
| 7/1/97-98 | 1.581 | 0.972 | 0.951 | 0.897 | 1.077 | 1.106 | 1.085 | 1.075 | 1.028 | 1.016 | 1.019 | 1.013 | 1.038 | 1.008 | 1.009 | |
| 7/1/98-99 | 1.873 | 0.872 | 1.027 | 1.114 | 1.107 | 1.162 | 1.056 | 1.018 | 1.056 | 1.019 | 1.056 | 1.009 | 1.023 | 0.985 | | |
| 7/1/99-00 | 1.120 | 1.172 | 1.043 | 1.120 | 1.176 | 1.096 | 1.091 | 1.014 | 1.005 | 1.052 | 1.039 | 1.019 | 0.998 | | | |
| 7/1/00-01 | 1.487 | 1.108 | 1.181 | 1.187 | 1.108 | 1.117 | 1.070 | 0.996 | 1.039 | 1.023 | 0.982 | 1.007 | | | | |
| 7/1/01-02 | 1.929 | 1.336 | 1.193 | 1.084 | 1.085 | 1.023 | 1.002 | 1.042 | 1.002 | 1.025 | 1.003 | | | | | |
| 7/1/02-03 | 1.830 | 1.177 | 1.104 | 1.040 | 1.067 | 1.084 | 1.039 | 1.025 | 1.022 | 1.032 | | | | | | |
| 7/1/03-04 | 1.111 | 1.172 | 1.109 | 1.079 | 1.116 | 1.060 | 1.021 | 1.031 | 0.981 | | | | | | | |
| 7/1/04-05 | 1.144 | 1.173 | 1.060 | 1.051 | 1.065 | 1.025 | 1.005 | 0.999 | | | | | | | | |
| 7/1/05-06 | 1.146 | 1.071 | 1.097 | 1.108 | 1.036 | 1.031 | 1.013 | | | | | | | | | |
| 7/1/06-07 | 1.234 | 1.155 | 1.074 | 1.101 | 1.031 | 0.983 | | | | | | | | | | |
| 7/1/07-08 | 1.255 | 1.079 | 1.093 | 1.037 | 1.024 | | | | | | | | | | | |
| 7/1/08-09 | 1.353 | 1.121 | 1.069 | 1.115 | | | | | | | | | | | | |
| 7/1/09-10 | 1.230 | 1.092 | 1.087 | | | | | | | | | | | | | |
| 7/1/10-11 | 1.162 | 1.077 | | | | | | | | | | | | | | |
| 7/1/11-12 | 1.217 | | | | | | | | | | | | | | | |
| All Years | 1.419 | 1.145 | 1.095 | 1.076 | 1.060 | 1.069 | 1.036 | 1.059 | 1.043 | 1.043 | 1.077 | 1.029 | 1.029 | 1.042 | 1.030 | 1.062 |
| Latest 3 | 1.203 | 1.097 | 1.083 | 1.084 | 1.030 | 1.013 | 1.013 | 1.019 | 1.002 | 1.027 | 1.008 | 1.012 | 1.020 | 1.002 | 0.981 | 1.012 |
| Latest 5 | 1.243 | 1.105 | 1.084 | 1.082 | 1.054 | 1.037 | 1.016 | 1.019 | 1.010 | 1.030 | 1.020 | 1.014 | 1.027 | 1.013 | 1.008 | 1.014 |
| Latest 7 | 1.228 | 1.110 | 1.084 | 1.076 | 1.060 | 1.046 | 1.035 | 1.018 | 1.019 | 1.032 | 1.015 | 1.018 | 1.021 | 1.016 | 1.012 | 1.028 |
| Wtd Average 3 | 1.203 | 1.098 | 1.083 | 1.084 | 1.030 | 1.011 | 1.013 | 1.019 | 1.000 | 1.027 | 1.009 | 1.012 | 1.017 | 1.002 | 0.980 | 1.012 |
| Wtd Average 5 | 1.244 | 1.105 | 1.083 | 1.083 | 1.051 | 1.032 | 1.016 | 1.020 | 1.007 | 1.031 | 1.019 | 1.014 | 1.026 | 1.014 | 1.012 | 1.014 |
| Wtd Average 7 | 1.229 | 1.108 | 1.083 | 1.078 | 1.056 | 1.038 | 1.029 | 1.019 | 1.014 | 1.032 | 1.014 | 1.018 | 1.019 | 1.017 | 1.015 | 1.029 |
| Middle 3 of 5 | 1.234 | 1.097 | 1.085 | 1.086 | 1.044 | 1.039 | 1.013 | 1.019 | 1.010 | 1.027 | 1.021 | 1.014 | 1.028 | 1.009 | 1.009 | 1.014 |
| Middle 5 of 7 | 1.220 | 1.105 | 1.084 | 1.076 | 1.056 | 1.045 | 1.030 | 1.017 | 1.019 | 1.030 | 1.013 | 1.016 | 1.019 | 1.015 | 1.013 | 1.015 |
| <u>LOW SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.229 | 1.097 | 1.083 | 1.080 | 1.047 | 1.032 | 1.013 | 1.017 | 1.010 | 1.027 | 1.008 | 1.012 | 1.018 | 1.002 | 0.995 | 1.007 |
| Cumulative | 1.916 | 1.559 | 1.421 | 1.312 | 1.215 | 1.160 | 1.124 | 1.110 | 1.091 | 1.080 | 1.052 | 1.044 | 1.032 | 1.014 | 1.012 | 1.017 |
| <u>HIGH SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.243 | 1.105 | 1.090 | 1.084 | 1.054 | 1.040 | 1.020 | 1.019 | 1.014 | 1.032 | 1.014 | 1.014 | 1.021 | 1.005 | 1.000 | 1.012 |
| Cumulative | 2.353 | 1.893 | 1.713 | 1.572 | 1.450 | 1.376 | 1.323 | 1.297 | 1.273 | 1.255 | 1.216 | 1.199 | 1.182 | 1.158 | 1.152 | 1.152 |

MONTANA STATE FUND
CASE INCURRED LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 12.5

AS OF JUNE 30, 2012

| Accident Year | Loss Development Factors (Age to Age) | | | | | | | | | | | | | | | |
|------------------------|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 204-216 | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | 1.004 | |
| 7/1/66-67 | | | | | | | | | | | | | | | 1.010 | |
| 7/1/67-68 | | | | | | | | | | | | 1.000 | | | 1.000 | |
| 7/1/68-69 | | | | | | | | | | | 0.987 | 0.988 | | | 0.999 | 1.001 |
| 7/1/69-70 | | | | | | | | | | 1.006 | 1.000 | 1.000 | | | 1.001 | 1.000 |
| 7/1/70-71 | | | | | | | | | | | | | 1.002 | | 0.996 | |
| 7/1/71-72 | | | | | | | | 0.868 | 0.995 | 0.992 | 0.990 | 1.040 | 0.973 | 1.004 | 1.025 | 1.183 |
| 7/1/72-73 | | | | | | | 1.046 | 0.988 | 0.980 | 1.010 | 0.998 | 0.986 | 1.000 | 1.000 | 0.986 | 1.000 |
| 7/1/73-74 | | | | | | 1.017 | 0.984 | 1.000 | 1.004 | 1.008 | 0.994 | 1.000 | 1.011 | 1.028 | 0.984 | 1.000 |
| 7/1/74-75 | | | | | 0.869 | 1.003 | 1.844 | 0.577 | 1.081 | 0.984 | 0.985 | 1.076 | 1.024 | 1.117 | 1.001 | 1.004 |
| 7/1/75-76 | | | | 1.024 | 0.991 | 1.595 | 0.639 | 1.018 | 0.983 | 1.004 | 1.011 | 1.152 | 0.935 | 1.007 | 0.990 | 1.024 |
| 7/1/76-77 | | | 0.998 | 0.990 | 1.018 | 1.029 | 1.004 | 0.972 | 1.031 | 1.031 | 1.050 | 1.148 | 0.912 | 1.027 | 0.995 | 1.014 |
| 7/1/77-78 | | 0.987 | 1.019 | 1.167 | 0.960 | 1.221 | 0.993 | 1.004 | 1.030 | 1.075 | 1.100 | 1.058 | 1.010 | 1.156 | 1.032 | 1.203 |
| 7/1/78-79 | 1.120 | 0.977 | 1.182 | 0.852 | 1.002 | 1.011 | 0.973 | 1.019 | 1.092 | 1.007 | 1.010 | 1.010 | 1.045 | 1.011 | 1.000 | 1.002 |
| 7/1/79-80 | 1.013 | 1.033 | 0.977 | 1.035 | 0.969 | 1.019 | 1.009 | 1.042 | 1.085 | 1.011 | 1.013 | 1.007 | 1.037 | 1.012 | 1.014 | 1.023 |
| 7/1/80-81 | 1.030 | 0.984 | 1.015 | 1.021 | 1.008 | 1.013 | 1.094 | 1.060 | 0.995 | 1.041 | 0.988 | 1.018 | 1.015 | 1.024 | 1.006 | 1.006 |
| 7/1/81-82 | 0.583 | 1.004 | 1.011 | 1.021 | 1.002 | 1.072 | 1.032 | 1.026 | 1.001 | 1.059 | 0.994 | 1.021 | 1.020 | 1.003 | 0.995 | |
| 7/1/82-83 | 1.026 | 1.035 | 1.025 | 1.008 | 1.052 | 1.049 | 0.975 | 1.005 | 1.007 | 1.038 | 1.048 | 1.068 | 1.015 | 1.038 | | |
| 7/1/83-84 | 1.002 | 1.017 | 1.012 | 1.034 | 1.024 | 1.002 | 1.025 | 1.023 | 1.041 | 1.062 | 1.038 | 1.015 | 0.984 | | | |
| 7/1/84-85 | 1.002 | 0.959 | 1.072 | 1.079 | 1.028 | 1.038 | 1.014 | 1.015 | 1.200 | 1.007 | 1.009 | 1.003 | | | | |
| 7/1/85-86 | 0.991 | 1.075 | 1.001 | 1.049 | 0.990 | 1.003 | 1.051 | 0.998 | 1.041 | 1.014 | 1.014 | | | | | |
| 7/1/86-87 | 1.028 | 1.068 | 1.007 | 1.010 | 1.036 | 1.066 | 0.979 | 1.008 | 1.029 | 1.015 | | | | | | |
| 7/1/87-88 | 1.141 | 1.018 | 1.014 | 1.012 | 1.072 | 1.028 | 1.023 | 1.015 | 1.023 | | | | | | | |
| 7/1/88-89 | 1.073 | 0.995 | 1.038 | 1.036 | 1.013 | 1.004 | 1.009 | 1.002 | | | | | | | | |
| 7/1/89-90 | 0.999 | 1.029 | 1.029 | 1.034 | 1.003 | 1.010 | 1.001 | | | | | | | | | |
| 7/1/90-91 | 1.055 | 1.038 | 1.028 | 1.028 | 1.010 | 1.022 | | | | | | | | | | |
| 7/1/91-92 | 1.038 | 1.058 | 0.983 | 1.014 | 0.958 | | | | | | | | | | | |
| 7/1/92-93 | 1.023 | 1.005 | 1.016 | 0.996 | | | | | | | | | | | | |
| 7/1/93-94 | 1.003 | 1.078 | 0.964 | | | | | | | | | | | | | |
| 7/1/94-95 | 1.007 | 0.991 | | | | | | | | | | | | | | |
| 7/1/95-96 | 1.000 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 1.007 | 1.020 | 1.022 | 1.023 | 1.000 | 1.067 | 1.039 | 0.980 | 1.036 | 1.020 | 1.013 | 1.033 | 0.990 | 1.024 | 1.003 | 1.046 |
| Latest 3 | 1.003 | 1.025 | 0.988 | 1.013 | 0.990 | 1.012 | 1.011 | 1.008 | 1.031 | 1.012 | 1.020 | 1.029 | 1.006 | 1.022 | 1.005 | 1.010 |
| Latest 5 | 1.014 | 1.034 | 1.004 | 1.022 | 1.011 | 1.026 | 1.013 | 1.008 | 1.067 | 1.027 | 1.021 | 1.025 | 1.014 | 1.017 | 1.010 | 1.050 |
| Latest 7 | 1.018 | 1.028 | 1.010 | 1.019 | 1.012 | 1.024 | 1.015 | 1.009 | 1.049 | 1.034 | 1.015 | 1.020 | 1.018 | 1.039 | 1.005 | 1.039 |
| Wtd Average 3 | 1.004 | 1.027 | 0.986 | 1.013 | 0.989 | 1.012 | 1.011 | 1.008 | 1.030 | 1.012 | 1.019 | 1.022 | 1.003 | 1.022 | 1.004 | 1.010 |
| Wtd Average 5 | 1.015 | 1.035 | 1.001 | 1.020 | 1.007 | 1.024 | 1.011 | 1.007 | 1.061 | 1.023 | 1.019 | 1.021 | 1.009 | 1.019 | 1.008 | 1.054 |
| Wtd Average 7 | 1.018 | 1.029 | 1.007 | 1.018 | 1.009 | 1.023 | 1.012 | 1.009 | 1.052 | 1.028 | 1.016 | 1.019 | 1.012 | 1.035 | 1.006 | 1.047 |
| Middle 3 of 5 | 1.011 | 1.034 | 1.009 | 1.025 | 1.009 | 1.020 | 1.011 | 1.008 | 1.037 | 1.022 | 1.020 | 1.018 | 1.016 | 1.015 | 1.007 | 1.014 |
| Middle 5 of 7 | 1.014 | 1.025 | 1.014 | 1.020 | 1.011 | 1.020 | 1.014 | 1.009 | 1.028 | 1.033 | 1.014 | 1.014 | 1.019 | 1.022 | 1.002 | 1.014 |
| <u>LOW SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.005 | 1.020 | 0.995 | 1.010 | 0.984 | 1.010 | 1.005 | 1.002 | 1.020 | 1.010 | 1.009 | 1.003 | 0.984 | 1.000 | 1.000 | 1.000 |
| Cumulative | 1.010 | 1.005 | 0.986 | 0.991 | 0.981 | 0.997 | 0.987 | 0.982 | 0.980 | 0.961 | 0.951 | 0.943 | 0.940 | 0.955 | 0.955 | 0.955 |
| <u>HIGH SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.008 | 1.025 | 1.000 | 1.013 | 0.995 | 1.015 | 1.007 | 1.003 | 1.023 | 1.012 | 1.013 | 1.008 | 0.995 | 1.003 | 1.005 | 1.006 |
| Cumulative | 1.138 | 1.129 | 1.101 | 1.101 | 1.087 | 1.092 | 1.076 | 1.069 | 1.066 | 1.042 | 1.030 | 1.017 | 1.009 | 1.014 | 1.011 | 1.006 |

MONTANA STATE FUND
CASE INCURRED LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 12.6

AS OF JUNE 30, 2012

| Accident Year | Loss Development Factors (Age to Age) | | | | | | | | | | | | | | | |
|------------------------|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 396-408 | 408-420 | 420-432 | 432-444 | 444-456 | 456-468 | 468-480 | 480-492 | 492-504 | 504-516 | 516-528 | 528-540 | 540-552 | 552-564 | 564-576 | 576-Ult |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | 0.996 | 1.000 | 1.000 | 1.000 | 1.004 | 1.000 | 1.002 | 1.000 | 1.000 | 1.001 | |
| 7/1/66-67 | | | | | 1.001 | 1.051 | 1.001 | 1.000 | 1.011 | 1.000 | 1.058 | 1.001 | 1.000 | 1.003 | | |
| 7/1/67-68 | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 7/1/68-69 | | | 0.997 | 1.000 | 1.000 | 1.000 | 1.000 | 1.004 | 1.000 | 1.010 | 1.000 | 1.000 | | | | |
| 7/1/69-70 | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 7/1/70-71 | 1.000 | 1.000 | 1.000 | 1.000 | 1.025 | 1.000 | 1.005 | 1.000 | 1.000 | 1.000 | | | | | | |
| 7/1/71-72 | 0.927 | 0.995 | 1.151 | 1.000 | 1.026 | 0.964 | 1.041 | 1.035 | 0.982 | | | | | | | |
| 7/1/72-73 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | |
| 7/1/73-74 | 1.000 | 1.000 | 0.987 | 1.000 | 1.018 | 1.000 | 1.000 | | | | | | | | | |
| 7/1/74-75 | 1.034 | 1.029 | 1.004 | 1.013 | 1.010 | 0.963 | | | | | | | | | | |
| 7/1/75-76 | 1.059 | 1.018 | 0.997 | 1.061 | 1.011 | | | | | | | | | | | |
| 7/1/76-77 | 1.009 | 1.000 | 1.001 | 1.013 | | | | | | | | | | | | |
| 7/1/77-78 | 0.950 | 1.006 | 0.999 | | | | | | | | | | | | | |
| 7/1/78-79 | 1.027 | 0.974 | | | | | | | | | | | | | | |
| 7/1/79-80 | 0.999 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 1.001 | 1.002 | 1.014 | 1.009 | 1.009 | 0.997 | 1.005 | 1.005 | 0.999 | 1.002 | 1.012 | 1.001 | 1.000 | 1.002 | 1.001 | |
| Latest 3 | 0.992 | 0.993 | 0.999 | 1.029 | 1.013 | 0.988 | 1.014 | 1.012 | 0.994 | 1.003 | 1.000 | 1.000 | 1.000 | | | |
| Latest 5 | 1.009 | 1.005 | 0.997 | 1.017 | 1.013 | 0.985 | 1.009 | 1.008 | 0.996 | 1.002 | 1.012 | | | | | |
| Latest 7 | 1.011 | 1.004 | 1.020 | 1.012 | 1.013 | 0.989 | 1.007 | 1.006 | 0.999 | | | | | | | |
| Wtd Average 3 | 0.986 | 0.995 | 0.999 | 1.028 | 1.011 | 0.976 | 1.016 | 1.015 | 0.992 | 1.003 | 1.000 | 1.000 | 1.000 | | | |
| Wtd Average 5 | 0.997 | 1.003 | 0.999 | 1.023 | 1.012 | 0.976 | 1.012 | 1.011 | 0.994 | 1.002 | 1.011 | | | | | |
| Wtd Average 7 | 1.001 | 1.003 | 1.007 | 1.020 | 1.012 | 0.980 | 1.009 | 1.008 | 0.997 | | | | | | | |
| Middle 3 of 5 | 1.012 | 1.008 | 0.999 | 1.009 | 1.013 | 0.988 | 1.002 | 1.001 | 1.000 | 1.000 | | | | | | |
| Middle 5 of 7 | 1.014 | 1.005 | 1.000 | 1.005 | 1.013 | 0.993 | 1.001 | 1.001 | 1.000 | | | | | | | |
| <u>LOW SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 0.992 | 0.995 | 0.997 | 1.002 | 1.002 | 0.981 | 1.002 | 1.002 | 0.982 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Cumulative | 0.955 | 0.963 | 0.968 | 0.971 | 0.969 | 0.967 | 0.986 | 0.984 | 0.982 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| <u>HIGH SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 0.995 | 0.995 | 1.000 | 1.005 | 1.005 | 1.000 | 1.004 | 1.002 | 0.994 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Cumulative | 1.000 | 1.005 | 1.010 | 1.010 | 1.005 | 1.000 | 1.000 | 0.996 | 0.994 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

MONTANA STATE FUND
 PAID LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 IN THOUSANDS

Exhibit 12.7

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>12</u> | <u>24</u> | <u>36</u> | <u>48</u> | <u>60</u> | <u>72</u> | <u>84</u> | <u>96</u> | <u>108</u> | <u>120</u> | <u>132</u> | <u>144</u> | <u>156</u> | <u>168</u> | <u>180</u> | <u>192</u> |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | 1,094 |
| 7/1/69-70 | | | | | | | | | | | | 1,251 | 1,251 | | | |
| 7/1/70-71 | | | | | | | | | | 1,338 | 1,342 | 1,346 | | | | |
| 7/1/71-72 | | | | | | | | | 1,400 | 1,400 | 1,400 | 1,402 | | | | |
| 7/1/72-73 | | | | | | | | 1,438 | 1,440 | 1,440 | 1,443 | 1,451 | | | | |
| 7/1/73-74 | | | | | | | 2,566 | 2,648 | 2,743 | 2,831 | 2,938 | 3,011 | | | | |
| 7/1/74-75 | | | | | | 2,395 | 2,483 | 2,599 | 2,700 | 2,933 | 3,010 | 3,062 | | | | |
| 7/1/75-76 | | | | | 2,292 | 2,399 | 2,477 | 2,575 | 2,760 | 2,872 | 2,986 | 3,091 | | | | |
| 7/1/76-77 | | | | 2,753 | 2,949 | 3,127 | 3,218 | 3,427 | 3,595 | 3,714 | 3,785 | 6,241 | | | | |
| 7/1/77-78 | | | 3,212 | 3,479 | 3,631 | 3,793 | 3,951 | 4,140 | 4,282 | 4,431 | 5,655 | 9,564 | 10,347 | | | |
| 7/1/78-79 | | 3,221 | 3,755 | 4,124 | 4,401 | 4,643 | 4,815 | 5,046 | 5,265 | 6,711 | 6,922 | 7,053 | | 7,309 | 7,495 | 7,808 |
| 7/1/79-80 | 2,532 | 4,214 | 4,935 | 5,467 | 5,923 | 6,319 | 6,777 | 7,258 | 8,975 | 9,269 | 9,459 | 9,734 | 9,885 | 10,104 | 10,418 | 10,626 |
| 7/1/80-81 | 2,668 | 4,775 | 5,663 | 6,352 | 7,130 | 7,722 | 8,200 | 10,301 | 10,757 | 11,258 | 11,693 | 12,064 | 12,448 | 12,713 | 13,023 | 13,299 |
| 7/1/81-82 | 2,904 | 5,172 | 6,072 | 6,937 | 7,740 | 8,392 | 10,591 | 11,085 | 11,449 | 11,863 | 12,250 | 12,528 | 12,765 | 13,012 | 13,271 | 13,553 |
| 7/1/82-83 | 3,288 | 6,306 | 7,732 | 9,023 | 10,050 | 12,924 | 13,767 | 14,496 | 14,992 | 15,427 | 15,752 | 16,037 | 16,356 | 16,787 | 17,231 | 17,693 |
| 7/1/83-84 | 3,997 | 7,889 | 10,642 | 12,664 | 16,349 | 17,344 | 18,152 | 18,971 | 19,409 | 20,028 | 20,390 | 20,706 | 21,234 | 21,644 | 22,178 | 22,860 |
| 7/1/84-85 | 3,924 | 9,670 | 13,347 | 17,964 | 19,546 | 20,649 | 21,422 | 22,006 | 22,615 | 23,170 | 23,684 | 24,260 | 24,711 | 25,053 | 25,438 | 25,909 |
| 7/1/85-86 | 4,528 | 11,157 | 18,208 | 20,327 | 21,864 | 23,022 | 24,224 | 25,074 | 25,743 | 26,498 | 27,335 | 27,921 | 28,506 | 29,098 | 29,822 | 30,443 |
| 7/1/86-87 | 5,437 | 15,751 | 19,680 | 21,938 | 23,465 | 24,595 | 25,668 | 26,445 | 27,149 | 27,986 | 28,591 | 29,213 | 29,908 | 30,605 | 31,290 | 31,956 |
| 7/1/87-88 | 8,825 | 17,899 | 21,813 | 24,307 | 26,161 | 27,443 | 28,338 | 29,135 | 30,252 | 30,985 | 31,691 | 32,352 | 33,121 | 34,038 | 34,883 | 35,907 |
| 7/1/88-89 | 9,704 | 18,465 | 22,359 | 24,911 | 26,364 | 27,320 | 28,042 | 28,740 | 29,289 | 29,802 | 30,310 | 31,000 | 31,493 | 32,104 | 32,820 | 33,457 |
| 7/1/89-90 | 10,136 | 20,455 | 24,794 | 27,639 | 29,316 | 30,488 | 31,832 | 32,621 | 33,396 | 34,131 | 35,077 | 36,821 | 37,689 | 38,870 | 39,762 | 40,684 |
| 7/1/90-91 | 9,970 | 20,495 | 25,138 | 27,573 | 29,732 | 31,222 | 32,264 | 33,465 | 34,607 | 35,774 | 36,719 | 37,724 | 38,975 | 40,094 | 41,305 | 42,456 |
| 7/1/91-92 | 12,237 | 24,814 | 28,866 | 31,209 | 32,741 | 33,791 | 34,881 | 35,818 | 36,780 | 37,762 | 38,639 | 39,485 | 40,414 | 41,332 | 41,939 | 42,561 |
| 7/1/92-93 | 11,499 | 22,931 | 27,053 | 29,596 | 31,127 | 32,644 | 33,900 | 35,016 | 36,034 | 37,098 | 38,164 | 39,428 | 40,722 | 42,094 | 43,259 | 44,121 |
| 7/1/93-94 | 12,174 | 23,208 | 27,061 | 28,847 | 30,503 | 31,756 | 32,983 | 34,101 | 35,077 | 35,950 | 37,419 | 38,411 | 39,480 | 40,394 | 41,564 | 42,295 |
| 7/1/94-95 | 11,625 | 20,585 | 23,700 | 25,856 | 27,200 | 28,404 | 29,431 | 30,481 | 31,521 | 32,594 | 33,593 | 34,582 | 35,257 | 35,959 | 36,678 | 37,633 |
| 7/1/95-96 | 10,253 | 17,646 | 20,874 | 22,597 | 23,798 | 24,995 | 26,017 | 27,075 | 27,875 | 28,652 | 29,607 | 30,387 | 32,738 | 33,207 | 33,692 | 34,218 |
| 7/1/96-97 | 8,155 | 16,219 | 18,962 | 20,675 | 22,061 | 23,503 | 24,414 | 25,473 | 26,611 | 27,905 | 28,472 | 28,989 | 30,001 | 30,799 | 31,276 | 31,899 |
| 7/1/97-98 | 8,718 | 15,458 | 18,349 | 20,380 | 21,939 | 23,387 | 24,660 | 25,803 | 26,798 | 27,655 | 28,549 | 29,538 | 30,452 | 31,357 | 32,093 | |
| 7/1/98-99 | 9,073 | 16,982 | 20,368 | 23,173 | 24,915 | 26,839 | 28,242 | 30,210 | 31,508 | 32,724 | 33,659 | 34,592 | 35,454 | 36,411 | | |
| 7/1/99-00 | 8,719 | 16,436 | 19,608 | 22,058 | 24,032 | 25,566 | 27,069 | 28,435 | 29,783 | 30,636 | 32,926 | 33,622 | 34,349 | | | |
| 7/1/00-01 | 9,389 | 19,623 | 25,319 | 29,137 | 31,741 | 33,851 | 35,728 | 37,441 | 39,379 | 40,747 | 42,231 | 43,146 | | | | |
| 7/1/01-02 | 11,134 | 22,844 | 29,283 | 32,230 | 34,099 | 35,618 | 37,337 | 38,818 | 40,370 | 41,467 | 42,739 | | | | | |
| 7/1/02-03 | 13,976 | 28,680 | 34,720 | 38,648 | 41,663 | 44,118 | 46,655 | 48,377 | 50,309 | 52,163 | | | | | | |
| 7/1/03-04 | 15,883 | 31,393 | 37,678 | 41,068 | 43,627 | 45,288 | 47,340 | 48,702 | 50,448 | | | | | | | |
| 7/1/04-05 | 17,919 | 35,050 | 41,051 | 45,075 | 48,117 | 51,495 | 53,380 | 54,657 | | | | | | | | |
| 7/1/05-06 | 20,507 | 39,809 | 46,292 | 50,687 | 54,339 | 57,636 | 60,618 | | | | | | | | | |
| 7/1/06-07 | 23,542 | 42,290 | 49,526 | 54,653 | 57,780 | 60,305 | | | | | | | | | | |
| 7/1/07-08 | 21,837 | 41,965 | 50,312 | 54,763 | 59,541 | | | | | | | | | | | |
| 7/1/08-09 | 20,597 | 36,595 | 43,146 | 47,108 | | | | | | | | | | | | |
| 7/1/09-10 | 18,409 | 34,353 | 40,885 | | | | | | | | | | | | | |
| 7/1/10-11 | 20,339 | 36,588 | | | | | | | | | | | | | | |
| 7/1/11-12 | 17,903 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 PAID LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 IN THOUSANDS

Exhibit 12.8

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | 939 | 939 | |
| 7/1/65-66 | | | | | | | | | | | | | 1,135 | 1,137 | 1,149 | |
| 7/1/66-67 | | | | | | | | | | | | 1,231 | 1,231 | 1,231 | 1,231 | |
| 7/1/67-68 | | | | | | | | | | | 1,348 | 1,349 | 1,348 | 1,350 | 1,350 | |
| 7/1/68-69 | | | | | | | | | | 1,405 | 1,406 | 1,406 | 1,407 | 1,407 | 1,407 | |
| 7/1/69-70 | | | | | | | | | 1,581 | 1,582 | 1,589 | 1,591 | 1,592 | 1,596 | 1,604 | |
| 7/1/70-71 | | | | | | | | 1,826 | 1,828 | 1,844 | 1,855 | 1,856 | 1,874 | 1,897 | 1,937 | 1,961 |
| 7/1/71-72 | | | | | | | 1,873 | 1,873 | 1,877 | 1,878 | 1,880 | 1,880 | 1,884 | 1,884 | 1,884 | 1,884 |
| 7/1/72-73 | | | | | | 1,984 | 1,986 | 1,986 | 1,986 | 1,991 | 1,992 | 1,997 | 1,997 | 1,997 | 2,006 | 2,006 |
| 7/1/73-74 | | | | | 4,181 | 4,341 | 4,420 | 4,537 | 4,593 | 4,687 | 4,694 | 4,792 | 4,907 | 5,009 | 5,046 | 5,089 |
| 7/1/74-75 | | | | 4,297 | 4,342 | 4,407 | 4,454 | 4,509 | 4,561 | 4,522 | 4,579 | 4,686 | 4,722 | 4,804 | 4,841 | 4,861 |
| 7/1/75-76 | | | 4,498 | 4,572 | 4,681 | 4,750 | 4,850 | 4,935 | 4,949 | 5,054 | 5,187 | 5,361 | 5,424 | 5,537 | 5,593 | 5,608 |
| 7/1/76-77 | | 5,362 | 5,437 | 5,528 | 5,676 | 5,920 | 6,072 | 6,128 | 6,493 | 6,841 | 7,107 | 7,539 | 8,102 | 9,354 | 10,017 | 10,538 |
| 7/1/77-78 | 6,990 | 7,072 | 7,205 | 7,305 | 7,342 | 7,426 | 7,544 | 7,603 | 7,741 | 7,938 | 8,007 | 8,067 | 8,109 | 8,158 | 8,205 | 8,253 |
| 7/1/78-79 | 8,032 | 8,421 | 8,537 | 8,646 | 8,766 | 8,889 | 9,011 | 9,079 | 9,447 | 9,620 | 9,826 | 9,942 | 10,030 | 10,123 | 10,250 | 10,334 |
| 7/1/79-80 | 10,785 | 10,925 | 11,334 | 11,612 | 11,831 | 12,004 | 12,229 | 12,551 | 12,827 | 13,002 | 13,327 | 13,451 | 13,528 | 13,623 | 13,738 | 13,922 |
| 7/1/80-81 | 13,566 | 13,756 | 13,993 | 14,250 | 14,568 | 14,896 | 15,142 | 15,478 | 15,819 | 16,270 | 16,780 | 17,001 | 17,210 | 17,476 | 17,591 | 17,746 |
| 7/1/81-82 | 13,779 | 14,018 | 15,113 | 15,407 | 15,797 | 16,194 | 16,369 | 16,709 | 16,952 | 17,300 | 17,860 | 18,181 | 18,583 | 19,073 | 19,336 | |
| 7/1/82-83 | 18,102 | 18,677 | 19,274 | 19,812 | 20,334 | 20,653 | 20,980 | 21,493 | 21,854 | 22,259 | 22,625 | 23,125 | 23,451 | 23,754 | | |
| 7/1/83-84 | 23,265 | 23,851 | 24,367 | 24,862 | 25,422 | 26,151 | 26,905 | 27,327 | 27,926 | 28,862 | 29,513 | 30,248 | 31,052 | | | |
| 7/1/84-85 | 26,386 | 26,846 | 27,516 | 28,190 | 28,618 | 28,945 | 29,347 | 29,869 | 30,385 | 30,793 | 31,127 | 31,574 | | | | |
| 7/1/85-86 | 31,048 | 31,638 | 32,413 | 33,043 | 33,588 | 34,144 | 34,726 | 35,862 | 36,350 | 36,827 | 37,566 | | | | | |
| 7/1/86-87 | 32,809 | 33,663 | 34,309 | 35,355 | 36,131 | 36,932 | 37,943 | 38,733 | 39,521 | 40,585 | | | | | | |
| 7/1/87-88 | 36,824 | 37,714 | 38,677 | 39,545 | 40,385 | 41,234 | 42,048 | 42,669 | 43,339 | | | | | | | |
| 7/1/88-89 | 34,223 | 34,958 | 35,591 | 36,385 | 37,006 | 37,566 | 38,243 | 38,690 | | | | | | | | |
| 7/1/89-90 | 41,725 | 42,897 | 45,140 | 46,362 | 47,391 | 48,503 | 49,450 | | | | | | | | | |
| 7/1/90-91 | 43,398 | 44,487 | 45,774 | 46,827 | 48,469 | 49,216 | | | | | | | | | | |
| 7/1/91-92 | 43,331 | 44,187 | 45,152 | 45,873 | 46,536 | | | | | | | | | | | |
| 7/1/92-93 | 45,175 | 46,312 | 47,310 | 48,390 | | | | | | | | | | | | |
| 7/1/93-94 | 43,105 | 43,900 | 44,500 | | | | | | | | | | | | | |
| 7/1/94-95 | 38,234 | 38,797 | | | | | | | | | | | | | | |
| 7/1/95-96 | 34,678 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 PAID LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)
 IN THOUSANDS

Exhibit 12.9

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>396</u> | <u>408</u> | <u>420</u> | <u>432</u> | <u>444</u> | <u>456</u> | <u>468</u> | <u>480</u> | <u>492</u> | <u>504</u> | <u>516</u> | <u>528</u> | <u>540</u> | <u>552</u> | <u>564</u> | <u>576</u> |
| 7/1/64-65 | | | | | | 943 | 943 | 943 | 943 | 943 | 947 | 947 | 949 | 949 | 949 | 950 |
| 7/1/65-66 | | | | | 1,157 | 1,158 | 1,174 | 1,174 | 1,174 | 1,176 | 1,176 | 1,248 | 1,249 | 1,249 | 1,263 | |
| 7/1/66-67 | | | | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | 1,231 | | |
| 7/1/67-68 | | | 1,351 | 1,351 | 1,351 | 1,351 | 1,351 | 1,351 | 1,356 | 1,356 | 1,370 | 1,370 | 1,370 | | | |
| 7/1/68-69 | | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,408 | 1,408 | 1,408 | 1,408 | 1,408 | | | | |
| 7/1/69-70 | 1,604 | 1,604 | 1,604 | 1,604 | 1,604 | 1,604 | 1,623 | 1,623 | 1,623 | 1,623 | 1,623 | | | | | |
| 7/1/70-71 | 1,975 | 2,071 | 2,083 | 2,150 | 2,158 | 2,165 | 2,260 | 2,333 | 2,492 | 2,492 | | | | | | |
| 7/1/71-72 | 1,884 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | | | | | | | |
| 7/1/72-73 | 2,010 | 2,010 | 2,010 | 2,017 | 2,017 | 2,023 | 2,023 | 2,023 | | | | | | | | |
| 7/1/73-74 | 5,130 | 5,331 | 5,422 | 5,467 | 5,509 | 5,551 | 5,587 | | | | | | | | | |
| 7/1/74-75 | 4,870 | 4,894 | 4,980 | 5,027 | 5,067 | 5,189 | | | | | | | | | | |
| 7/1/75-76 | 5,618 | 5,634 | 5,709 | 5,757 | 5,769 | | | | | | | | | | | |
| 7/1/76-77 | 10,993 | 11,350 | 11,584 | 11,785 | | | | | | | | | | | | |
| 7/1/77-78 | 8,353 | 8,414 | 8,458 | | | | | | | | | | | | | |
| 7/1/78-79 | 10,423 | 10,515 | | | | | | | | | | | | | | |
| 7/1/79-80 | 14,138 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 PAID LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 12.10

AS OF JUNE 30, 2012

| Accident Year | Loss Development Factors (Age to Age) | | | | | | | | | | | | | | | | |
|------------------------|---------------------------------------|-------|-------|-------|-------|-------|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | |
| 7/1/64-65 | | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | 1.003 | 1.003 | | | | | | |
| 7/1/72-73 | | | | | | | | | 1.000 | 1.000 | 1.001 | | | | | | |
| 7/1/73-74 | | | | | | | | 1.001 | 1.000 | 1.002 | 1.006 | | | | | | |
| 7/1/74-75 | | | | | | | | 1.032 | 1.036 | 1.032 | 1.038 | 1.025 | | | | | |
| 7/1/75-76 | | | | | | 1.037 | | 1.047 | 1.039 | 1.086 | 1.026 | 1.017 | | | | | |
| 7/1/76-77 | | | | | 1.047 | 1.033 | | 1.040 | 1.072 | 1.041 | 1.040 | 1.035 | | | | | |
| 7/1/77-78 | | | | 1.071 | 1.060 | 1.029 | | 1.065 | 1.049 | 1.033 | 1.019 | 1.649 | | | | | |
| 7/1/78-79 | | | 1.083 | 1.044 | 1.045 | 1.042 | | 1.048 | 1.034 | 1.035 | 1.276 | 1.691 | 1.082 | | | | |
| 7/1/79-80 | | 1.166 | 1.098 | 1.067 | 1.055 | 1.037 | | 1.048 | 1.043 | 1.275 | 1.031 | 1.019 | | 1.025 | 1.042 | 1.029 | |
| 7/1/80-81 | 1.664 | 1.171 | 1.108 | 1.083 | 1.067 | 1.072 | | 1.071 | 1.237 | 1.033 | 1.020 | 1.029 | 1.016 | 1.022 | 1.031 | 1.020 | 1.015 |
| 7/1/81-82 | 1.790 | 1.186 | 1.122 | 1.122 | 1.083 | 1.062 | | 1.256 | 1.044 | 1.047 | 1.039 | 1.032 | 1.032 | 1.021 | 1.024 | 1.021 | 1.020 |
| 7/1/82-83 | 1.781 | 1.174 | 1.142 | 1.116 | 1.084 | 1.262 | | 1.047 | 1.033 | 1.036 | 1.033 | 1.023 | 1.019 | 1.019 | 1.020 | 1.021 | 1.017 |
| 7/1/83-84 | 1.918 | 1.226 | 1.167 | 1.114 | 1.286 | 1.065 | | 1.053 | 1.034 | 1.029 | 1.021 | 1.018 | 1.020 | 1.026 | 1.026 | 1.027 | 1.023 |
| 7/1/84-85 | 1.974 | 1.349 | 1.190 | 1.291 | 1.061 | 1.047 | | 1.045 | 1.023 | 1.032 | 1.018 | 1.015 | 1.025 | 1.019 | 1.025 | 1.031 | 1.018 |
| 7/1/85-86 | 2.464 | 1.380 | 1.346 | 1.088 | 1.056 | 1.037 | | 1.027 | 1.028 | 1.025 | 1.022 | 1.024 | 1.019 | 1.014 | 1.015 | 1.019 | 1.018 |
| 7/1/86-87 | 2.464 | 1.632 | 1.116 | 1.076 | 1.076 | 1.052 | | 1.035 | 1.027 | 1.029 | 1.032 | 1.021 | 1.021 | 1.021 | 1.025 | 1.021 | 1.020 |
| 7/1/87-88 | 2.897 | 1.249 | 1.115 | 1.070 | 1.048 | 1.044 | | 1.030 | 1.027 | 1.031 | 1.022 | 1.022 | 1.024 | 1.023 | 1.022 | 1.021 | 1.027 |
| 7/1/88-89 | 2.028 | 1.219 | 1.114 | 1.076 | 1.049 | 1.033 | | 1.028 | 1.038 | 1.024 | 1.023 | 1.021 | 1.024 | 1.028 | 1.025 | 1.029 | 1.026 |
| 7/1/89-90 | 1.903 | 1.211 | 1.114 | 1.058 | 1.036 | 1.026 | | 1.025 | 1.019 | 1.018 | 1.017 | 1.023 | 1.016 | 1.019 | 1.022 | 1.019 | 1.023 |
| 7/1/90-91 | 2.018 | 1.212 | 1.115 | 1.061 | 1.040 | 1.044 | | 1.025 | 1.024 | 1.022 | 1.028 | 1.050 | 1.024 | 1.031 | 1.023 | 1.023 | 1.026 |
| 7/1/91-92 | 2.056 | 1.227 | 1.097 | 1.078 | 1.050 | 1.033 | | 1.037 | 1.034 | 1.034 | 1.026 | 1.027 | 1.033 | 1.029 | 1.030 | 1.028 | 1.022 |
| 7/1/92-93 | 2.028 | 1.163 | 1.081 | 1.049 | 1.032 | 1.032 | | 1.027 | 1.027 | 1.023 | 1.023 | 1.022 | 1.024 | 1.023 | 1.015 | 1.015 | 1.018 |
| 7/1/93-94 | 1.994 | 1.180 | 1.094 | 1.052 | 1.049 | 1.038 | | 1.033 | 1.029 | 1.030 | 1.029 | 1.033 | 1.033 | 1.034 | 1.028 | 1.020 | 1.024 |
| 7/1/94-95 | 1.906 | 1.166 | 1.066 | 1.057 | 1.041 | 1.039 | | 1.034 | 1.029 | 1.025 | 1.041 | 1.027 | 1.028 | 1.023 | 1.029 | 1.018 | 1.019 |
| 7/1/95-96 | 1.771 | 1.151 | 1.091 | 1.052 | 1.044 | 1.036 | | 1.036 | 1.034 | 1.034 | 1.031 | 1.029 | 1.020 | 1.020 | 1.020 | 1.026 | 1.016 |
| 7/1/96-97 | 1.721 | 1.183 | 1.083 | 1.053 | 1.050 | 1.041 | | 1.041 | 1.030 | 1.028 | 1.033 | 1.026 | 1.077 | 1.014 | 1.015 | 1.016 | 1.013 |
| 7/1/97-98 | 1.989 | 1.169 | 1.090 | 1.067 | 1.065 | 1.039 | | 1.043 | 1.045 | 1.049 | 1.020 | 1.018 | 1.035 | 1.027 | 1.015 | 1.020 | |
| 7/1/98-99 | 1.773 | 1.187 | 1.111 | 1.076 | 1.066 | 1.054 | | 1.046 | 1.039 | 1.032 | 1.032 | 1.035 | 1.031 | 1.030 | 1.023 | | |
| 7/1/99-00 | 1.872 | 1.199 | 1.138 | 1.075 | 1.077 | 1.052 | | 1.070 | 1.043 | 1.039 | 1.029 | 1.028 | 1.025 | 1.027 | | | |
| 7/1/00-01 | 1.885 | 1.193 | 1.125 | 1.089 | 1.064 | 1.059 | | 1.050 | 1.047 | 1.029 | 1.075 | 1.021 | 1.022 | | | | |
| 7/1/01-02 | 2.090 | 1.290 | 1.151 | 1.089 | 1.066 | 1.055 | | 1.048 | 1.052 | 1.035 | 1.036 | 1.022 | | | | | |
| 7/1/02-03 | 2.052 | 1.282 | 1.101 | 1.058 | 1.045 | 1.048 | | 1.040 | 1.040 | 1.027 | 1.031 | | | | | | |
| 7/1/03-04 | 2.052 | 1.211 | 1.113 | 1.078 | 1.059 | 1.058 | | 1.037 | 1.040 | 1.037 | | | | | | | |
| 7/1/04-05 | 1.977 | 1.200 | 1.090 | 1.062 | 1.038 | 1.045 | | 1.029 | 1.036 | | | | | | | | |
| 7/1/05-06 | 1.956 | 1.171 | 1.098 | 1.067 | 1.070 | 1.037 | | 1.024 | | | | | | | | | |
| 7/1/06-07 | 1.941 | 1.163 | 1.095 | 1.072 | 1.061 | 1.052 | | | | | | | | | | | |
| 7/1/07-08 | 1.796 | 1.171 | 1.104 | 1.057 | 1.044 | | | | | | | | | | | | |
| 7/1/08-09 | 1.922 | 1.199 | 1.088 | 1.087 | | | | | | | | | | | | | |
| 7/1/09-10 | 1.777 | 1.179 | 1.092 | | | | | | | | | | | | | | |
| 7/1/10-11 | 1.866 | 1.190 | | | | | | | | | | | | | | | |
| 7/1/11-12 | 1.799 | | | | | | | | | | | | | | | | |
| All Years | 1.973 | 1.220 | 1.117 | 1.080 | 1.062 | 1.051 | 1.047 | 1.042 | 1.039 | 1.035 | 1.063 | 1.029 | 1.024 | 1.023 | 1.023 | 1.021 | |
| Latest 3 | 1.814 | 1.189 | 1.095 | 1.072 | 1.058 | 1.045 | 1.030 | 1.039 | 1.033 | 1.047 | 1.024 | 1.026 | 1.028 | 1.018 | 1.021 | 1.016 | |
| Latest 5 | 1.832 | 1.180 | 1.095 | 1.069 | 1.054 | 1.048 | 1.035 | 1.043 | 1.033 | 1.041 | 1.025 | 1.038 | 1.024 | 1.021 | 1.020 | 1.018 | |
| Latest 7 | 1.865 | 1.182 | 1.097 | 1.069 | 1.055 | 1.051 | 1.042 | 1.042 | 1.035 | 1.037 | 1.026 | 1.034 | 1.025 | 1.021 | 1.020 | 1.020 | |
| Wtd Average 3 | 1.812 | 1.190 | 1.095 | 1.072 | 1.057 | 1.045 | 1.030 | 1.038 | 1.033 | 1.045 | 1.023 | 1.026 | 1.028 | 1.018 | 1.021 | 1.016 | |
| Wtd Average 5 | 1.831 | 1.180 | 1.095 | 1.070 | 1.054 | 1.048 | 1.034 | 1.042 | 1.033 | 1.040 | 1.024 | 1.037 | 1.023 | 1.021 | 1.020 | 1.018 | |
| Wtd Average 7 | 1.863 | 1.181 | 1.097 | 1.070 | 1.054 | 1.050 | 1.039 | 1.042 | 1.035 | 1.037 | 1.025 | 1.033 | 1.025 | 1.021 | 1.020 | 1.020 | |
| Middle 3 of 5 | 1.820 | 1.180 | 1.095 | 1.067 | 1.054 | 1.048 | 1.035 | 1.042 | 1.033 | 1.033 | 1.024 | 1.030 | 1.025 | 1.020 | 1.019 | 1.018 | |
| Middle 5 of 7 | 1.865 | 1.182 | 1.096 | 1.068 | 1.055 | 1.052 | 1.041 | 1.042 | 1.034 | 1.032 | 1.025 | 1.028 | 1.025 | 1.020 | 1.020 | 1.020 | |
| <u>LOW SELECTIONS</u> | | | | | | | | | | | | | | | | | |
| Selected | 1.814 | 1.181 | 1.095 | 1.069 | 1.054 | 1.045 | 1.030 | 1.039 | 1.033 | 1.037 | 1.024 | 1.026 | 1.023 | 1.018 | 1.019 | 1.016 | |
| Cumulative | 4.854 | 2.676 | 2.266 | 2.069 | 1.935 | 1.836 | 1.757 | 1.706 | 1.642 | 1.590 | 1.533 | 1.497 | 1.459 | 1.426 | 1.401 | 1.375 | |
| <u>MID SELECTIONS</u> | | | | | | | | | | | | | | | | | |
| Selected | 1.832 | 1.182 | 1.096 | 1.070 | 1.055 | 1.048 | 1.035 | 1.040 | 1.034 | 1.040 | 1.025 | 1.028 | 1.025 | 1.020 | 1.020 | 1.018 | |
| Cumulative | 5.329 | 2.909 | 2.461 | 2.245 | 2.098 | 1.989 | 1.898 | 1.834 | 1.763 | 1.705 | 1.639 | 1.599 | 1.555 | 1.517 | 1.487 | 1.458 | |
| <u>HIGH SELECTIONS</u> | | | | | | | | | | | | | | | | | |
| Selected | 1.865 | 1.185 | 1.097 | 1.072 | 1.057 | 1.051 | 1.039 | 1.042 | 1.035 | 1.045 | 1.026 | 1.030 | 1.028 | 1.021 | 1.022 | 1.020 | |
| Cumulative | 5.933 | 3.181 | 2.684 | 2.447 | 2.283 | 2.160 | 2.055 | 1.978 | 1.898 | 1.834 | 1.755 | 1.711 | 1.661 | 1.616 | 1.583 | 1.549 | |

MONTANA STATE FUND
 PAID LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 12.11

AS OF JUNE 30, 2012

| Accident Year | Loss Development Factors (Age to Age) | | | | | | | | | | | | | | | |
|------------------------|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 204-216 | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | 1.000 |
| 7/1/66-67 | | | | | | | | | | | | | | | | 1.011 |
| 7/1/67-68 | | | | | | | | | | | | | 1.000 | | | 1.000 |
| 7/1/68-69 | | | | | | | | | | | 1.001 | | 0.999 | | | 1.000 |
| 7/1/69-70 | | | | | | | | | | | 1.000 | | 1.001 | | | 1.000 |
| 7/1/70-71 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.000 |
| 7/1/71-72 | | | | | | | | | | | 1.004 | | 1.001 | | | 1.003 |
| 7/1/72-73 | | | | | | | | | | | 1.006 | | 1.001 | | | 1.010 |
| 7/1/73-74 | | | | | | | | | | | 1.000 | | 1.002 | | | 1.002 |
| 7/1/74-75 | | | | | | | | | | | 1.000 | | 1.000 | | | 1.000 |
| 7/1/75-76 | | | | | | | | | | | 1.003 | | 1.000 | | | 1.005 |
| 7/1/76-77 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/77-78 | | | | | | | | | | | 1.009 | | 1.006 | | | 1.012 |
| 7/1/78-79 | | | | | | | | | | | 1.002 | | 1.001 | | | 1.021 |
| 7/1/79-80 | | | | | | | | | | | 1.000 | | 1.002 | | | 1.000 |
| 7/1/80-81 | | | | | | | | | | | 1.003 | | 1.000 | | | 1.000 |
| 7/1/81-82 | | | | | | | | | | | 1.001 | | 1.003 | | | 1.005 |
| 7/1/82-83 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/83-84 | | | | | | | | | | | 1.001 | | 1.000 | | | 1.000 |
| 7/1/84-85 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/85-86 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/86-87 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/87-88 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/88-89 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/89-90 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/90-91 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/91-92 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/92-93 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/93-94 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/94-95 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/95-96 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/96-97 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/97-98 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/98-99 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/99-00 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/00-01 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/01-02 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/02-03 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/03-04 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/04-05 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/05-06 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/06-07 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/07-08 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/08-09 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/09-10 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/10-11 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| 7/1/11-12 | | | | | | | | | | | 1.001 | | 1.001 | | | 1.001 |
| All Years | 1.022 | 1.027 | 1.021 | 1.020 | 1.020 | 1.017 | 1.016 | 1.017 | 1.017 | 1.016 | 1.015 | 1.013 | 1.017 | 1.010 | 1.011 | 1.010 |
| Latest 3 | 1.019 | 1.019 | 1.021 | 1.024 | 1.018 | 1.019 | 1.016 | 1.017 | 1.018 | 1.018 | 1.020 | 1.021 | 1.018 | 1.010 | 1.010 | 1.012 |
| Latest 5 | 1.021 | 1.028 | 1.022 | 1.022 | 1.019 | 1.020 | 1.020 | 1.018 | 1.021 | 1.020 | 1.019 | 1.016 | 1.014 | 1.009 | 1.018 | 1.016 |
| Latest 7 | 1.022 | 1.026 | 1.023 | 1.021 | 1.018 | 1.021 | 1.020 | 1.017 | 1.022 | 1.023 | 1.016 | 1.014 | 1.033 | 1.018 | 1.014 | 1.013 |
| Wtd Average 3 | 1.020 | 1.019 | 1.021 | 1.024 | 1.018 | 1.019 | 1.016 | 1.017 | 1.018 | 1.018 | 1.020 | 1.021 | 1.018 | 1.010 | 1.010 | 1.012 |
| Wtd Average 5 | 1.021 | 1.027 | 1.022 | 1.022 | 1.019 | 1.020 | 1.019 | 1.018 | 1.021 | 1.019 | 1.019 | 1.018 | 1.015 | 1.010 | 1.017 | 1.018 |
| Wtd Average 7 | 1.022 | 1.026 | 1.023 | 1.022 | 1.018 | 1.020 | 1.019 | 1.017 | 1.022 | 1.021 | 1.017 | 1.016 | 1.026 | 1.017 | 1.015 | 1.016 |
| Middle 3 of 5 | 1.021 | 1.024 | 1.023 | 1.020 | 1.020 | 1.019 | 1.018 | 1.018 | 1.020 | 1.020 | 1.018 | 1.016 | 1.013 | 1.009 | 1.010 | 1.012 |
| Middle 5 of 7 | 1.022 | 1.023 | 1.024 | 1.020 | 1.018 | 1.020 | 1.019 | 1.017 | 1.022 | 1.023 | 1.016 | 1.013 | 1.014 | 1.010 | 1.008 | 1.009 |
| <u>LOW SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.019 | 1.019 | 1.021 | 1.021 | 1.018 | 1.019 | 1.017 | 1.017 | 1.018 | 1.019 | 1.016 | 1.016 | 1.015 | 1.010 | 1.012 | 1.010 |
| Cumulative | 1.353 | 1.328 | 1.303 | 1.276 | 1.250 | 1.228 | 1.205 | 1.185 | 1.165 | 1.144 | 1.123 | 1.105 | 1.088 | 1.072 | 1.061 | 1.048 |
| <u>MID SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.020 | 1.023 | 1.022 | 1.022 | 1.019 | 1.020 | 1.019 | 1.018 | 1.020 | 1.020 | 1.018 | 1.018 | 1.018 | 1.014 | 1.014 | 1.015 |
| Cumulative | 1.432 | 1.404 | 1.372 | 1.342 | 1.313 | 1.289 | 1.264 | 1.240 | 1.218 | 1.194 | 1.171 | 1.150 | 1.130 | 1.110 | 1.095 | 1.080 |
| <u>HIGH SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.022 | 1.026 | 1.023 | 1.024 | 1.020 | 1.021 | 1.020 | 1.018 | 1.021 | 1.022 | 1.020 | 1.020 | 1.020 | 1.017 | 1.017 | 1.016 |
| Cumulative | 1.519 | 1.486 | 1.448 | 1.415 | 1.382 | 1.354 | 1.326 | 1.300 | 1.277 | 1.251 | 1.224 | 1.200 | 1.176 | 1.153 | 1.134 | 1.115 |

MONTANA STATE FUND
 PAID LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 12.12

AS OF JUNE 30, 2012

| Accident Year | Loss Development Factors (Age to Age) | | | | | | | | | | | | | | | |
|------------------------|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 396-408 | 408-420 | 420-432 | 432-444 | 444-456 | 456-468 | 468-480 | 480-492 | 492-504 | 504-516 | 516-528 | 528-540 | 540-552 | 552-564 | 564-576 | 576-Ult |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.004 | 1.000 | 1.002 | 1.000 | 1.000 | 1.001 | |
| 7/1/66-67 | | | | | 1.001 | 1.014 | 1.000 | 1.000 | 1.002 | 1.000 | 1.061 | 1.001 | 1.000 | 1.011 | | |
| 7/1/67-68 | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 7/1/68-69 | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.004 | 1.000 | 1.010 | 1.000 | 1.000 | | | |
| 7/1/69-70 | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | |
| 7/1/70-71 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.012 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | |
| 7/1/71-72 | 1.049 | 1.006 | 1.032 | 1.004 | 1.003 | 1.044 | 1.032 | 1.068 | 1.000 | | | | | | | |
| 7/1/72-73 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | |
| 7/1/73-74 | 1.000 | 1.000 | 1.003 | 1.000 | 1.003 | 1.000 | 1.000 | 1.000 | | | | | | | | |
| 7/1/74-75 | 1.039 | 1.017 | 1.008 | 1.008 | 1.008 | 1.006 | | | | | | | | | | |
| 7/1/75-76 | 1.005 | 1.018 | 1.009 | 1.008 | 1.024 | | | | | | | | | | | |
| 7/1/76-77 | 1.003 | 1.013 | 1.008 | 1.002 | | | | | | | | | | | | |
| 7/1/77-78 | 1.032 | 1.021 | 1.017 | | | | | | | | | | | | | |
| 7/1/78-79 | 1.007 | 1.005 | | | | | | | | | | | | | | |
| 7/1/79-80 | 1.009 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 1.015 | 1.008 | 1.008 | 1.002 | 1.004 | 1.008 | 1.004 | 1.009 | 1.000 | 1.002 | 1.012 | 1.001 | 1.000 | 1.006 | 1.001 | |
| Latest 3 | 1.016 | 1.013 | 1.012 | 1.006 | 1.012 | 1.002 | 1.011 | 1.023 | 1.000 | 1.003 | 1.000 | 1.000 | 1.000 | | | |
| Latest 5 | 1.011 | 1.015 | 1.009 | 1.004 | 1.008 | 1.012 | 1.007 | 1.014 | 1.000 | 1.002 | 1.012 | | | | | |
| Latest 7 | 1.014 | 1.011 | 1.011 | 1.003 | 1.005 | 1.009 | 1.005 | 1.010 | 1.000 | | | | | | | |
| Wtd Average 3 | 1.017 | 1.014 | 1.013 | 1.006 | 1.013 | 1.004 | 1.012 | 1.027 | 1.000 | 1.003 | 1.000 | 1.000 | 1.000 | | | |
| Wtd Average 5 | 1.014 | 1.015 | 1.012 | 1.005 | 1.011 | 1.011 | 1.008 | 1.019 | 1.000 | 1.002 | 1.012 | | | | | |
| Wtd Average 7 | 1.016 | 1.013 | 1.012 | 1.004 | 1.009 | 1.009 | 1.006 | 1.015 | 1.000 | | | | | | | |
| Middle 3 of 5 | 1.007 | 1.016 | 1.009 | 1.003 | 1.005 | 1.006 | 1.000 | 1.001 | 1.000 | 1.000 | | | | | | |
| Middle 5 of 7 | 1.011 | 1.011 | 1.009 | 1.003 | 1.003 | 1.004 | 1.000 | 1.001 | 1.000 | | | | | | | |
| <u>LOW SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.011 | 1.011 | 1.007 | 1.004 | 1.003 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Cumulative | 1.038 | 1.027 | 1.016 | 1.009 | 1.005 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| <u>MID SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.014 | 1.013 | 1.009 | 1.006 | 1.005 | 1.004 | 1.004 | 1.003 | 1.001 | 1.002 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Cumulative | 1.064 | 1.049 | 1.036 | 1.027 | 1.021 | 1.016 | 1.012 | 1.008 | 1.005 | 1.004 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| <u>HIGH SELECTIONS</u> | | | | | | | | | | | | | | | | |
| Selected | 1.016 | 1.015 | 1.012 | 1.008 | 1.008 | 1.008 | 1.008 | 1.006 | 1.002 | 1.003 | 1.003 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Cumulative | 1.097 | 1.080 | 1.064 | 1.051 | 1.043 | 1.035 | 1.027 | 1.019 | 1.008 | 1.006 | 1.003 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

MONTANA STATE FUND
CASE OUTSTANDING LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 13.1

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | | | | | | | | | | | | | | | | |
| 7/1/74-75 | | | | | | | | | | | | | | | | |
| 7/1/75-76 | | | | | 32 | | | | | | | | | | | |
| 7/1/76-77 | | | | 188 | 150 | 63 | 97 | 85 | | | | | | | | |
| 7/1/77-78 | | | 628 | 276 | 175 | 120 | 103 | 2 | | | 21 | | | | | |
| 7/1/78-79 | | 578 | 393 | 152 | 226 | 144 | 62 | 24 | | 85 | 81 | 92 | | 91 | 284 | 720 |
| 7/1/79-80 | 2,016 | 1,192 | 697 | 636 | 480 | 237 | 310 | 125 | 192 | 195 | 177 | 252 | 516 | 820 | 844 | 1,756 |
| 7/1/80-81 | 2,419 | 941 | 831 | 666 | 320 | 364 | 110 | 161 | 229 | 241 | | 285 | 885 | 1,048 | 2,794 | 2,119 |
| 7/1/81-82 | 1,219 | 1,174 | 963 | 482 | 636 | 247 | 285 | 220 | 275 | | 168 | 794 | 2,512 | 3,088 | 2,599 | 6,197 |
| 7/1/82-83 | 2,264 | 1,173 | 734 | 759 | 251 | 116 | 600 | 442 | 1,065 | 1,147 | 1,674 | 4,967 | 4,079 | 3,214 | 10,238 | 6,484 |
| 7/1/83-84 | 1,925 | 904 | 990 | 529 | 422 | 731 | 463 | 45 | 2,695 | 3,100 | 4,104 | 6,780 | 5,296 | 9,072 | 5,122 | 4,886 |
| 7/1/84-85 | 2,118 | 1,839 | 838 | 737 | 946 | 536 | 101 | 1,638 | 2,438 | 3,150 | 6,739 | 4,734 | 8,678 | 4,397 | 4,623 | 4,399 |
| 7/1/85-86 | 3,547 | 1,236 | 864 | 1,055 | 841 | 951 | 1,876 | 3,407 | 7,878 | 8,410 | 6,022 | 14,094 | 7,112 | 7,390 | 6,947 | 6,308 |
| 7/1/86-87 | 5,932 | 1,082 | 1,501 | 1,162 | 630 | 1,470 | 2,856 | 4,040 | 10,489 | 8,573 | 18,478 | 7,437 | 7,888 | 7,356 | 5,860 | 5,622 |
| 7/1/87-88 | 5,270 | 1,537 | 1,009 | 426 | 7,944 | 7,381 | 23,280 | 8,479 | 7,169 | 15,209 | 8,337 | 9,292 | 9,626 | 8,559 | 7,903 | 10,053 |
| 7/1/88-89 | 4,982 | 1,828 | 84 | 2,774 | 3,671 | 5,697 | 8,899 | 6,133 | 12,571 | 6,025 | 4,751 | 4,521 | 3,960 | 3,654 | 6,893 | 8,707 |
| 7/1/89-90 | 5,648 | 2,324 | 4,053 | 5,056 | 4,493 | 10,929 | 7,106 | 15,976 | 7,567 | 9,228 | 9,090 | 7,816 | 6,940 | 9,362 | 13,781 | 14,451 |
| 7/1/90-91 | 6,998 | 6,234 | 5,240 | 7,131 | 13,472 | 8,617 | 16,758 | 8,377 | 10,942 | 9,475 | 8,818 | 7,275 | 8,698 | 14,310 | 14,372 | 13,528 |
| 7/1/91-92 | 11,631 | 10,219 | 7,468 | 18,094 | 11,225 | 19,706 | 7,278 | 8,006 | 8,027 | 7,224 | 6,924 | 8,986 | 11,819 | 12,028 | 12,780 | 14,106 |
| 7/1/92-93 | 13,054 | 10,690 | 22,415 | 17,285 | 23,459 | 8,453 | 8,044 | 7,218 | 7,084 | 7,373 | 10,185 | 18,826 | 19,797 | 19,280 | 19,408 | 22,670 |
| 7/1/93-94 | 12,543 | 25,141 | 16,580 | 17,866 | 8,317 | 8,893 | 6,339 | 4,620 | 4,683 | 10,579 | 14,938 | 14,406 | 15,431 | 14,331 | 16,101 | 17,251 |
| 7/1/94-95 | 21,144 | 17,551 | 18,139 | 9,285 | 7,784 | 4,747 | 4,518 | 4,074 | 7,607 | 11,359 | 12,104 | 11,888 | 12,026 | 13,889 | 13,360 | 11,619 |
| 7/1/95-96 | 10,436 | 11,003 | 8,468 | 9,502 | 6,733 | 6,301 | 8,476 | 9,838 | 12,934 | 13,413 | 14,878 | 13,427 | 11,913 | 12,485 | 12,644 | 9,752 |
| 7/1/96-97 | 11,937 | 15,547 | 11,914 | 8,700 | 4,287 | 4,865 | 6,964 | 8,565 | 9,977 | 9,714 | 9,745 | 9,958 | 9,446 | 10,133 | 9,999 | 9,735 |
| 7/1/97-98 | 7,548 | 15,011 | 8,234 | 6,915 | 8,479 | 10,293 | 14,486 | 15,532 | 15,259 | 16,743 | 16,710 | 18,264 | 17,796 | 18,011 | 16,529 | |
| 7/1/98-99 | 14,149 | 9,032 | 10,113 | 8,605 | 10,675 | 15,020 | 17,615 | 19,839 | 19,242 | 18,280 | 20,011 | 21,189 | 21,401 | 20,328 | | |
| 7/1/99-00 | 6,429 | 6,093 | 5,365 | 7,425 | 10,979 | 13,243 | 16,283 | 17,954 | 16,412 | 17,358 | 16,176 | 14,599 | 14,219 | | | |
| 7/1/00-01 | 6,127 | 10,302 | 14,663 | 18,560 | 19,943 | 22,208 | 21,641 | 20,052 | 20,530 | 19,307 | 19,346 | 18,624 | | | | |
| 7/1/01-02 | 8,641 | 13,343 | 13,318 | 14,811 | 14,845 | 16,583 | 19,256 | 19,978 | 19,913 | 20,125 | 20,816 | | | | | |
| 7/1/02-03 | 27,002 | 16,827 | 18,614 | 20,494 | 22,170 | 27,105 | 28,841 | 28,715 | 29,190 | 25,847 | | | | | | |
| 7/1/03-04 | 27,455 | 18,200 | 20,480 | 20,608 | 21,170 | 23,701 | 23,386 | 22,384 | 20,589 | | | | | | | |
| 7/1/04-05 | 31,855 | 21,992 | 20,054 | 21,984 | 26,168 | 25,436 | 25,954 | 25,701 | | | | | | | | |
| 7/1/05-06 | 30,245 | 22,811 | 26,019 | 26,955 | 31,107 | 30,455 | 26,008 | | | | | | | | | |
| 7/1/06-07 | 33,150 | 28,863 | 27,261 | 29,307 | 29,265 | 28,871 | | | | | | | | | | |
| 7/1/07-08 | 30,090 | 28,271 | 28,420 | 29,365 | 34,262 | | | | | | | | | | | |
| 7/1/08-09 | 30,142 | 25,816 | 24,996 | 26,969 | | | | | | | | | | | | |
| 7/1/09-10 | 32,301 | 24,577 | 22,585 | | | | | | | | | | | | | |
| 7/1/10-11 | 31,034 | 25,934 | | | | | | | | | | | | | | |
| 7/1/11-12 | 28,289 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE OUTSTANDING LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 13.2

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | 3 | 7 | |
| 7/1/65-66 | | | | | | | | | | | | | 238 | 16 | 16 | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | 52 | 34 | 17 | 15 | 16 | |
| 7/1/68-69 | | | | | | | | | | 12 | 20 | 20 | 19 | 21 | 20 | |
| 7/1/69-70 | | | | | | | | | 10 | 43 | 21 | 18 | 14 | 14 | | |
| 7/1/70-71 | | | | | | | | 426 | 127 | 101 | 75 | 54 | 113 | 37 | 4 | 28 |
| 7/1/71-72 | | | | | | | 23 | 111 | 84 | 43 | 61 | 58 | 27 | 27 | 26 | |
| 7/1/72-73 | | | | | | | 31 | | | 3 | 17 | | | 22 | 70 | 37 |
| 7/1/73-74 | | | | | 1,261 | 387 | 323 | 4,207 | 454 | 766 | 674 | 495 | 781 | 813 | 1,456 | 1,420 |
| 7/1/74-75 | | | | 481 | 552 | 444 | 3,281 | 433 | 471 | 425 | 387 | 337 | 1,063 | 603 | 604 | 532 |
| 7/1/75-76 | | | 528 | 445 | 286 | 306 | 352 | 288 | 128 | 178 | 205 | 302 | 1,076 | 392 | 497 | 450 |
| 7/1/76-77 | | 695 | 543 | 563 | 1,434 | 905 | 2,258 | 2,143 | 1,811 | 1,708 | 2,082 | 2,565 | 2,592 | 1,446 | 2,473 | 2,353 |
| 7/1/77-78 | 264 | 1,049 | 732 | 2,073 | 649 | 582 | 550 | 269 | 282 | 828 | 824 | 851 | 898 | 1,252 | 1,306 | 1,257 |
| 7/1/78-79 | 1,374 | 1,111 | 1,313 | 977 | 1,194 | 761 | 821 | 837 | 882 | 1,592 | 1,504 | 1,531 | 1,526 | 1,866 | 1,878 | 1,970 |
| 7/1/79-80 | 1,775 | 2,007 | 1,388 | 1,298 | 1,355 | 1,284 | 1,226 | 2,163 | 2,772 | 2,526 | 2,830 | 2,519 | 2,736 | 2,878 | 3,159 | 3,081 |
| 7/1/80-81 | 14,266 | 2,459 | 2,288 | 2,201 | 2,221 | 1,923 | 2,886 | 3,129 | 3,274 | 2,848 | 3,464 | 3,122 | 3,342 | 3,490 | 3,442 | 3,182 |
| 7/1/81-82 | 2,044 | 2,211 | 1,678 | 1,807 | 1,558 | 2,064 | 2,778 | 1,967 | 1,826 | 1,611 | 1,774 | 2,397 | 3,390 | 3,221 | 3,794 | |
| 7/1/82-83 | 5,810 | 5,290 | 5,101 | 4,851 | 5,157 | 5,455 | 5,179 | 5,317 | 5,577 | 6,307 | 7,715 | 8,372 | 8,531 | 7,720 | | |
| 7/1/83-84 | 4,546 | 4,019 | 2,365 | 3,786 | 5,477 | 5,598 | 6,044 | 6,083 | 5,987 | 11,834 | 11,457 | 11,102 | 10,433 | | | |
| 7/1/84-85 | 4,316 | 3,570 | 5,192 | 4,554 | 5,727 | 5,069 | 4,753 | 5,976 | 5,403 | 6,453 | 6,628 | 6,711 | | | | |
| 7/1/85-86 | 5,982 | 6,441 | 8,247 | 7,893 | 7,778 | 8,698 | 10,928 | 8,837 | 8,706 | 9,532 | 9,498 | | | | | |
| 7/1/86-87 | 7,048 | 11,796 | 11,972 | 11,555 | 11,334 | 13,962 | 14,382 | 14,808 | 14,805 | 14,992 | | | | | | |
| 7/1/87-88 | 13,087 | 15,826 | 14,589 | 15,721 | 16,848 | 16,742 | 16,178 | 16,080 | 15,506 | | | | | | | |
| 7/1/88-89 | 9,289 | 8,491 | 9,137 | 9,661 | 10,606 | 10,202 | 9,990 | 9,577 | | | | | | | | |
| 7/1/89-90 | 13,962 | 15,855 | 15,816 | 16,327 | 17,066 | 16,619 | 17,076 | | | | | | | | | |
| 7/1/90-91 | 19,196 | 20,499 | 23,006 | 20,798 | 20,090 | 16,449 | | | | | | | | | | |
| 7/1/91-92 | 14,525 | 14,984 | 14,307 | 14,553 | 13,640 | | | | | | | | | | | |
| 7/1/92-93 | 22,556 | 21,616 | 25,926 | 22,206 | | | | | | | | | | | | |
| 7/1/93-94 | 17,644 | 17,266 | 16,132 | | | | | | | | | | | | | |
| 7/1/94-95 | 11,286 | 10,745 | | | | | | | | | | | | | | |
| 7/1/95-96 | 9,694 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE OUTSTANDING LOSSES
MEDICAL LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 13.3

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>396</u> | <u>408</u> | <u>420</u> | <u>432</u> | <u>444</u> | <u>456</u> | <u>468</u> | <u>480</u> | <u>492</u> | <u>504</u> | <u>516</u> | <u>528</u> | <u>540</u> | <u>552</u> | <u>564</u> | <u>576</u> |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | 43 | 43 | 43 | 56 | 56 | 55 | 55 | 55 | 46 | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | 40 | 21 | 30 | 30 | 30 | 30 | | | | | |
| 7/1/70-71 | 378 | 111 | 87 | 348 | 339 | 396 | 209 | 237 | 168 | 120 | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | 33 | 33 | 33 | | | 30 | 30 | 30 | | | | | | | | |
| 7/1/73-74 | 1,405 | 1,426 | 1,532 | 1,512 | 1,561 | 1,587 | 1,284 | | | | | | | | | |
| 7/1/74-75 | 650 | 951 | 974 | 906 | 1,228 | 1,177 | | | | | | | | | | |
| 7/1/75-76 | 529 | 570 | 498 | 454 | 520 | | | | | | | | | | | |
| 7/1/76-77 | 4,509 | 3,371 | 3,227 | 3,007 | | | | | | | | | | | | |
| 7/1/77-78 | 1,174 | 1,367 | 1,064 | | | | | | | | | | | | | |
| 7/1/78-79 | 2,158 | 2,050 | | | | | | | | | | | | | | |
| 7/1/79-80 | 2,975 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 OPEN CLAIM COUNTS
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.4

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | | |
|------------------|-----------------------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | |
| 7/1/64-65 | | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | | |
| 7/1/73-74 | | | | | | | | | | | | | | | | | |
| 7/1/74-75 | | | | | | | | | | | | | | | | | |
| 7/1/75-76 | | | | | | | | | | | | | | | | | |
| 7/1/76-77 | | | | | | | | | | | | | | | | | |
| 7/1/77-78 | | | | | | | | | | | 109 | | | | 89 | | |
| 7/1/78-79 | | | | | | | | | | 133 | 57 | 44 | | | 101 | 72 | 63 |
| 7/1/79-80 | | | | | | | | | 182 | 71 | 66 | 52 | 124 | | 85 | 75 | 71 |
| 7/1/80-81 | | | | | | | | 225 | 102 | 94 | 70 | 149 | 111 | | 95 | 99 | 83 |
| 7/1/81-82 | | | | | | | 331 | 138 | 122 | 108 | 211 | 149 | 124 | | 119 | 102 | 103 |
| 7/1/82-83 | | | | | | 442 | 190 | 150 | 116 | 273 | 183 | 164 | 166 | | 136 | 147 | 132 |
| 7/1/83-84 | | | | | 663 | 310 | 243 | 160 | 351 | 235 | 192 | 208 | 155 | | 179 | 147 | 132 |
| 7/1/84-85 | | | | 943 | 436 | 329 | 202 | 472 | 274 | 234 | 248 | 186 | 192 | | 163 | 142 | 131 |
| 7/1/85-86 | | | 1,308 | 583 | 401 | 245 | 590 | 330 | 262 | 273 | 211 | 232 | 183 | | 149 | 147 | 148 |
| 7/1/86-87 | | 2,211 | 946 | 572 | 365 | 759 | 473 | 363 | 353 | 267 | 270 | 234 | 197 | | 192 | 174 | 184 |
| 7/1/87-88 | 2,646 | 1,699 | 1,153 | 759 | 847 | 500 | 370 | 385 | 289 | 295 | 242 | 194 | 175 | | 173 | 169 | 168 |
| 7/1/88-89 | 2,398 | 1,748 | 1,060 | 1,081 | 514 | 388 | 393 | 270 | 271 | 241 | 172 | 163 | 164 | | 164 | 163 | 135 |
| 7/1/89-90 | 2,428 | 1,769 | 1,196 | 741 | 505 | 503 | 336 | 335 | 277 | 200 | 176 | 183 | 189 | | 181 | 142 | 137 |
| 7/1/90-91 | 2,759 | 1,819 | 1,082 | 709 | 559 | 356 | 352 | 286 | 215 | 244 | 233 | 208 | 197 | | 179 | 164 | 148 |
| 7/1/91-92 | 2,956 | 1,838 | 1,031 | 736 | 436 | 431 | 298 | 231 | 239 | 230 | 195 | 173 | 159 | | 144 | 134 | 120 |
| 7/1/92-93 | 2,652 | 1,658 | 1,130 | 573 | 781 | 354 | 274 | 271 | 249 | 235 | 207 | 185 | 169 | | 145 | 142 | 134 |
| 7/1/93-94 | 2,595 | 2,176 | 792 | 579 | 356 | 256 | 239 | 239 | 222 | 178 | 166 | 149 | 143 | | 122 | 118 | 110 |
| 7/1/94-95 | 9,914 | 1,279 | 800 | 430 | 299 | 277 | 259 | 226 | 197 | 168 | 145 | 140 | 123 | | 120 | 112 | 102 |
| 7/1/95-96 | 5,289 | 1,395 | 551 | 306 | 245 | 221 | 197 | 165 | 155 | 133 | 125 | 111 | 107 | | 99 | 95 | 91 |
| 7/1/96-97 | 5,909 | 966 | 394 | 302 | 249 | 200 | 167 | 143 | 128 | 112 | 105 | 96 | 86 | | 82 | 77 | 79 |
| 7/1/97-98 | 3,194 | 759 | 438 | 369 | 278 | 236 | 188 | 177 | 149 | 145 | 137 | 127 | 120 | | 110 | 104 | |
| 7/1/98-99 | 3,104 | 835 | 560 | 368 | 265 | 223 | 183 | 166 | 147 | 136 | 127 | 119 | 111 | | 107 | | |
| 7/1/99-00 | 3,195 | 993 | 482 | 330 | 249 | 210 | 171 | 150 | 147 | 131 | 104 | 99 | 100 | | | | |
| 7/1/00-01 | 4,279 | 1,027 | 557 | 395 | 302 | 247 | 216 | 190 | 165 | 147 | 135 | 121 | | | | | |
| 7/1/01-02 | 4,004 | 1,007 | 549 | 360 | 292 | 245 | 225 | 205 | 191 | 177 | 169 | | | | | | |
| 7/1/02-03 | 3,648 | 1,007 | 577 | 406 | 334 | 297 | 277 | 249 | 226 | 199 | | | | | | | |
| 7/1/03-04 | 3,458 | 1,002 | 556 | 402 | 336 | 303 | 267 | 244 | 209 | | | | | | | | |
| 7/1/04-05 | 3,320 | 963 | 565 | 429 | 350 | 307 | 270 | 232 | | | | | | | | | |
| 7/1/05-06 | 3,604 | 1,093 | 664 | 491 | 418 | 331 | 278 | | | | | | | | | | |
| 7/1/06-07 | 4,456 | 1,170 | 702 | 489 | 401 | 327 | | | | | | | | | | | |
| 7/1/07-08 | 4,080 | 1,167 | 704 | 500 | 392 | | | | | | | | | | | | |
| 7/1/08-09 | 3,214 | 972 | 586 | 428 | | | | | | | | | | | | | |
| 7/1/09-10 | 2,958 | 892 | 470 | | | | | | | | | | | | | | |
| 7/1/10-11 | 2,962 | 865 | | | | | | | | | | | | | | | |
| 7/1/11-12 | 2,946 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 OPEN CLAIM COUNTS
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.5

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | | 96 | 96 |
| 7/1/65-66 | | | | | | | | | | | | | 148 | 148 | 148 | |
| 7/1/66-67 | | | | | | | | | | | | 70 | 70 | 70 | 70 | |
| 7/1/67-68 | | | | | | | | | | | 27 | 27 | 26 | 26 | 26 | |
| 7/1/68-69 | | | | | | | | | | 44 | 44 | 44 | 44 | 44 | 1 | |
| 7/1/69-70 | | | | | | | | | 65 | 65 | 65 | 65 | 64 | 1 | - | |
| 7/1/70-71 | | | | | | | 152 | 152 | 152 | 151 | 150 | 3 | 2 | 1 | 1 | 3 |
| 7/1/71-72 | | | | | | | 30 | 31 | 30 | 30 | 30 | 2 | 2 | 2 | 1 | 1 |
| 7/1/72-73 | | | | | | 10 | 12 | 10 | 11 | 11 | 3 | - | - | 2 | 2 | 1 |
| 7/1/73-74 | | | | | 21 | 24 | 22 | 21 | 20 | 15 | 14 | 14 | 14 | 13 | 10 | 10 |
| 7/1/74-75 | | | | 36 | 35 | 33 | 35 | 30 | 26 | 19 | 21 | 21 | 20 | 18 | 15 | 10 |
| 7/1/75-76 | | | 36 | 35 | 27 | 26 | 27 | 24 | 12 | 17 | 15 | 14 | 10 | 9 | 9 | 9 |
| 7/1/76-77 | | 44 | 39 | 35 | 39 | 29 | 16 | 13 | 16 | 16 | 13 | 13 | 16 | 12 | 13 | 15 |
| 7/1/77-78 | 61 | 56 | 49 | 54 | 40 | 32 | 39 | 33 | 32 | 29 | 23 | 22 | 18 | 20 | 19 | 18 |
| 7/1/78-79 | 73 | 59 | 56 | 47 | 36 | 37 | 39 | 33 | 37 | 26 | 29 | 24 | 21 | 20 | 19 | 17 |
| 7/1/79-80 | 67 | 70 | 63 | 55 | 53 | 49 | 52 | 50 | 42 | 37 | 37 | 34 | 32 | 30 | 32 | 33 |
| 7/1/80-81 | 90 | 85 | 76 | 75 | 72 | 76 | 72 | 58 | 55 | 48 | 51 | 47 | 42 | 39 | 40 | 37 |
| 7/1/81-82 | 89 | 75 | 73 | 77 | 81 | 69 | 62 | 52 | 51 | 49 | 47 | 49 | 51 | 48 | 45 | |
| 7/1/82-83 | 110 | 100 | 105 | 95 | 93 | 77 | 62 | 60 | 60 | 58 | 57 | 58 | 59 | 50 | | |
| 7/1/83-84 | 119 | 123 | 125 | 107 | 90 | 81 | 69 | 69 | 65 | 69 | 67 | 67 | 62 | | | |
| 7/1/84-85 | 129 | 125 | 122 | 101 | 91 | 78 | 79 | 76 | 70 | 71 | 69 | 66 | | | | |
| 7/1/85-86 | 150 | 133 | 115 | 105 | 94 | 93 | 92 | 89 | 81 | 81 | 83 | | | | | |
| 7/1/86-87 | 170 | 147 | 135 | 122 | 115 | 116 | 117 | 111 | 110 | 103 | | | | | | |
| 7/1/87-88 | 139 | 133 | 119 | 109 | 116 | 105 | 102 | 98 | 96 | | | | | | | |
| 7/1/88-89 | 128 | 117 | 102 | 102 | 99 | 92 | 89 | 80 | | | | | | | | |
| 7/1/89-90 | 115 | 114 | 110 | 108 | 109 | 106 | 98 | | | | | | | | | |
| 7/1/90-91 | 147 | 135 | 133 | 131 | 122 | 106 | | | | | | | | | | |
| 7/1/91-92 | 118 | 112 | 105 | 104 | 101 | | | | | | | | | | | |
| 7/1/92-93 | 126 | 119 | 115 | 112 | | | | | | | | | | | | |
| 7/1/93-94 | 104 | 99 | 93 | | | | | | | | | | | | | |
| 7/1/94-95 | 95 | 87 | | | | | | | | | | | | | | |
| 7/1/95-96 | 99 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 OPEN CLAIM COUNTS
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.6

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 396 | 408 | 420 | 432 | 444 | 456 | 468 | 480 | 492 | 504 | 516 | 528 | 540 | 552 | 564 | 576 |
| 7/1/64-65 | | | | | | 1 | - | - | - | - | - | - | - | - | - | - |
| 7/1/65-66 | | | | | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 7/1/66-67 | | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/67-68 | | | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/68-69 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/69-70 | - | - | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | - | - | - | - | - |
| 7/1/70-71 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 3 | 3 | - | - | - | - | - | - |
| 7/1/71-72 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | - | - | - | - | - | - | - |
| 7/1/72-73 | 1 | 1 | 1 | - | - | 1 | 1 | 1 | - | - | - | - | - | - | - | - |
| 7/1/73-74 | 10 | 10 | 10 | 10 | 10 | 9 | 8 | - | - | - | - | - | - | - | - | - |
| 7/1/74-75 | 11 | 11 | 11 | 11 | 13 | 11 | - | - | - | - | - | - | - | - | - | - |
| 7/1/75-76 | 9 | 10 | 6 | 5 | 5 | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/76-77 | 16 | 16 | 16 | 15 | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/77-78 | 16 | 14 | 16 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/78-79 | 17 | 12 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/79-80 | 33 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 AVERAGE CASE OUTSTANDING LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.7

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | | | | | | | | | | | | | | | | |
| 7/1/74-75 | | | | | | | | | | | | | | | | |
| 7/1/75-76 | | | | | | | | | | | | | | | | |
| 7/1/76-77 | | | | | | | | | | | | | | | | |
| 7/1/77-78 | | | | | | | | | | | | | | | | |
| 7/1/78-79 | | | | | | | | | | 641 | 1,414 | 2,087 | | 904 | 3,943 | 11,435 |
| 7/1/79-80 | | | | | | | | 1,056 | 2,750 | 2,677 | 4,856 | 4,162 | 9,643 | 11,258 | 24,739 | |
| 7/1/80-81 | | | | | | | | 714 | 2,240 | 2,563 | 1,913 | 7,973 | 11,031 | 28,226 | 25,529 | |
| 7/1/81-82 | | | | | | | 862 | 1,594 | 2,255 | 797 | 5,326 | 20,259 | 25,954 | 25,481 | 60,163 | |
| 7/1/82-83 | | | | | 263 | 3,158 | 2,948 | 9,182 | 4,200 | 9,150 | 30,284 | 24,573 | 23,633 | 69,647 | 49,123 | |
| 7/1/83-84 | | | | 636 | 2,357 | 1,907 | 282 | 7,677 | 13,191 | 21,376 | 32,597 | 34,165 | 50,681 | 34,841 | 37,017 | |
| 7/1/84-85 | | | | 781 | 2,170 | 1,630 | 501 | 3,471 | 8,898 | 13,463 | 27,175 | 25,452 | 45,196 | 26,977 | 32,556 | 33,583 |
| 7/1/85-86 | | | 660 | 1,810 | 2,098 | 3,883 | 3,180 | 10,324 | 30,069 | 30,806 | 28,538 | 60,749 | 38,861 | 49,599 | 47,256 | 42,622 |
| 7/1/86-87 | | 489 | 1,587 | 2,032 | 1,725 | 1,937 | 6,038 | 11,130 | 29,715 | 32,108 | 68,438 | 31,782 | 40,041 | 38,311 | 33,677 | 30,556 |
| 7/1/87-88 | 1,992 | 904 | 875 | 562 | 9,380 | 14,763 | 62,918 | 22,023 | 24,808 | 51,556 | 34,451 | 47,899 | 55,005 | 49,476 | 46,766 | 59,838 |
| 7/1/88-89 | 2,078 | 1,046 | 79 | 2,566 | 7,143 | 14,683 | 22,644 | 22,716 | 46,388 | 25,002 | 27,622 | 27,734 | 24,149 | 22,281 | 42,287 | 64,498 |
| 7/1/89-90 | 2,326 | 1,314 | 3,389 | 6,823 | 8,897 | 21,728 | 21,149 | 47,690 | 27,319 | 46,139 | 51,647 | 42,711 | 36,721 | 51,722 | 97,051 | 105,485 |
| 7/1/90-91 | 2,536 | 3,427 | 4,843 | 10,058 | 24,100 | 24,206 | 47,609 | 29,292 | 50,892 | 38,830 | 37,847 | 34,974 | 44,152 | 79,945 | 87,635 | 91,408 |
| 7/1/91-92 | 3,935 | 5,560 | 7,244 | 24,584 | 25,745 | 45,722 | 24,424 | 34,659 | 33,585 | 31,408 | 35,510 | 51,942 | 74,332 | 83,531 | 95,372 | 117,554 |
| 7/1/92-93 | 4,922 | 6,447 | 19,836 | 30,166 | 30,037 | 23,878 | 29,359 | 26,633 | 28,451 | 31,375 | 49,203 | 101,762 | 117,144 | 132,963 | 136,675 | 169,179 |
| 7/1/93-94 | 4,833 | 11,554 | 20,935 | 30,856 | 23,362 | 34,739 | 26,524 | 19,332 | 21,093 | 59,430 | 89,988 | 96,688 | 107,910 | 117,470 | 136,451 | 156,830 |
| 7/1/94-95 | 2,133 | 13,722 | 22,673 | 21,592 | 26,035 | 17,137 | 17,443 | 18,029 | 38,616 | 67,614 | 83,474 | 84,917 | 97,768 | 115,746 | 119,284 | 113,911 |
| 7/1/95-96 | 1,973 | 7,887 | 15,369 | 31,053 | 27,481 | 28,512 | 43,025 | 59,625 | 83,448 | 100,849 | 119,026 | 120,968 | 111,340 | 126,115 | 133,097 | 107,167 |
| 7/1/96-97 | 2,020 | 16,094 | 30,239 | 28,809 | 17,218 | 24,323 | 41,700 | 59,894 | 77,943 | 86,736 | 92,806 | 103,730 | 109,835 | 123,574 | 129,860 | 123,223 |
| 7/1/97-98 | 2,363 | 19,778 | 18,800 | 18,739 | 30,501 | 43,615 | 77,055 | 87,749 | 102,412 | 115,468 | 121,969 | 143,815 | 148,300 | 163,732 | 158,928 | |
| 7/1/98-99 | 4,558 | 10,816 | 18,059 | 23,383 | 40,284 | 67,356 | 96,255 | 119,512 | 130,896 | 134,415 | 157,564 | 178,058 | 192,804 | 189,985 | | |
| 7/1/99-00 | 2,012 | 6,136 | 11,132 | 22,500 | 44,092 | 63,061 | 95,223 | 119,696 | 111,648 | 132,503 | 155,538 | 147,467 | 142,192 | | | |
| 7/1/00-01 | 1,432 | 10,031 | 26,324 | 46,988 | 66,037 | 89,911 | 100,191 | 105,535 | 124,427 | 131,340 | 143,304 | 153,920 | | | | |
| 7/1/01-02 | 2,158 | 13,250 | 24,258 | 41,141 | 50,839 | 67,686 | 85,584 | 97,453 | 104,257 | 113,702 | 123,172 | | | | | |
| 7/1/02-03 | 7,402 | 16,710 | 32,259 | 50,477 | 66,377 | 91,261 | 104,119 | 115,322 | 129,161 | 129,885 | | | | | | |
| 7/1/03-04 | 7,940 | 18,163 | 36,834 | 51,263 | 63,007 | 78,220 | 87,588 | 91,739 | 98,514 | | | | | | | |
| 7/1/04-05 | 9,595 | 22,837 | 35,493 | 51,245 | 74,765 | 82,853 | 96,127 | 110,781 | | | | | | | | |
| 7/1/05-06 | 8,392 | 20,870 | 39,186 | 54,897 | 74,419 | 92,010 | 93,552 | | | | | | | | | |
| 7/1/06-07 | 7,439 | 24,669 | 38,834 | 59,932 | 72,979 | 88,291 | | | | | | | | | | |
| 7/1/07-08 | 7,375 | 24,225 | 40,370 | 58,730 | 87,404 | | | | | | | | | | | |
| 7/1/08-09 | 9,378 | 26,559 | 42,656 | 63,012 | | | | | | | | | | | | |
| 7/1/09-10 | 10,920 | 27,552 | 48,053 | | | | | | | | | | | | | |
| 7/1/10-11 | 10,477 | 29,981 | | | | | | | | | | | | | | |
| 7/1/11-12 | 9,602 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 AVERAGE CASE OUTSTANDING LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.8

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | 27 | 73 | |
| 7/1/65-66 | | | | | | | | | | | | | 1,607 | 110 | 107 | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | 1,924 | 1,248 | 667 | 578 | 625 | |
| 7/1/68-69 | | | | | | | | | | 280 | 450 | 450 | 428 | 469 | | |
| 7/1/69-70 | | | | | | | | | 152 | 663 | 320 | 281 | 221 | 14,007 | | |
| 7/1/70-71 | | | | | | | | 2,800 | 837 | 663 | 496 | 360 | 37,623 | 18,637 | 4,184 | 9,371 |
| 7/1/71-72 | | | | | | | 779 | 3,581 | 2,803 | 1,438 | 2,039 | 29,072 | 13,332 | 13,332 | 26,016 | |
| 7/1/72-73 | | | | | | | 2,622 | | | 253 | 5,687 | | | 11,187 | 35,229 | 36,893 |
| 7/1/73-74 | | | | | 60,049 | 16,120 | 14,678 | 200,346 | 22,717 | 51,097 | 48,121 | 35,330 | 55,761 | 62,550 | 145,594 | 142,013 |
| 7/1/74-75 | | | | 13,358 | 15,757 | 13,443 | 93,736 | 14,446 | 18,107 | 22,382 | 18,416 | 16,055 | 53,159 | 33,504 | 40,292 | 53,187 |
| 7/1/75-76 | | | 14,677 | 12,721 | 10,587 | 11,781 | 13,047 | 11,991 | 10,663 | 10,489 | 13,689 | 21,573 | 107,550 | 43,605 | 55,184 | 50,020 |
| 7/1/76-77 | | 15,786 | 13,922 | 16,081 | 36,764 | 31,194 | 141,095 | 164,878 | 113,179 | 106,764 | 160,188 | 197,297 | 161,971 | 120,493 | 190,263 | 156,878 |
| 7/1/77-78 | 4,322 | 18,737 | 14,932 | 38,383 | 16,232 | 18,190 | 14,097 | 8,161 | 8,828 | 28,567 | 35,840 | 38,675 | 49,902 | 62,590 | 68,728 | 69,829 |
| 7/1/78-79 | 18,821 | 18,829 | 23,454 | 20,784 | 33,174 | 20,569 | 21,049 | 25,351 | 23,826 | 61,237 | 51,861 | 63,784 | 72,655 | 93,321 | 98,861 | 115,859 |
| 7/1/79-80 | 26,485 | 28,676 | 22,028 | 23,607 | 25,569 | 26,205 | 23,570 | 43,255 | 66,011 | 68,261 | 76,495 | 74,076 | 85,488 | 95,940 | 98,711 | 93,375 |
| 7/1/80-81 | 158,507 | 28,933 | 30,100 | 29,350 | 30,852 | 25,308 | 40,083 | 53,949 | 59,526 | 59,323 | 67,913 | 66,429 | 79,583 | 89,488 | 86,046 | 85,998 |
| 7/1/81-82 | 22,969 | 29,479 | 22,989 | 23,472 | 19,237 | 29,913 | 44,805 | 37,826 | 35,806 | 32,872 | 37,736 | 48,917 | 66,474 | 67,097 | 84,321 | |
| 7/1/82-83 | 52,819 | 52,902 | 48,578 | 51,061 | 55,447 | 70,840 | 83,535 | 88,615 | 92,956 | 108,744 | 135,355 | 144,352 | 144,599 | 154,408 | | |
| 7/1/83-84 | 38,202 | 32,678 | 18,920 | 35,379 | 60,854 | 69,117 | 87,600 | 88,156 | 92,104 | 171,508 | 171,006 | 165,698 | 168,270 | | | |
| 7/1/84-85 | 33,456 | 28,563 | 42,559 | 45,085 | 62,937 | 64,987 | 60,166 | 78,632 | 77,186 | 90,893 | 96,059 | 101,685 | | | | |
| 7/1/85-86 | 39,879 | 48,428 | 71,711 | 75,176 | 82,741 | 93,530 | 118,780 | 99,295 | 107,480 | 117,674 | 114,432 | | | | | |
| 7/1/86-87 | 41,457 | 80,244 | 88,682 | 94,714 | 98,553 | 120,362 | 122,922 | 133,404 | 134,595 | 145,552 | | | | | | |
| 7/1/87-88 | 94,148 | 118,990 | 122,599 | 144,229 | 145,238 | 159,449 | 158,612 | 164,083 | 161,518 | | | | | | | |
| 7/1/88-89 | 72,569 | 72,571 | 89,583 | 94,712 | 107,131 | 110,887 | 112,244 | 119,713 | | | | | | | | |
| 7/1/89-90 | 121,410 | 139,079 | 143,778 | 151,177 | 156,569 | 156,784 | 174,245 | | | | | | | | | |
| 7/1/90-91 | 130,585 | 151,845 | 172,977 | 158,764 | 164,673 | 155,175 | | | | | | | | | | |
| 7/1/91-92 | 123,094 | 133,788 | 136,261 | 139,937 | 135,052 | | | | | | | | | | | |
| 7/1/92-93 | 179,016 | 181,644 | 225,443 | 198,269 | | | | | | | | | | | | |
| 7/1/93-94 | 169,656 | 174,405 | 173,460 | | | | | | | | | | | | | |
| 7/1/94-95 | 118,799 | 123,507 | | | | | | | | | | | | | | |
| 7/1/95-96 | 97,923 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 AVERAGE CASE OUTSTANDING LOSSES
 MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.9

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>396</u> | <u>408</u> | <u>420</u> | <u>432</u> | <u>444</u> | <u>456</u> | <u>468</u> | <u>480</u> | <u>492</u> | <u>504</u> | <u>516</u> | <u>528</u> | <u>540</u> | <u>552</u> | <u>564</u> | <u>576</u> |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | 43,400 | 43,309 | 43,397 | 56,450 | 56,114 | 55,000 | 55,000 | 55,000 | 45,600 | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | 40,000 | 20,675 | 30,000 | 30,000 | 30,000 | 30,000 | | | | | |
| 7/1/70-71 | 126,151 | 36,967 | 28,983 | 115,997 | 112,951 | 198,217 | 104,561 | 118,662 | 168,181 | 119,709 | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | 32,522 | 32,522 | 32,522 | | | 29,965 | 29,965 | 29,965 | | | | | | | | |
| 7/1/73-74 | 140,489 | 142,643 | 153,191 | 151,169 | 156,139 | 176,374 | 160,452 | | | | | | | | | |
| 7/1/74-75 | 59,084 | 86,483 | 88,533 | 82,372 | 94,474 | 106,972 | | | | | | | | | | |
| 7/1/75-76 | 58,728 | 56,978 | 82,919 | 90,887 | 103,940 | | | | | | | | | | | |
| 7/1/76-77 | 281,839 | 210,692 | 201,692 | 200,480 | | | | | | | | | | | | |
| 7/1/77-78 | 73,378 | 97,662 | 66,518 | | | | | | | | | | | | | |
| 7/1/78-79 | 126,967 | 170,828 | | | | | | | | | | | | | | |
| 7/1/79-80 | 90,158 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY ACCIDENT YEAR
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.10

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Accident Year | | | | | | | | | | | | | | | |
|------------------|--|-------|-------|-------|-------|-------|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | | | | | | | | | | | | | | | | |
| 7/1/74-75 | | | | | | | | | | | | | | | | |
| 7/1/75-76 | | | | | | | | | | | | | | | | |
| 7/1/76-77 | | | | | | | | | | | | | | | | |
| 7/1/77-78 | | | | | | | | | | | | | | | | |
| 7/1/78-79 | | | | | | | | | 121% | 48% | | | | 336% | 190% | 65% |
| 7/1/79-80 | | | | | | | | 160% | -3% | 81% | -14% | 132% | 17% | 120% | 7% | |
| 7/1/80-81 | | | | | | | | 214% | 14% | | | 317% | 38% | 156% | -10% | 521% |
| 7/1/81-82 | | | | | | | 85% | 41% | | | 568% | 280% | 28% | -2% | 136% | -62% |
| 7/1/82-83 | | | | | | 1101% | -7% | 211% | -54% | 118% | 231% | -19% | -4% | 195% | -29% | 8% |
| 7/1/83-84 | | | | | 271% | -19% | -85% | 2626% | 72% | 62% | 52% | 5% | 48% | -31% | 6% | 3% |
| 7/1/84-85 | | | 178% | -25% | -69% | 593% | 156% | 51% | 102% | -6% | 78% | -40% | 21% | 3% | 0% | |
| 7/1/85-86 | | 174% | 16% | 85% | -18% | 225% | 191% | 2% | -7% | 113% | -36% | 28% | -5% | -10% | -6% | |
| 7/1/86-87 | | 224% | 28% | -15% | 12% | 212% | 84% | 167% | 8% | 113% | -54% | 26% | -4% | -12% | -9% | 36% |
| 7/1/87-88 | -55% | -3% | -36% | 1570% | 57% | 326% | -65% | 13% | 108% | -33% | 39% | 15% | -10% | -5% | 28% | 57% |
| 7/1/88-89 | -50% | -92% | 3152% | 178% | 106% | 54% | 0% | 104% | -46% | 10% | 0% | -13% | -8% | 90% | 53% | 13% |
| 7/1/89-90 | -44% | 158% | 101% | 30% | 144% | -3% | 125% | -43% | 69% | 12% | -17% | -14% | 41% | 88% | 9% | 15% |
| 7/1/90-91 | 35% | 41% | 108% | 140% | 0% | 97% | -38% | 74% | -24% | -3% | -8% | 26% | 81% | 10% | 4% | 43% |
| 7/1/91-92 | 41% | 30% | 239% | 5% | 78% | -47% | 42% | -3% | -6% | 13% | 46% | 43% | 12% | 14% | 23% | 5% |
| 7/1/92-93 | 31% | 208% | 52% | 0% | -21% | 23% | -9% | 7% | 10% | 57% | 107% | 15% | 14% | 3% | 24% | 6% |
| 7/1/93-94 | 139% | 81% | 47% | -24% | 49% | -24% | -27% | 9% | 182% | 51% | 7% | 12% | 9% | 16% | 15% | 8% |
| 7/1/94-95 | 543% | 65% | -5% | 21% | -34% | 2% | 3% | 114% | 75% | 23% | 2% | 15% | 18% | 3% | -5% | 4% |
| 7/1/95-96 | 300% | 95% | 102% | -12% | 4% | 51% | 39% | 40% | 21% | 18% | 2% | -8% | 13% | 6% | -19% | -9% |
| 7/1/96-97 | 697% | 88% | -5% | -40% | 41% | 71% | 44% | 30% | 11% | 7% | 12% | 6% | 13% | 5% | -5% | |
| 7/1/97-98 | 737% | -5% | 0% | 63% | 43% | 77% | 14% | 17% | 13% | 6% | 18% | 3% | 10% | -3% | | |
| 7/1/98-99 | 137% | 67% | 29% | 72% | 67% | 43% | 24% | 10% | 3% | 17% | 13% | 8% | -1% | | | |
| 7/1/99-00 | 205% | 81% | 102% | 96% | 43% | 51% | 26% | -7% | 19% | 17% | -5% | -4% | | | | |
| 7/1/00-01 | 601% | 162% | 78% | 41% | 36% | 11% | 5% | 18% | 6% | 9% | 7% | | | | | |
| 7/1/01-02 | 514% | 83% | 70% | 24% | 33% | 26% | 14% | 7% | 9% | 8% | | | | | | |
| 7/1/02-03 | 126% | 93% | 56% | 31% | 37% | 14% | 11% | 12% | 1% | | | | | | | |
| 7/1/03-04 | 129% | 103% | 39% | 23% | 24% | 12% | 5% | 7% | | | | | | | | |
| 7/1/04-05 | 138% | 55% | 44% | 46% | 11% | 16% | 15% | | | | | | | | | |
| 7/1/05-06 | 149% | 88% | 40% | 36% | 24% | 2% | | | | | | | | | | |
| 7/1/06-07 | 232% | 57% | 54% | 22% | 21% | | | | | | | | | | | |
| 7/1/07-08 | 228% | 67% | 45% | 49% | | | | | | | | | | | | |
| 7/1/08-09 | 183% | 61% | 48% | | | | | | | | | | | | | |
| 7/1/09-10 | 152% | 74% | | | | | | | | | | | | | | |
| 7/1/10-11 | 186% | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 223% | 78% | 190% | 106% | 46% | 84% | 47% | 167% | 31% | 33% | 57% | 35% | 21% | 45% | 28% | 40% |
| Latest 7 | 181% | 72% | 47% | 33% | 27% | 19% | 14% | 9% | 9% | 12% | 7% | 5% | 11% | 6% | 5% | 10% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY ACCIDENT YEAR
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.11

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Accident Year | | | | | | | | | | | | | | | | |
|---------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----|
| | 204-216 | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | |
| 7/1/64-65 | | | | | | | | | | | | | | | | 174% | |
| 7/1/65-66 | | | | | | | | | | | | | | | | -93% | -2% |
| 7/1/66-67 | | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | | |
| 7/1/73-74 | | | | | | | | | | | | | | | | | |
| 7/1/74-75 | | | | | | | | | | | | | | | | | |
| 7/1/75-76 | | | | | | | | | | | | | | | | | |
| 7/1/76-77 | | | | | | | | | | | | | | | | | |
| 7/1/77-78 | | | | | | | | | | | | | | | | | |
| 7/1/78-79 | | | | | | | | | | | | | | | | | |
| 7/1/79-80 | | | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | | |
| All Years | 25% | 4% | 15% | 16% | 1% | 65% | 98% | -7% | 54% | 128% | 80% | 688% | 379% | 46% | 14% | 13% | |
| Latest 7 | 7% | 10% | 3% | 5% | 7% | 9% | 6% | 1% | 19% | 10% | 8% | 17% | 9% | 18% | 3% | 17% | |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY ACCIDENT YEAR
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.12

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Accident Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 396-408 | 408-420 | 420-432 | 432-444 | 444-456 | 456-468 | 468-480 | 480-492 | 492-504 | 504-516 | 516-528 | 528-540 | 540-552 | 552-564 | 564-576 | 576-Ult |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | 0% | 0% | 30% | -1% | -2% | 0% | 0% | -17% | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | -48% | 45% | 0% | 0% | 0% | | | | | | |
| 7/1/70-71 | -71% | -22% | 300% | -3% | 75% | -47% | 13% | 42% | -29% | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | 0% | 0% | | | | 0% | 0% | | | | | | | | | |
| 7/1/73-74 | 2% | 7% | -1% | 3% | 13% | -9% | | | | | | | | | | |
| 7/1/74-75 | 46% | 2% | -7% | 15% | 13% | | | | | | | | | | | |
| 7/1/75-76 | -3% | 46% | 10% | 14% | | | | | | | | | | | | |
| 7/1/76-77 | -25% | -4% | -1% | | | | | | | | | | | | | |
| 7/1/77-78 | 33% | -32% | | | | | | | | | | | | | | |
| 7/1/78-79 | 35% | | | | | | | | | | | | | | | |
| 7/1/79-80 | | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 2% | 0% | 60% | 7% | 34% | -26% | 15% | 14% | | | | | | | | |
| Latest 7 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY CALAENDAR YEAR
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.13

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Calendar Year | | | | | | | | | | | | | | | |
|------------------|--|-------|-------|-------|-------|-------|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | | | | | | | | | | | | | | | | |
| 7/1/74-75 | | | | | | | | | | | | | | | | |
| 7/1/75-76 | | | | | | | | | | | | | | | | |
| 7/1/76-77 | | | | | | | | | | | | | | | | |
| 7/1/77-78 | | | | | | | | | | | | | | | | |
| 7/1/78-79 | | | | | | | | | | 329% | 89% | 133% | | 967% | 185% | 116% |
| 7/1/79-80 | | | | | | | | | 112% | -7% | | | 92% | 14% | 151% | 3% |
| 7/1/80-81 | | | | | | | | | | | | | 178% | 154% | 135% | -10% |
| 7/1/81-82 | | | | | | | | | 123% | 1% | | | | | | 136% |
| 7/1/82-83 | | | | | | | 266% | 85% | 307% | | 1049% | 469% | 21% | -9% | 173% | -18% |
| 7/1/83-84 | | | | | | 796% | -40% | -90% | -16% | 214% | 134% | 8% | 39% | 114% | -50% | -25% |
| 7/1/84-85 | | | | | 241% | -31% | -74% | 1132% | 16% | 2% | 27% | -22% | 32% | -47% | -7% | -9% |
| 7/1/85-86 | | | | 132% | -3% | 138% | 535% | 197% | 238% | 129% | 5% | 139% | -14% | 84% | 45% | 27% |
| 7/1/86-87 | | | 140% | 12% | -18% | -50% | 90% | 8% | -1% | 4% | 140% | -48% | 3% | -23% | -29% | -28% |
| 7/1/87-88 | | 85% | -45% | -72% | 444% | 662% | 942% | 98% | -17% | 61% | -50% | 51% | 37% | 29% | 39% | 96% |
| 7/1/88-89 | 4% | 16% | -91% | 357% | -24% | -1% | -64% | 3% | 87% | -52% | -20% | -42% | -56% | -55% | -10% | 8% |
| 7/1/89-90 | 12% | 26% | 4195% | 166% | 25% | 48% | -7% | 110% | -41% | 85% | 87% | 54% | 52% | 132% | 130% | 64% |
| 7/1/90-91 | 9% | 161% | 43% | 47% | 171% | 11% | 125% | -39% | 86% | -16% | -27% | -18% | 20% | 55% | -10% | -13% |
| 7/1/91-92 | 55% | 62% | 50% | 144% | 7% | 89% | -49% | 18% | -34% | -19% | -6% | 49% | 68% | 4% | 9% | 29% |
| 7/1/92-93 | 25% | 16% | 174% | 23% | 17% | -48% | 20% | -23% | -15% | 0% | 39% | 96% | 58% | 59% | 43% | 44% |
| 7/1/93-94 | -2% | 79% | 6% | 2% | -22% | 45% | -10% | -27% | -26% | 89% | 83% | -5% | -8% | -12% | 0% | -7% |
| 7/1/94-95 | -56% | 19% | 8% | -30% | 11% | -51% | -34% | -7% | 83% | 14% | -7% | -12% | -9% | -1% | -13% | -27% |
| 7/1/95-96 | -7% | -43% | -32% | 44% | 6% | 66% | 147% | 231% | 116% | 49% | 43% | 42% | 14% | 9% | 12% | -6% |
| 7/1/96-97 | 2% | 104% | 97% | -7% | -37% | -15% | -3% | 0% | -7% | -14% | -22% | -14% | -1% | -2% | -2% | 15% |
| 7/1/97-98 | 17% | 23% | -38% | -35% | 77% | 79% | 85% | 47% | 31% | 33% | 31% | 39% | 35% | 32% | 22% | |
| 7/1/98-99 | 93% | -45% | -4% | 25% | 32% | 54% | 25% | 36% | 28% | 16% | 29% | 24% | 30% | 16% | | |
| 7/1/99-00 | -56% | -43% | -38% | -4% | 9% | -6% | -1% | 0% | -15% | -1% | -1% | -17% | -26% | | | |
| 7/1/00-01 | -29% | 63% | 136% | 109% | 50% | 43% | 5% | -12% | 11% | -1% | -8% | 4% | | | | |
| 7/1/01-02 | 51% | 32% | -8% | -12% | -23% | -25% | -15% | -8% | -16% | -13% | -14% | | | | | |
| 7/1/02-03 | 243% | 26% | 33% | 23% | 31% | 35% | 22% | 18% | 24% | 14% | | | | | | |
| 7/1/03-04 | 7% | 9% | 14% | 2% | -5% | -14% | -16% | -20% | -24% | | | | | | | |
| 7/1/04-05 | 21% | 26% | -4% | 0% | 19% | 6% | 10% | 21% | | | | | | | | |
| 7/1/05-06 | -13% | -9% | 10% | 7% | 0% | 11% | -3% | | | | | | | | | |
| 7/1/06-07 | -11% | 18% | -1% | 9% | -2% | -4% | | | | | | | | | | |
| 7/1/07-08 | -1% | -2% | 4% | -2% | 20% | | | | | | | | | | | |
| 7/1/08-09 | 27% | 10% | 6% | 7% | | | | | | | | | | | | |
| 7/1/09-10 | 16% | 4% | 13% | | | | | | | | | | | | | |
| 7/1/10-11 | -4% | 9% | | | | | | | | | | | | | | |
| 7/1/11-12 | -8% | | | | | | | | | | | | | | | |
| All Years | 17% | 27% | 194% | 39% | 43% | 77% | 82% | 79% | 39% | 42% | 76% | 48% | 27% | 75% | 36% | 22% |
| Latest 7 | 1% | 8% | 6% | 7% | 6% | 7% | 0% | 5% | 6% | 5% | 8% | 9% | 5% | 15% | 10% | 5% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY CALAENDAR YEAR
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.14

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Calendar Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 204-216 | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 |
| 7/1/64-65 | | | | | | | | | | | | | | 311% | 47% | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | -77% | -64% | -36% | -19% | | |
| 7/1/68-69 | | | | | | | | | | 137% | -29% | -37% | -48% | 2888% | | |
| 7/1/69-70 | | | | | | | | | 450% | 0% | 55% | 28% | 16905% | 33% | | |
| 7/1/70-71 | | | | | | | | 28% | 235% | 117% | 311% | 7972% | -65% | -28% | 522% | |
| 7/1/71-72 | | | | | | | 237% | | | -82% | 179% | | | -16% | 35% | |
| 7/1/72-73 | | | | | | | 460% | | | 20122% | 746% | | | 459% | 313% | 285% |
| 7/1/73-74 | | | | | -74% | -17% | 539% | -93% | -20% | -56% | -62% | -55% | -5% | -46% | -72% | -63% |
| 7/1/74-75 | | | | -5% | -33% | -12% | -86% | -17% | -41% | -53% | -26% | 34% | 102% | 30% | 37% | -6% |
| 7/1/75-76 | | | -5% | 26% | 247% | 165% | 981% | 1275% | 961% | 918% | 1070% | 815% | 51% | 176% | 245% | 214% |
| 7/1/76-77 | | 19% | 7% | 139% | -56% | -42% | -90% | -95% | -92% | -73% | -78% | -80% | -69% | -48% | -64% | -55% |
| 7/1/77-78 | 335% | 0% | 57% | -46% | 104% | 13% | 49% | 211% | 170% | 114% | 45% | 65% | 46% | 49% | 44% | 66% |
| 7/1/78-79 | 41% | 52% | -6% | 14% | -23% | 27% | 12% | 71% | 177% | 11% | 48% | 16% | 18% | 3% | 0% | -19% |
| 7/1/79-80 | 498% | 1% | 37% | 24% | 21% | -3% | 70% | 25% | -10% | -13% | -11% | -10% | -7% | -7% | -13% | -8% |
| 7/1/80-81 | -86% | 2% | -24% | -20% | -38% | 18% | 12% | -30% | -40% | -45% | -44% | -26% | -16% | -25% | -2% | |
| 7/1/81-82 | 130% | 79% | 111% | 118% | 188% | 137% | 86% | 134% | 160% | 231% | 259% | 195% | 118% | 130% | | |
| 7/1/82-83 | -28% | -38% | -61% | -31% | 10% | -2% | 5% | -1% | -1% | 58% | 26% | 15% | 16% | | | |
| 7/1/83-84 | -12% | -13% | 125% | 27% | 3% | -6% | -31% | -11% | -16% | -47% | -44% | -39% | | | | |
| 7/1/84-85 | 19% | 70% | 69% | 67% | 31% | 44% | 97% | 26% | 39% | 29% | 19% | | | | | |
| 7/1/85-86 | 4% | 66% | 24% | 26% | 19% | 29% | 3% | 34% | 25% | 24% | | | | | | |
| 7/1/86-87 | 127% | 48% | 38% | 52% | 47% | 32% | 29% | 23% | 20% | | | | | | | |
| 7/1/87-88 | -23% | -39% | -27% | -34% | -26% | -30% | -29% | -27% | | | | | | | | |
| 7/1/88-89 | 67% | 92% | 60% | 60% | 46% | 41% | 55% | | | | | | | | | |
| 7/1/89-90 | 8% | 9% | 20% | 5% | 5% | -1% | | | | | | | | | | |
| 7/1/90-91 | -6% | -12% | -21% | -12% | -18% | | | | | | | | | | | |
| 7/1/91-92 | 45% | 36% | 65% | 42% | | | | | | | | | | | | |
| 7/1/92-93 | -5% | -4% | -23% | | | | | | | | | | | | | |
| 7/1/93-94 | -30% | -29% | | | | | | | | | | | | | | |
| 7/1/94-95 | -18% | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 59% | 19% | 25% | 25% | 25% | 23% | 133% | 97% | 126% | 1188% | 133% | 589% | 1215% | 243% | 91% | 52% |
| Latest 7 | 9% | 8% | 16% | 20% | 15% | 16% | 18% | 26% | 27% | 34% | 36% | 31% | 15% | 40% | 35% | 18% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY CALAENDAR YEAR
MEDICAL LOSSES ONLY (EXCLUDES LAE)

Exhibit 13.15

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Calendar Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 396-408 | 408-420 | 420-432 | 432-444 | 444-456 | 456-468 | 468-480 | 480-492 | 492-504 | 504-516 | 516-528 | 528-540 | 540-552 | 552-564 | 564-576 | 576-Ult |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | 396% | 406% | 296% | 461% | 299% | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | 332% | 339% | 371% | | | 489% | 435% | | | | | | | | | |
| 7/1/73-74 | -58% | -39% | -42% | -46% | -39% | -39% | | | | | | | | | | |
| 7/1/74-75 | -1% | -34% | -6% | 10% | 10% | | | | | | | | | | | |
| 7/1/75-76 | 380% | 270% | 143% | 121% | | | | | | | | | | | | |
| 7/1/76-77 | -74% | -54% | -67% | | | | | | | | | | | | | |
| 7/1/77-78 | 73% | 75% | | | | | | | | | | | | | | |
| 7/1/78-79 | -29% | | | | | | | | | | | | | | | |
| 7/1/79-80 | | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 89% | 93% | 80% | 28% | -15% | 282% | 421% | 296% | | | | | | | | |
| Latest 7 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE OUTSTANDING LOSSES
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 14.1

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | 46 | | 40 | | | | |
| 7/1/71-72 | | | | | | | | | 123 | 116 | 79 | 55 | | | | |
| 7/1/72-73 | | | | | | | | 148 | 92 | 61 | 44 | 32 | | | | |
| 7/1/73-74 | | | | | | | 1,237 | 1,118 | 943 | 1,000 | 965 | 935 | | | | |
| 7/1/74-75 | | | | | | 1,744 | 1,574 | 1,396 | 1,228 | 1,163 | 955 | 1,103 | | | | |
| 7/1/75-76 | | | | | 1,634 | 1,338 | 1,044 | 1,106 | 1,096 | 1,110 | 1,190 | 899 | | | | |
| 7/1/76-77 | | | | | 3,222 | 2,704 | 1,794 | 1,752 | 1,593 | 1,447 | 1,350 | 1,277 | 3,734 | | | |
| 7/1/77-78 | | | 5,952 | 5,195 | 3,501 | 3,671 | 3,219 | 2,958 | 2,830 | 2,674 | 2,326 | 6,225 | 6,087 | | 2,315 | 5,913 |
| 7/1/78-79 | | 7,710 | 7,050 | 3,769 | 3,488 | 3,005 | 2,756 | 2,740 | 2,744 | 2,236 | 2,233 | 2,116 | | 1,697 | 1,798 | 1,745 |
| 7/1/79-80 | 10,631 | 13,182 | 6,410 | 6,623 | 5,806 | 4,916 | 4,460 | 4,409 | 3,766 | 3,671 | 3,921 | 4,096 | 3,669 | 3,579 | 3,423 | 10,349 |
| 7/1/80-81 | 13,697 | 9,029 | 10,056 | 8,929 | 8,444 | 7,484 | 6,930 | 6,372 | 5,883 | 5,490 | 5,294 | 5,470 | 5,587 | 5,479 | 13,359 | 5,802 |
| 7/1/81-82 | 9,600 | 13,466 | 12,288 | 10,631 | 10,144 | 9,718 | 8,161 | 7,917 | 7,459 | 6,200 | 5,733 | 5,999 | 5,831 | 14,363 | 7,899 | 12,035 |
| 7/1/82-83 | 12,489 | 15,313 | 15,343 | 13,001 | 12,287 | 10,802 | 10,460 | 8,737 | 7,660 | 7,196 | 6,867 | 6,894 | 16,791 | 8,711 | 13,023 | 6,309 |
| 7/1/83-84 | 13,177 | 18,289 | 16,770 | 15,894 | 12,861 | 12,519 | 11,601 | 10,024 | 9,638 | 9,609 | 8,842 | 19,451 | 10,732 | 17,749 | 7,762 | 6,304 |
| 7/1/84-85 | 14,315 | 19,444 | 20,017 | 18,535 | 16,962 | 14,955 | 11,094 | 10,155 | 10,350 | 9,102 | 18,244 | 10,564 | 19,500 | 7,410 | 6,045 | 5,435 |
| 7/1/85-86 | 16,338 | 18,826 | 17,926 | 17,635 | 14,901 | 10,922 | 10,936 | 10,072 | 8,430 | 18,353 | 10,306 | 22,304 | 6,519 | 5,441 | 5,589 | 4,687 |
| 7/1/86-87 | 23,768 | 18,996 | 22,022 | 19,804 | 16,441 | 13,769 | 12,063 | 10,751 | 22,897 | 12,131 | 28,868 | 8,598 | 7,477 | 6,758 | 5,362 | 4,802 |
| 7/1/87-88 | 24,049 | 14,270 | 15,253 | 12,007 | 15,223 | 12,593 | 10,010 | 12,963 | 7,803 | 19,254 | 5,046 | 5,166 | 4,538 | 3,067 | 3,266 | 3,076 |
| 7/1/88-89 | 21,240 | 13,192 | 12,248 | 13,730 | 10,182 | 8,214 | 11,566 | 6,167 | 19,388 | 5,753 | 3,899 | 3,424 | 2,965 | 2,203 | 3,162 | 2,687 |
| 7/1/89-90 | 22,501 | 20,505 | 18,635 | 12,855 | 8,432 | 12,182 | 5,633 | 24,480 | 4,951 | 4,313 | 4,676 | 3,763 | 3,222 | 2,992 | 2,816 | 2,526 |
| 7/1/90-91 | 28,063 | 33,751 | 20,235 | 13,828 | 15,156 | 9,393 | 24,941 | 6,526 | 5,440 | 4,220 | 4,222 | 3,911 | 3,888 | 3,753 | 3,158 | 3,100 |
| 7/1/91-92 | 32,629 | 22,979 | 12,557 | 15,037 | 10,393 | 26,283 | 6,475 | 6,212 | 5,636 | 4,836 | 4,074 | 5,234 | 4,902 | 4,511 | 4,261 | 3,887 |
| 7/1/92-93 | 23,922 | 19,736 | 22,553 | 14,064 | 35,497 | 9,416 | 8,303 | 7,334 | 5,820 | 4,808 | 4,733 | 6,633 | 6,130 | 5,645 | 5,070 | 4,285 |
| 7/1/93-94 | 20,663 | 25,205 | 14,736 | 28,620 | 9,317 | 6,982 | 5,461 | 5,055 | 4,325 | 4,147 | 3,552 | 2,751 | 3,201 | 2,866 | 2,315 | 2,073 |
| 7/1/94-95 | 22,195 | 19,514 | 24,269 | 8,705 | 6,771 | 5,221 | 4,874 | 3,957 | 3,944 | 3,878 | 3,587 | 3,227 | 3,849 | 3,557 | 3,264 | 2,812 |
| 7/1/95-96 | 17,225 | 16,977 | 9,754 | 7,448 | 5,270 | 5,752 | 5,939 | 5,832 | 5,826 | 5,164 | 5,472 | 4,997 | 4,305 | 4,133 | 4,047 | 3,160 |
| 7/1/96-97 | 14,433 | 10,840 | 9,179 | 4,971 | 4,031 | 2,814 | 2,942 | 2,885 | 3,149 | 2,920 | 2,366 | 2,849 | 2,475 | 2,339 | 2,347 | 2,186 |
| 7/1/97-98 | 12,825 | 14,094 | 6,594 | 5,234 | 4,583 | 4,025 | 3,822 | 3,800 | 2,917 | 2,845 | 3,098 | 2,186 | 1,645 | 1,711 | 1,561 | |
| 7/1/98-99 | 19,978 | 8,883 | 8,185 | 5,852 | 5,149 | 6,271 | 5,459 | 4,558 | 4,507 | 3,598 | 3,350 | 3,012 | 3,161 | 2,411 | | |
| 7/1/99-00 | 7,003 | 9,350 | 7,146 | 5,836 | 5,952 | 5,254 | 4,835 | 4,144 | 3,903 | 3,503 | 2,791 | 2,493 | 2,500 | | | |
| 7/1/00-01 | 8,072 | 9,870 | 9,967 | 9,737 | 8,829 | 9,232 | 6,270 | 5,305 | 4,431 | 3,945 | 2,931 | 2,699 | | | | |
| 7/1/01-02 | 10,418 | 12,559 | 10,441 | 8,707 | 7,084 | 5,062 | 4,796 | 3,418 | 2,853 | 2,448 | 2,206 | | | | | |
| 7/1/02-03 | 17,187 | 13,849 | 10,478 | 9,855 | 9,273 | 8,293 | 6,966 | 5,817 | 5,348 | 4,626 | | | | | | |
| 7/1/03-04 | 17,479 | 13,583 | 10,741 | 9,512 | 8,699 | 8,136 | 7,095 | 6,040 | 5,006 | | | | | | | |
| 7/1/04-05 | 21,917 | 15,284 | 8,972 | 7,436 | 6,608 | 5,169 | 4,974 | 5,707 | | | | | | | | |
| 7/1/05-06 | 17,995 | 14,859 | 12,615 | 12,488 | 9,266 | 7,366 | 7,012 | | | | | | | | | |
| 7/1/06-07 | 16,542 | 18,023 | 11,689 | 7,882 | 5,024 | 4,594 | | | | | | | | | | |
| 7/1/07-08 | 16,897 | 15,602 | 11,818 | 9,802 | 9,331 | | | | | | | | | | | |
| 7/1/08-09 | 18,388 | 15,431 | 12,146 | 10,947 | | | | | | | | | | | | |
| 7/1/09-10 | 12,405 | 11,081 | 7,163 | | | | | | | | | | | | | |
| 7/1/10-11 | 12,301 | 10,473 | | | | | | | | | | | | | | |
| 7/1/11-12 | 11,537 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE OUTSTANDING LOSSES
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 14.2

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | 22 | 264 | 33 | 31 | 9 | 19 | 1 | 1 |
| 7/1/70-71 | | | | | | | | | 133 | | | 18 | 38 | 41 | - | - |
| 7/1/71-72 | | | | | | | 14 | 500 | 55 | 60 | 44 | 61 | 60 | 58 | 13 | 62 |
| 7/1/72-73 | | | | | | (5) | 12 | (5) | (5) | 13 | 40 | - | - | 64 | - | - |
| 7/1/73-74 | | | | | 442 | 3,009 | 1,073 | 1,371 | 590 | 570 | 526 | 542 | 566 | 584 | 464 | 483 |
| 7/1/74-75 | | | | 1,175 | 5,247 | 1,631 | 2,904 | 1,141 | 1,105 | 1,092 | 938 | 941 | 939 | 909 | 792 | 703 |
| 7/1/75-76 | 2,242 | | 728 | 3,807 | 838 | 870 | 803 | 784 | 531 | 327 | 315 | 364 | 295 | 277 | 272 | 264 |
| 7/1/76-77 | | 1,341 | 5,056 | 2,117 | 2,116 | 1,275 | 1,143 | 1,125 | 1,074 | 1,300 | 1,329 | 1,155 | 1,154 | 1,211 | 1,060 | 1,058 |
| 7/1/77-78 | 1,816 | 8,030 | 2,878 | 4,008 | 2,380 | 1,879 | 2,095 | 1,494 | 891 | 1,231 | 1,041 | 928 | 861 | 859 | 831 | 792 |
| 7/1/78-79 | 8,728 | 2,923 | 2,651 | 2,021 | 1,549 | 1,479 | 1,493 | 1,143 | 1,399 | 1,236 | 1,191 | 1,010 | 1,105 | 1,021 | 997 | 942 |
| 7/1/79-80 | 5,238 | 5,611 | 4,404 | 3,774 | 4,045 | 2,987 | 3,030 | 2,298 | 2,381 | 2,021 | 1,769 | 1,798 | 1,824 | 1,726 | 1,603 | 1,410 |
| 7/1/80-81 | 14,533 | 4,046 | 3,629 | 3,366 | 2,965 | 2,844 | 2,825 | 2,727 | 2,433 | 2,266 | 2,309 | 2,160 | 1,942 | 1,827 | 1,689 | 1,587 |
| 7/1/81-82 | 5,349 | 4,469 | 4,418 | 4,353 | 3,997 | 3,481 | 3,485 | 3,539 | 3,480 | 3,785 | 3,733 | 3,381 | 3,222 | 2,587 | 2,436 | |
| 7/1/82-83 | 5,103 | 4,913 | 4,190 | 3,711 | 3,955 | 3,382 | 3,387 | 3,325 | 3,364 | 3,187 | 3,093 | 2,967 | 2,701 | 2,514 | | |
| 7/1/83-84 | 6,175 | 5,928 | 5,627 | 5,695 | 4,612 | 4,322 | 4,015 | 4,509 | 4,223 | 3,917 | 3,386 | 3,101 | 2,938 | | | |
| 7/1/84-85 | 4,858 | 4,090 | 5,278 | 4,392 | 3,763 | 3,554 | 3,370 | 3,195 | 3,041 | 2,730 | 2,661 | 2,230 | | | | |
| 7/1/85-86 | 4,248 | 4,949 | 4,498 | 4,081 | 3,794 | 3,557 | 3,156 | 2,893 | 2,696 | 2,586 | 2,392 | | | | | |
| 7/1/86-87 | 5,087 | 4,231 | 3,903 | 3,345 | 3,409 | 3,308 | 3,096 | 2,881 | 2,665 | 2,380 | | | | | | |
| 7/1/87-88 | 3,242 | 2,958 | 2,857 | 2,085 | 2,036 | 1,712 | 1,478 | 1,319 | 1,150 | | | | | | | |
| 7/1/88-89 | 2,648 | 2,104 | 1,756 | 1,727 | 1,436 | 1,075 | 980 | 763 | | | | | | | | |
| 7/1/89-90 | 1,871 | 1,635 | 1,439 | 1,259 | 1,150 | 938 | 783 | | | | | | | | | |
| 7/1/90-91 | 2,404 | 2,744 | 2,486 | 1,464 | 1,292 | 996 | | | | | | | | | | |
| 7/1/91-92 | 3,572 | 3,649 | 2,903 | 2,735 | 2,416 | | | | | | | | | | | |
| 7/1/92-93 | 3,925 | 3,379 | 3,233 | 3,010 | | | | | | | | | | | | |
| 7/1/93-94 | 1,856 | 1,397 | 1,190 | | | | | | | | | | | | | |
| 7/1/94-95 | 1,452 | 1,269 | | | | | | | | | | | | | | |
| 7/1/95-96 | 2,840 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CASE OUTSTANDING LOSSES
INDEMNITY LOSSES ONLY (EXCLUDES LAE)
IN THOUSANDS

Exhibit 14.3

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>396</u> | <u>408</u> | <u>420</u> | <u>432</u> | <u>444</u> | <u>456</u> | <u>468</u> | <u>480</u> | <u>492</u> | <u>504</u> | <u>516</u> | <u>528</u> | <u>540</u> | <u>552</u> | <u>564</u> | <u>576</u> |
| 7/1/64-65 | | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/65-66 | | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/66-67 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/67-68 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/68-69 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/69-70 | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/70-71 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/71-72 | 50 | 48 | 46 | 44 | 47 | 45 | 44 | 42 | 40 | | | | | | | |
| 7/1/72-73 | - | - | - | - | - | - | - | - | - | | | | | | | |
| 7/1/73-74 | 496 | 469 | 442 | 414 | 387 | 320 | 316 | | | | | | | | | |
| 7/1/74-75 | 666 | 583 | 550 | 518 | 493 | 466 | | | | | | | | | | |
| 7/1/75-76 | 257 | 238 | 66 | 60 | 55 | | | | | | | | | | | |
| 7/1/76-77 | 1,028 | 853 | 824 | 741 | | | | | | | | | | | | |
| 7/1/77-78 | 704 | 385 | 381 | | | | | | | | | | | | | |
| 7/1/78-79 | 682 | 488 | | | | | | | | | | | | | | |
| 7/1/79-80 | 1,352 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 OPEN CLAIM COUNTS
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.4

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | 10 |
| 7/1/69-70 | | | | | | | | | | | 17 | | | | | 6 |
| 7/1/70-71 | | | | | | | | | | 18 | 13 | | | | | 7 |
| 7/1/71-72 | | | | | | | | | 27 | 23 | 17 | | | | | 11 |
| 7/1/72-73 | | | | | | | | 31 | 19 | 18 | 15 | | | | | 11 |
| 7/1/73-74 | | | | | | | 81 | 63 | 59 | 60 | 54 | | | | | 56 |
| 7/1/74-75 | | | | | | 100 | 77 | 68 | 73 | 66 | 68 | | | | | 66 |
| 7/1/75-76 | | | | | 119 | 76 | 69 | 74 | 64 | 78 | 77 | | | | | 71 |
| 7/1/76-77 | | | | 203 | 135 | 112 | 107 | 102 | 111 | 98 | 85 | | | | | 223 |
| 7/1/77-78 | | | 363 | 209 | 165 | 163 | 147 | 168 | 176 | 140 | 109 | 161 | 151 | | 89 | 215 |
| 7/1/78-79 | | 806 | 355 | 250 | 206 | 185 | 197 | 199 | 167 | 133 | 56 | 44 | 178 | 99 | 72 | 62 |
| 7/1/79-80 | 1,778 | 675 | 457 | 356 | 289 | 305 | 300 | 238 | 182 | 71 | 66 | 52 | 126 | 86 | 75 | 71 |
| 7/1/80-81 | 1,656 | 801 | 536 | 406 | 390 | 377 | 291 | 225 | 102 | 94 | 70 | 150 | 112 | 95 | 96 | 82 |
| 7/1/81-82 | 1,795 | 850 | 565 | 550 | 515 | 417 | 332 | 139 | 124 | 109 | 212 | 149 | 124 | 117 | 100 | 108 |
| 7/1/82-83 | 1,619 | 894 | 815 | 747 | 562 | 442 | 191 | 151 | 117 | 274 | 184 | 165 | 158 | 134 | 148 | 131 |
| 7/1/83-84 | 2,025 | 1,634 | 1,388 | 939 | 663 | 311 | 243 | 159 | 354 | 240 | 196 | 198 | 149 | 179 | 144 | 128 |
| 7/1/84-85 | 2,439 | 2,045 | 1,304 | 945 | 436 | 328 | 201 | 474 | 275 | 235 | 235 | 183 | 190 | 157 | 140 | 131 |
| 7/1/85-86 | 2,616 | 1,797 | 1,308 | 583 | 401 | 244 | 592 | 330 | 262 | 253 | 204 | 227 | 178 | 143 | 140 | 140 |
| 7/1/86-87 | 2,425 | 2,212 | 944 | 571 | 365 | 759 | 473 | 363 | 333 | 257 | 260 | 225 | 192 | 185 | 168 | 175 |
| 7/1/87-88 | 2,646 | 1,699 | 1,153 | 759 | 847 | 499 | 369 | 347 | 279 | 273 | 231 | 186 | 164 | 162 | 158 | 159 |
| 7/1/88-89 | 2,369 | 1,737 | 1,059 | 1,094 | 513 | 388 | 345 | 253 | 252 | 228 | 162 | 153 | 157 | 153 | 154 | 130 |
| 7/1/89-90 | 2,388 | 1,753 | 1,206 | 735 | 503 | 455 | 318 | 311 | 253 | 184 | 168 | 171 | 176 | 174 | 135 | 131 |
| 7/1/90-91 | 2,723 | 1,849 | 1,084 | 707 | 520 | 346 | 338 | 271 | 208 | 235 | 226 | 201 | 188 | 176 | 160 | 144 |
| 7/1/91-92 | 2,955 | 1,792 | 1,014 | 652 | 405 | 398 | 280 | 220 | 222 | 219 | 190 | 167 | 155 | 138 | 129 | 117 |
| 7/1/92-93 | 2,474 | 1,584 | 923 | 527 | 529 | 322 | 258 | 257 | 240 | 224 | 197 | 178 | 166 | 142 | 139 | 129 |
| 7/1/93-94 | 2,380 | 1,381 | 709 | 510 | 327 | 245 | 228 | 227 | 211 | 168 | 159 | 142 | 136 | 118 | 114 | 108 |
| 7/1/94-95 | 1,998 | 967 | 653 | 380 | 279 | 253 | 242 | 214 | 191 | 165 | 141 | 136 | 120 | 114 | 106 | 95 |
| 7/1/95-96 | 1,666 | 941 | 464 | 280 | 229 | 209 | 180 | 156 | 147 | 128 | 123 | 110 | 104 | 97 | 93 | 88 |
| 7/1/96-97 | 1,742 | 671 | 338 | 266 | 222 | 178 | 155 | 132 | 118 | 103 | 98 | 89 | 82 | 78 | 73 | 74 |
| 7/1/97-98 | 1,039 | 610 | 385 | 327 | 250 | 218 | 177 | 169 | 144 | 142 | 134 | 121 | 116 | 106 | 100 | |
| 7/1/98-99 | 1,099 | 612 | 466 | 331 | 244 | 207 | 172 | 154 | 138 | 127 | 120 | 112 | 104 | 100 | | |
| 7/1/99-00 | 1,012 | 738 | 410 | 298 | 231 | 195 | 165 | 146 | 145 | 128 | 102 | 97 | 98 | | | |
| 7/1/00-01 | 1,172 | 729 | 480 | 369 | 281 | 234 | 204 | 179 | 158 | 140 | 130 | 117 | | | | |
| 7/1/01-02 | 1,246 | 761 | 511 | 341 | 279 | 233 | 215 | 195 | 179 | 170 | 162 | | | | | |
| 7/1/02-03 | 1,393 | 858 | 533 | 381 | 319 | 283 | 266 | 242 | 221 | 193 | | | | | | |
| 7/1/03-04 | 1,550 | 848 | 507 | 375 | 310 | 290 | 255 | 235 | 202 | | | | | | | |
| 7/1/04-05 | 1,588 | 822 | 511 | 402 | 330 | 291 | 258 | 223 | | | | | | | | |
| 7/1/05-06 | 1,622 | 925 | 615 | 467 | 396 | 322 | 272 | | | | | | | | | |
| 7/1/06-07 | 1,555 | 1,005 | 652 | 472 | 385 | 315 | | | | | | | | | | |
| 7/1/07-08 | 1,613 | 995 | 641 | 465 | 364 | | | | | | | | | | | |
| 7/1/08-09 | 1,314 | 841 | 541 | 399 | | | | | | | | | | | | |
| 7/1/09-10 | 1,203 | 736 | 428 | | | | | | | | | | | | | |
| 7/1/10-11 | 1,208 | 695 | | | | | | | | | | | | | | |
| 7/1/11-12 | 1,021 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 OPEN CLAIM COUNTS
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.5

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | | 97 | 97 |
| 7/1/65-66 | | | | | | | | | | | | | | 160 | 160 | 160 |
| 7/1/66-67 | | | | | | | | | | | | 76 | 76 | 76 | 76 | |
| 7/1/67-68 | | | | | | | | | | | 45 | 45 | 44 | 44 | 44 | |
| 7/1/68-69 | | | | | | | | | | 51 | 51 | 51 | 51 | 51 | 1 | |
| 7/1/69-70 | | | | | | | | | 75 | 75 | 75 | 75 | 74 | 1 | - | |
| 7/1/70-71 | | | | | | | | 190 | 190 | 190 | 189 | 188 | 3 | 2 | 1 | 3 |
| 7/1/71-72 | | | | | | | 40 | 41 | 40 | 41 | 40 | 2 | 1 | 1 | 1 | 1 |
| 7/1/72-73 | | | | | | 13 | 14 | 13 | 14 | 14 | 3 | - | - | 2 | 2 | 1 |
| 7/1/73-74 | | | | | 23 | 26 | 24 | 22 | 22 | 15 | 14 | 14 | 14 | 13 | 10 | 10 |
| 7/1/74-75 | | | | 35 | 35 | 33 | 34 | 30 | 25 | 19 | 20 | 21 | 19 | 18 | 15 | 10 |
| 7/1/75-76 | 118 | | 36 | 35 | 27 | 26 | 27 | 20 | 11 | 16 | 13 | 14 | 9 | 9 | 9 | 9 |
| 7/1/76-77 | - | 46 | 40 | 36 | 40 | 29 | 16 | 13 | 13 | 14 | 14 | 14 | 16 | 13 | 14 | 16 |
| 7/1/77-78 | 60 | 54 | 48 | 52 | 40 | 31 | 37 | 29 | 28 | 26 | 20 | 20 | 17 | 19 | 18 | 18 |
| 7/1/78-79 | 72 | 59 | 55 | 47 | 36 | 36 | 38 | 32 | 36 | 26 | 29 | 24 | 21 | 20 | 19 | 17 |
| 7/1/79-80 | 67 | 70 | 63 | 54 | 51 | 49 | 51 | 47 | 42 | 37 | 37 | 33 | 31 | 29 | 31 | 32 |
| 7/1/80-81 | 91 | 85 | 73 | 73 | 68 | 74 | 71 | 57 | 54 | 47 | 50 | 45 | 41 | 38 | 40 | 37 |
| 7/1/81-82 | 87 | 75 | 73 | 75 | 76 | 67 | 61 | 51 | 49 | 48 | 46 | 48 | 50 | 47 | 43 | |
| 7/1/82-83 | 110 | 99 | 103 | 93 | 93 | 77 | 62 | 60 | 60 | 58 | 57 | 58 | 59 | 50 | | |
| 7/1/83-84 | 117 | 120 | 121 | 104 | 90 | 80 | 68 | 68 | 64 | 69 | 67 | 67 | 62 | | | |
| 7/1/84-85 | 127 | 124 | 118 | 99 | 90 | 77 | 79 | 76 | 70 | 71 | 69 | 66 | | | | |
| 7/1/85-86 | 143 | 128 | 110 | 99 | 89 | 88 | 87 | 84 | 76 | 77 | 79 | | | | | |
| 7/1/86-87 | 164 | 143 | 133 | 121 | 114 | 114 | 115 | 110 | 109 | 102 | | | | | | |
| 7/1/87-88 | 133 | 128 | 115 | 104 | 110 | 102 | 98 | 95 | 93 | | | | | | | |
| 7/1/88-89 | 122 | 111 | 98 | 98 | 94 | 87 | 86 | 77 | | | | | | | | |
| 7/1/89-90 | 110 | 110 | 104 | 101 | 103 | 99 | 91 | | | | | | | | | |
| 7/1/90-91 | 143 | 131 | 130 | 128 | 119 | 104 | | | | | | | | | | |
| 7/1/91-92 | 115 | 109 | 103 | 102 | 99 | | | | | | | | | | | |
| 7/1/92-93 | 123 | 116 | 113 | 111 | | | | | | | | | | | | |
| 7/1/93-94 | 102 | 97 | 88 | | | | | | | | | | | | | |
| 7/1/94-95 | 89 | 82 | | | | | | | | | | | | | | |
| 7/1/95-96 | 96 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 OPEN CLAIM COUNTS
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.6

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 396 | 408 | 420 | 432 | 444 | 456 | 468 | 480 | 492 | 504 | 516 | 528 | 540 | 552 | 564 | 576 |
| 7/1/64-65 | | | | | | 1 | - | - | - | - | - | - | - | - | - | - |
| 7/1/65-66 | | | | | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 7/1/66-67 | | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/67-68 | | | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/68-69 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/69-70 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7/1/70-71 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 3 | 3 | | | | | | |
| 7/1/71-72 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | | | | |
| 7/1/72-73 | 1 | 1 | 1 | - | - | 1 | 1 | 1 | | | | | | | | |
| 7/1/73-74 | 10 | 10 | 10 | 10 | 10 | 9 | 8 | | | | | | | | | |
| 7/1/74-75 | 11 | 11 | 11 | 11 | 12 | 10 | | | | | | | | | | |
| 7/1/75-76 | 9 | 9 | 6 | 5 | 5 | | | | | | | | | | | |
| 7/1/76-77 | 17 | 17 | 17 | 15 | | | | | | | | | | | | |
| 7/1/77-78 | 16 | 14 | 16 | | | | | | | | | | | | | |
| 7/1/78-79 | 15 | 12 | | | | | | | | | | | | | | |
| 7/1/79-80 | 33 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 AVERAGE CASE OUTSTANDING LOSSES
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.7

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|---------|---------|---------|---------|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | 1,053 | | | |
| 7/1/69-70 | | | | | | | | | | | 2,358 | 2,036 | | | | |
| 7/1/70-71 | | | | | | | | | | 2,575 | 3,394 | 4,084 | | | | |
| 7/1/71-72 | | | | | | | | | 4,555 | 5,032 | 4,660 | 4,966 | | | | |
| 7/1/72-73 | | | | | | | | 4,779 | 4,847 | 3,378 | 2,937 | 2,918 | | | | |
| 7/1/73-74 | | | | | | | 15,269 | 17,747 | 15,983 | 16,672 | 17,866 | 16,692 | | | | |
| 7/1/74-75 | | | | | | 17,438 | 20,447 | 20,531 | 16,816 | 17,627 | 14,042 | 16,707 | | | | |
| 7/1/75-76 | | | | | 13,732 | 17,607 | 15,133 | 14,940 | 17,125 | 14,230 | 15,456 | 12,667 | | | | |
| 7/1/76-77 | | | | 15,871 | 20,030 | 16,018 | 16,370 | 15,618 | 13,034 | 13,774 | 15,022 | 16,745 | | | | 7,098 |
| 7/1/77-78 | | | 16,397 | 24,854 | 21,215 | 22,522 | 21,897 | 17,606 | 16,077 | 19,097 | 21,335 | 38,664 | 40,312 | | 26,016 | 27,504 |
| 7/1/78-79 | | 9,566 | 19,860 | 15,075 | 16,933 | 16,244 | 13,989 | 13,769 | 16,431 | 16,811 | 39,871 | 48,099 | | 17,143 | 24,977 | 28,142 |
| 7/1/79-80 | 5,979 | 19,530 | 14,026 | 18,603 | 20,091 | 16,117 | 14,866 | 18,523 | 20,691 | 51,700 | 59,411 | 78,770 | 29,120 | 41,620 | 45,643 | 145,758 |
| 7/1/80-81 | 8,271 | 11,273 | 18,761 | 21,992 | 21,651 | 19,852 | 23,813 | 28,318 | 57,680 | 58,409 | 75,629 | 36,466 | 49,887 | 57,669 | 139,155 | 70,759 |
| 7/1/81-82 | 5,348 | 15,843 | 21,750 | 19,329 | 19,697 | 23,305 | 24,581 | 56,955 | 60,154 | 56,885 | 27,042 | 40,265 | 47,026 | 122,763 | 78,988 | 111,438 |
| 7/1/82-83 | 7,714 | 17,128 | 18,826 | 17,404 | 21,863 | 24,438 | 54,762 | 57,863 | 65,471 | 26,263 | 37,321 | 41,785 | 106,273 | 65,010 | 87,992 | 48,160 |
| 7/1/83-84 | 6,507 | 11,193 | 12,082 | 16,926 | 19,398 | 40,253 | 47,741 | 63,042 | 27,227 | 40,036 | 45,110 | 98,237 | 72,027 | 97,157 | 53,900 | 49,246 |
| 7/1/84-85 | 5,869 | 9,508 | 15,350 | 19,614 | 38,903 | 45,593 | 55,194 | 21,425 | 37,638 | 38,734 | 77,635 | 57,725 | 102,630 | 47,196 | 43,177 | 41,490 |
| 7/1/85-86 | 6,245 | 10,476 | 13,705 | 30,248 | 37,160 | 44,762 | 18,472 | 30,522 | 32,176 | 72,542 | 50,522 | 98,257 | 36,622 | 38,046 | 39,922 | 33,475 |
| 7/1/86-87 | 9,801 | 8,588 | 23,328 | 34,683 | 45,044 | 18,141 | 25,503 | 29,616 | 68,759 | 47,202 | 111,029 | 38,212 | 38,941 | 36,530 | 31,915 | 27,439 |
| 7/1/87-88 | 9,089 | 8,399 | 13,229 | 15,820 | 17,972 | 25,236 | 27,128 | 37,357 | 27,967 | 70,526 | 21,843 | 27,772 | 27,671 | 18,932 | 20,672 | 19,344 |
| 7/1/88-89 | 8,966 | 7,594 | 11,566 | 12,550 | 19,847 | 21,169 | 33,525 | 24,377 | 76,938 | 25,231 | 24,070 | 22,378 | 18,887 | 14,396 | 20,535 | 20,671 |
| 7/1/89-90 | 9,422 | 11,697 | 15,452 | 17,490 | 16,763 | 26,774 | 17,714 | 78,714 | 19,570 | 23,443 | 27,832 | 22,008 | 18,304 | 17,193 | 20,857 | 19,284 |
| 7/1/90-91 | 10,306 | 18,254 | 18,667 | 19,559 | 29,146 | 27,147 | 73,791 | 24,081 | 26,155 | 17,958 | 18,681 | 19,456 | 20,683 | 21,323 | 19,735 | 21,525 |
| 7/1/91-92 | 11,042 | 12,823 | 12,384 | 23,062 | 25,663 | 66,037 | 23,124 | 28,237 | 25,385 | 22,082 | 21,441 | 31,341 | 31,628 | 32,687 | 33,034 | 33,218 |
| 7/1/92-93 | 9,669 | 12,459 | 24,434 | 26,687 | 67,101 | 29,244 | 32,181 | 28,539 | 24,249 | 21,465 | 24,028 | 37,263 | 36,930 | 39,755 | 36,473 | 33,219 |
| 7/1/93-94 | 8,682 | 18,251 | 20,784 | 56,118 | 28,493 | 28,499 | 23,952 | 22,270 | 20,499 | 24,683 | 22,338 | 19,376 | 23,536 | 24,290 | 20,311 | 19,191 |
| 7/1/94-95 | 11,109 | 20,180 | 37,166 | 22,909 | 24,268 | 20,634 | 20,139 | 18,491 | 20,649 | 23,502 | 25,440 | 23,728 | 32,078 | 31,201 | 30,793 | 29,604 |
| 7/1/95-96 | 10,339 | 18,042 | 21,022 | 26,601 | 23,012 | 27,519 | 32,992 | 37,382 | 39,630 | 40,346 | 44,486 | 45,429 | 41,393 | 42,605 | 43,515 | 35,906 |
| 7/1/96-97 | 8,285 | 16,156 | 27,158 | 18,688 | 18,159 | 15,807 | 18,982 | 21,856 | 26,690 | 28,350 | 24,143 | 32,008 | 30,185 | 29,985 | 32,148 | 29,540 |
| 7/1/97-98 | 12,343 | 23,105 | 17,127 | 16,005 | 18,332 | 18,464 | 21,592 | 22,486 | 20,254 | 20,036 | 23,123 | 18,067 | 14,179 | 16,139 | 15,613 | |
| 7/1/98-99 | 18,179 | 14,514 | 17,563 | 17,681 | 21,101 | 30,297 | 31,736 | 29,597 | 32,657 | 28,334 | 27,913 | 26,894 | 30,396 | 24,112 | | |
| 7/1/99-00 | 6,920 | 12,670 | 17,428 | 19,585 | 25,768 | 26,941 | 29,305 | 28,381 | 26,915 | 27,364 | 27,361 | 25,696 | 25,511 | | | |
| 7/1/00-01 | 6,888 | 13,539 | 20,765 | 26,387 | 31,418 | 39,453 | 30,735 | 29,634 | 28,045 | 28,176 | 22,548 | 23,067 | | | | |
| 7/1/01-02 | 8,361 | 16,503 | 20,432 | 25,533 | 25,392 | 21,727 | 22,305 | 17,527 | 15,936 | 14,400 | 13,615 | | | | | |
| 7/1/02-03 | 12,338 | 16,141 | 19,659 | 25,867 | 29,068 | 29,303 | 26,187 | 24,037 | 24,197 | 23,968 | | | | | | |
| 7/1/03-04 | 11,277 | 16,017 | 21,186 | 25,365 | 28,063 | 28,054 | 27,822 | 25,700 | 24,781 | | | | | | | |
| 7/1/04-05 | 13,801 | 18,593 | 17,557 | 18,497 | 20,025 | 17,763 | 19,277 | 25,593 | | | | | | | | |
| 7/1/05-06 | 11,094 | 16,063 | 20,513 | 26,741 | 23,398 | 22,876 | 25,779 | | | | | | | | | |
| 7/1/06-07 | 10,638 | 17,933 | 17,928 | 16,699 | 13,050 | 14,585 | | | | | | | | | | |
| 7/1/07-08 | 10,475 | 15,680 | 18,437 | 21,080 | 25,634 | | | | | | | | | | | |
| 7/1/08-09 | 13,994 | 18,348 | 22,451 | 27,435 | | | | | | | | | | | | |
| 7/1/09-10 | 10,312 | 15,055 | 16,736 | | | | | | | | | | | | | |
| 7/1/10-11 | 10,183 | 15,069 | | | | | | | | | | | | | | |
| 7/1/11-12 | 11,300 | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 AVERAGE CASE OUTSTANDING LOSSES
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.8

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | 296 | 3,521 | 437 | 411 | 120 | 19,221 | | |
| 7/1/70-71 | | | | | | | | 699 | | | | 96 | 12,554 | 20,468 | | |
| 7/1/71-72 | | | | | | | 343 | 12,196 | 1,371 | 1,459 | 1,092 | 30,671 | 59,614 | 57,883 | 13,035 | 61,579 |
| 7/1/72-73 | | | | | | | 834 | | | 950 | 13,207 | | | 31,834 | | |
| 7/1/73-74 | | | | | 19,197 | 115,732 | 44,695 | 62,296 | 26,820 | 38,029 | 37,591 | 38,741 | 40,441 | 44,927 | 46,449 | 48,299 |
| 7/1/74-75 | | | | 33,570 | 149,910 | 49,426 | 85,424 | 38,043 | 44,217 | 57,478 | 46,917 | 44,821 | 49,395 | 50,495 | 52,826 | 70,296 |
| 7/1/75-76 | 19,004 | | 20,218 | 108,779 | 31,026 | 33,467 | 29,726 | 39,209 | 48,234 | 20,425 | 24,244 | 25,971 | 32,778 | 30,745 | 30,257 | 29,280 |
| 7/1/76-77 | | 29,150 | 126,400 | 58,803 | 52,908 | 43,971 | 71,455 | 86,526 | 82,590 | 92,857 | 94,953 | 82,481 | 72,152 | 93,147 | 75,743 | 66,127 |
| 7/1/77-78 | 30,265 | 148,709 | 59,956 | 77,078 | 59,492 | 60,603 | 56,629 | 51,525 | 31,819 | 47,364 | 52,066 | 46,403 | 50,643 | 45,226 | 46,159 | 44,021 |
| 7/1/78-79 | 121,223 | 49,545 | 48,196 | 42,989 | 43,019 | 41,079 | 39,291 | 35,723 | 38,872 | 47,542 | 41,069 | 42,098 | 52,610 | 51,037 | 52,453 | 55,393 |
| 7/1/79-80 | 78,185 | 80,158 | 69,909 | 69,880 | 79,309 | 60,964 | 59,417 | 48,888 | 56,696 | 54,615 | 47,820 | 54,474 | 58,823 | 59,526 | 51,695 | 44,051 |
| 7/1/80-81 | 159,700 | 47,606 | 49,711 | 46,103 | 43,596 | 38,430 | 39,795 | 47,849 | 45,063 | 48,214 | 46,186 | 47,995 | 47,366 | 48,075 | 42,218 | 42,889 |
| 7/1/81-82 | 61,485 | 59,586 | 60,527 | 58,045 | 52,588 | 51,962 | 57,124 | 69,392 | 71,026 | 78,847 | 81,143 | 70,447 | 64,435 | 55,035 | 56,653 | |
| 7/1/82-83 | 46,395 | 49,625 | 40,684 | 39,902 | 42,529 | 43,928 | 54,631 | 55,419 | 56,062 | 54,949 | 54,258 | 51,149 | 45,773 | 50,289 | | |
| 7/1/83-84 | 52,781 | 49,402 | 46,508 | 54,760 | 51,248 | 54,030 | 59,051 | 66,311 | 65,988 | 56,769 | 50,542 | 46,284 | 47,383 | | | |
| 7/1/84-85 | 38,252 | 32,980 | 44,730 | 44,361 | 41,809 | 46,153 | 42,660 | 42,037 | 43,436 | 38,453 | 38,571 | 33,790 | | | | |
| 7/1/85-86 | 29,709 | 38,666 | 40,891 | 41,225 | 42,630 | 40,424 | 36,277 | 34,435 | 35,474 | 33,585 | 30,281 | | | | | |
| 7/1/86-87 | 31,016 | 29,588 | 29,345 | 27,642 | 29,901 | 29,017 | 26,920 | 26,193 | 24,452 | 23,338 | | | | | | |
| 7/1/87-88 | 24,378 | 23,110 | 24,844 | 20,053 | 18,507 | 16,787 | 15,085 | 13,881 | 12,364 | | | | | | | |
| 7/1/88-89 | 21,702 | 18,953 | 17,921 | 17,620 | 15,280 | 12,355 | 11,395 | 9,913 | | | | | | | | |
| 7/1/89-90 | 17,008 | 14,864 | 13,840 | 12,470 | 11,161 | 9,478 | 8,603 | | | | | | | | | |
| 7/1/90-91 | 16,811 | 20,944 | 19,123 | 11,439 | 10,860 | 9,579 | | | | | | | | | | |
| 7/1/91-92 | 31,065 | 33,481 | 28,181 | 26,812 | 24,405 | | | | | | | | | | | |
| 7/1/92-93 | 31,911 | 29,134 | 28,611 | 27,121 | | | | | | | | | | | | |
| 7/1/93-94 | 18,198 | 14,407 | 13,521 | | | | | | | | | | | | | |
| 7/1/94-95 | 16,310 | 15,476 | | | | | | | | | | | | | | |
| 7/1/95-96 | 29,581 | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
 AVERAGE CASE OUTSTANDING LOSSES
 INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.9

AS OF JUNE 30, 2012

| Accident Year | Months Of Development | | | | | | | | | | | | | | | |
|------------------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>396</u> | <u>408</u> | <u>420</u> | <u>432</u> | <u>444</u> | <u>456</u> | <u>468</u> | <u>480</u> | <u>492</u> | <u>504</u> | <u>516</u> | <u>528</u> | <u>540</u> | <u>552</u> | <u>564</u> | <u>576</u> |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | 49,641 | 47,717 | 45,793 | 43,869 | 46,702 | 44,704 | 43,718 | 41,794 | 39,870 | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | 49,555 | 46,858 | 44,161 | 41,412 | 38,715 | 35,578 | 39,468 | | | | | | | | | |
| 7/1/74-75 | 60,510 | 53,035 | 49,988 | 47,128 | 41,106 | 46,566 | | | | | | | | | | |
| 7/1/75-76 | 28,582 | 26,432 | 10,981 | 12,057 | 10,937 | | | | | | | | | | | |
| 7/1/76-77 | 60,492 | 50,196 | 48,442 | 49,408 | | | | | | | | | | | | |
| 7/1/77-78 | 44,013 | 27,512 | 23,819 | | | | | | | | | | | | | |
| 7/1/78-79 | 45,475 | 40,675 | | | | | | | | | | | | | | |
| 7/1/79-80 | 40,981 | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY ACCIDENT YEAR
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.10

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Accident Year | | | | | | | | | | | | | | | |
|------------------|--|-------|-------|-------|-------|-------|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | 32% | 20% | | | | | |
| 7/1/71-72 | | | | | | | | | 10% | -7% | 7% | | | | | |
| 7/1/72-73 | | | | | | | | 1% | -30% | -13% | -1% | | | | | |
| 7/1/73-74 | | | | | | | 16% | -10% | 4% | 7% | -7% | | | | | |
| 7/1/74-75 | | | | | | 17% | 0% | -18% | 5% | -20% | 19% | | | | | |
| 7/1/75-76 | | | | | 28% | -14% | -1% | 15% | -17% | 9% | -18% | | | | | |
| 7/1/76-77 | | | | 26% | -20% | 2% | -5% | -17% | 6% | 9% | 11% | | | | | |
| 7/1/77-78 | | | 52% | -15% | 6% | -3% | -20% | -9% | 19% | 12% | 81% | 4% | | | 6% | 10% |
| 7/1/78-79 | | 108% | -24% | 12% | -4% | -14% | -2% | 19% | 2% | 137% | 21% | | | 46% | 13% | 331% |
| 7/1/79-80 | 227% | -28% | 33% | 8% | -20% | -8% | 25% | 12% | 150% | 15% | 33% | -63% | 43% | 10% | 219% | -46% |
| 7/1/80-81 | 36% | 66% | 17% | -2% | -8% | 20% | 19% | 104% | 1% | 29% | -52% | 37% | 16% | 141% | -49% | 126% |
| 7/1/81-82 | 196% | 37% | -11% | 2% | 18% | 5% | 132% | 6% | -5% | -52% | 49% | 17% | 161% | -36% | 41% | -45% |
| 7/1/82-83 | 122% | 10% | -8% | 26% | 12% | 124% | 6% | 13% | -60% | 42% | 12% | 154% | -39% | 35% | -45% | -4% |
| 7/1/83-84 | 72% | 8% | 40% | 15% | 108% | 19% | 32% | -57% | 47% | 13% | 118% | -27% | 38% | -46% | -9% | 7% |
| 7/1/84-85 | 62% | 61% | 28% | 98% | 17% | 21% | -61% | 76% | 3% | 100% | -26% | 78% | -54% | -9% | -4% | -8% |
| 7/1/85-86 | 68% | 31% | 121% | 23% | 20% | -59% | 65% | 5% | 125% | -30% | 94% | -63% | 4% | 5% | -16% | -11% |
| 7/1/86-87 | -12% | 172% | 49% | 30% | -60% | 41% | 16% | 132% | -31% | 135% | -66% | 2% | -6% | -13% | -14% | 13% |
| 7/1/87-88 | -8% | 58% | 20% | 14% | 40% | 7% | 38% | -25% | 152% | -69% | 27% | 0% | -32% | 9% | -6% | 26% |
| 7/1/88-89 | -15% | 52% | 9% | 58% | 7% | 58% | -27% | 216% | -67% | -5% | -7% | -16% | -24% | 43% | 1% | 5% |
| 7/1/89-90 | 24% | 32% | 13% | -4% | 60% | -34% | 344% | -75% | 20% | 19% | -21% | -17% | -6% | 21% | -8% | -12% |
| 7/1/90-91 | 77% | 2% | 5% | 49% | -7% | 172% | -67% | 9% | -31% | 4% | 4% | 6% | 3% | -7% | 9% | -22% |
| 7/1/91-92 | 16% | -3% | 86% | 11% | 157% | -65% | 22% | -10% | -13% | -3% | 46% | 1% | 3% | 1% | -6% | -6% |
| 7/1/92-93 | 29% | 96% | 9% | 151% | -56% | 10% | -11% | 12% | 55% | 10% | -1% | 8% | -8% | -9% | -4% | -4% |
| 7/1/93-94 | 110% | 14% | 170% | -49% | 0% | -16% | -7% | -8% | 20% | -10% | -13% | 21% | 3% | -16% | -6% | -5% |
| 7/1/94-95 | 82% | 84% | -38% | 6% | -15% | -2% | -8% | 12% | 14% | 8% | -7% | 35% | -3% | -1% | -4% | -45% |
| 7/1/95-96 | 75% | 17% | 27% | -13% | 20% | 20% | 13% | 6% | 2% | 10% | 2% | -9% | 3% | 2% | -17% | -18% |
| 7/1/96-97 | 95% | 68% | -31% | -3% | -13% | 20% | 15% | 22% | 6% | -15% | 33% | -6% | -1% | 7% | -8% | |
| 7/1/97-98 | 87% | -26% | -7% | 15% | 1% | 17% | 4% | -10% | -1% | 15% | -22% | -22% | 14% | -3% | | |
| 7/1/98-99 | -20% | 21% | 1% | 19% | 44% | 5% | -7% | 10% | -13% | -1% | -4% | 13% | -21% | | | |
| 7/1/99-00 | 83% | 38% | 12% | 32% | 5% | 9% | -3% | -5% | 2% | 0% | -6% | -1% | | | | |
| 7/1/00-01 | 97% | 53% | 27% | 19% | 26% | -22% | -4% | -5% | 0% | -20% | 2% | | | | | |
| 7/1/01-02 | 97% | 24% | 25% | -1% | -14% | 3% | -21% | -9% | -10% | -5% | | | | | | |
| 7/1/02-03 | 31% | 22% | 32% | 12% | 1% | -11% | -8% | 1% | -1% | | | | | | | |
| 7/1/03-04 | 42% | 32% | 20% | 11% | 0% | -1% | -8% | -4% | | | | | | | | |
| 7/1/04-05 | 35% | -6% | 5% | 8% | -11% | 9% | 33% | | | | | | | | | |
| 7/1/05-06 | 45% | 28% | 30% | -13% | -2% | 13% | | | | | | | | | | |
| 7/1/06-07 | 69% | 0% | -7% | -22% | 12% | | | | | | | | | | | |
| 7/1/07-08 | 50% | 18% | 14% | 22% | | | | | | | | | | | | |
| 7/1/08-09 | 31% | 22% | 22% | | | | | | | | | | | | | |
| 7/1/09-10 | 46% | 11% | | | | | | | | | | | | | | |
| 7/1/10-11 | 48% | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 62% | 35% | 23% | 17% | 11% | 11% | 16% | 12% | 9% | 11% | 12% | 7% | 6% | 9% | 5% | 15% |
| Latest 7 | 46% | 15% | 17% | 3% | 1% | 0% | -3% | -3% | -2% | -2% | 0% | 5% | 1% | -3% | -5% | -16% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY ACCIDENT YEAR
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.11

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Accident Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 204-216 | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | 1091% | -88% | -6% | -71% | 15884% | | | |
| 7/1/70-71 | | | | | | | | | | | | 13010% | 63% | | | |
| 7/1/71-72 | | | | | | | 3457% | -89% | 6% | -25% | 2707% | 94% | -3% | -77% | 372% | -19% |
| 7/1/72-73 | | | | | | | | | | 1290% | | | | | | |
| 7/1/73-74 | | | | | 503% | -61% | 39% | -57% | 42% | -1% | 3% | 4% | 11% | 3% | 4% | 3% |
| 7/1/74-75 | | | | 347% | -67% | 73% | -55% | 16% | 30% | -18% | -4% | 10% | 2% | 5% | 33% | -14% |
| 7/1/75-76 | | | 438% | -71% | 8% | -11% | 32% | 23% | -58% | 19% | 7% | 26% | -6% | -2% | -3% | -2% |
| 7/1/76-77 | | 334% | -53% | -10% | -17% | 63% | 21% | -5% | 12% | 2% | -13% | -13% | 29% | -19% | -13% | -9% |
| 7/1/77-78 | 391% | -60% | 29% | -23% | 2% | -7% | -9% | -38% | 49% | 10% | -11% | 9% | -11% | 2% | -5% | 0% |
| 7/1/78-79 | -59% | -3% | -11% | 0% | -5% | -4% | -9% | 9% | 22% | -14% | 3% | 25% | -3% | 3% | 6% | -18% |
| 7/1/79-80 | 3% | -13% | 0% | 13% | -23% | -3% | -18% | 16% | -4% | -12% | 14% | 8% | 1% | -13% | -15% | -7% |
| 7/1/80-81 | -70% | 4% | -7% | -5% | -12% | 4% | 20% | -6% | 7% | -4% | 4% | -1% | 1% | -12% | 2% | |
| 7/1/81-82 | -3% | 2% | -4% | -9% | -1% | 10% | 21% | 2% | 11% | 3% | -13% | -9% | -15% | 3% | | |
| 7/1/82-83 | 7% | -18% | -2% | 7% | 3% | 24% | 1% | 1% | -2% | -1% | -6% | -11% | 10% | | | |
| 7/1/83-84 | -6% | -6% | 18% | -6% | 5% | 9% | 12% | 0% | -14% | -11% | -8% | 2% | | | | |
| 7/1/84-85 | -14% | 36% | -1% | -6% | 10% | -8% | -1% | 3% | -11% | 0% | -12% | | | | | |
| 7/1/85-86 | 30% | 6% | 1% | 3% | -5% | -10% | -5% | 3% | -5% | -10% | | | | | | |
| 7/1/86-87 | -5% | -1% | -6% | 8% | -3% | -7% | -3% | -7% | -5% | | | | | | | |
| 7/1/87-88 | -5% | 8% | -19% | -8% | -9% | -10% | -8% | -11% | | | | | | | | |
| 7/1/88-89 | -13% | -5% | -2% | -13% | -19% | -8% | -13% | | | | | | | | | |
| 7/1/89-90 | -13% | -7% | -10% | -11% | -15% | -9% | | | | | | | | | | |
| 7/1/90-91 | 25% | -9% | -40% | -5% | -12% | | | | | | | | | | | |
| 7/1/91-92 | 8% | -16% | -5% | -9% | | | | | | | | | | | | |
| 7/1/92-93 | -9% | -2% | -5% | | | | | | | | | | | | | |
| 7/1/93-94 | -21% | -6% | | | | | | | | | | | | | | |
| 7/1/94-95 | -5% | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 13% | 14% | 18% | 11% | 19% | 3% | 205% | -9% | 73% | 71% | 190% | 935% | 1228% | -11% | 42% | -8% |
| Latest 7 | -4% | -5% | -12% | -5% | -8% | -6% | -2% | -1% | -3% | -5% | -3% | 3% | 2% | -5% | 1% | -7% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY ACCIDENT YEAR
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.12

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Accident Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 396-408 | 408-420 | 420-432 | 432-444 | 444-456 | 456-468 | 468-480 | 480-492 | 492-504 | 504-516 | 516-528 | 528-540 | 540-552 | 552-564 | 564-576 | 576-Ult |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | -4% | -4% | -4% | 6% | -4% | -2% | -4% | -5% | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | -5% | -6% | -6% | -7% | -8% | 11% | | | | | | | | | | |
| 7/1/74-75 | -12% | -6% | -6% | -13% | 13% | | | | | | | | | | | |
| 7/1/75-76 | -8% | -58% | 10% | -9% | | | | | | | | | | | | |
| 7/1/76-77 | -17% | -3% | 2% | | | | | | | | | | | | | |
| 7/1/77-78 | -37% | -13% | | | | | | | | | | | | | | |
| 7/1/78-79 | -11% | | | | | | | | | | | | | | | |
| 7/1/79-80 | | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | -13% | -15% | -1% | -6% | 0% | 4% | -4% | -5% | | | | | | | | |
| Latest 7 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY CALENDAR YEAR
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.13

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Calendar Year | | | | | | | | | | | | | | | |
|------------------|--|-------|-------|-------|-------|-------|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | 93% | | | |
| 7/1/69-70 | | | | | | | | | | | 44% | 101% | | | | |
| 7/1/70-71 | | | | | | | | | 95% | 37% | 22% | | | | | |
| 7/1/71-72 | | | | | | | | 6% | -33% | -37% | -41% | | | | | |
| 7/1/72-73 | | | | | | | | | 271% | 230% | 394% | 508% | 472% | | | |
| 7/1/73-74 | | | | | | | 34% | 16% | 5% | 6% | -21% | 0% | | | | |
| 7/1/74-75 | | | | | | 1% | -26% | -27% | 2% | -19% | 10% | -24% | | | | |
| 7/1/75-76 | | | | | 46% | -9% | 8% | 5% | -24% | -3% | -3% | 32% | | | | |
| 7/1/76-77 | | | | 57% | 6% | 41% | 34% | 13% | 23% | 39% | 42% | 131% | | | | 287% |
| 7/1/77-78 | | | 21% | -39% | -20% | -28% | -36% | -22% | 2% | -12% | 87% | 24% | | | -4% | 2% |
| 7/1/78-79 | | 104% | -29% | 23% | 19% | -1% | 6% | 35% | 26% | 208% | 49% | 64% | | 143% | 83% | 418% |
| 7/1/79-80 | 38% | -42% | 34% | 18% | 8% | 23% | 60% | 53% | 179% | 13% | 27% | -54% | 71% | 39% | 205% | -51% |
| 7/1/80-81 | -35% | 41% | 16% | -12% | -9% | 17% | 3% | 101% | 4% | -3% | -64% | 10% | -6% | 113% | -43% | 57% |
| 7/1/81-82 | 44% | 8% | -13% | -10% | 11% | 5% | 123% | 2% | 9% | -54% | 38% | 4% | 126% | -47% | 11% | -57% |
| 7/1/82-83 | -16% | -35% | -36% | -3% | -11% | 65% | -13% | 9% | -58% | 52% | 21% | 135% | -32% | 53% | -39% | 2% |
| 7/1/83-84 | -10% | -15% | 27% | 16% | 101% | 13% | 16% | -66% | 38% | -3% | 72% | -41% | 42% | -52% | -20% | -16% |
| 7/1/84-85 | 6% | 10% | -11% | 54% | -4% | -2% | -67% | 42% | -15% | 87% | -35% | 70% | -64% | -19% | -8% | -19% |
| 7/1/85-86 | 57% | -18% | 70% | 15% | 21% | -59% | 38% | -3% | 114% | -35% | 120% | -61% | 6% | -4% | -20% | -18% |
| 7/1/86-87 | -7% | -2% | -43% | -54% | -60% | 39% | 6% | 26% | -59% | 49% | -80% | -27% | -29% | -48% | -35% | -30% |
| 7/1/87-88 | -1% | -10% | -13% | -21% | 10% | -16% | 24% | -35% | 175% | -64% | 10% | -19% | -32% | -24% | -1% | 7% |
| 7/1/88-89 | 5% | 54% | 34% | 39% | -16% | 26% | -47% | 223% | -75% | -7% | 16% | -2% | -3% | 19% | 2% | -7% |
| 7/1/89-90 | 9% | 56% | 21% | 12% | 74% | 1% | 317% | -69% | 34% | -23% | -33% | -12% | 13% | 24% | -5% | 12% |
| 7/1/90-91 | 7% | -30% | -34% | 18% | -12% | 143% | -69% | 17% | -3% | 23% | 15% | 61% | 53% | 53% | 67% | 54% |
| 7/1/91-92 | -12% | -3% | 97% | 16% | 161% | -56% | 39% | 1% | -4% | -3% | 12% | 19% | 17% | 22% | 10% | 0% |
| 7/1/92-93 | -10% | 46% | -15% | 110% | -58% | -3% | -26% | -22% | -15% | 15% | -7% | -48% | -36% | -39% | -44% | -42% |
| 7/1/93-94 | 28% | 11% | 79% | -59% | -15% | -28% | -16% | -17% | 1% | -5% | 14% | 22% | 36% | 28% | 52% | 54% |
| 7/1/94-95 | -7% | -11% | -43% | 16% | -5% | 33% | 64% | 102% | 92% | 72% | 75% | 91% | 29% | 37% | 41% | 21% |
| 7/1/95-96 | -20% | -10% | 29% | -30% | -21% | -43% | -42% | -42% | -33% | -30% | -46% | -30% | -27% | -30% | -26% | -18% |
| 7/1/96-97 | 49% | 43% | -37% | -14% | 1% | 17% | 14% | 3% | -24% | -29% | -4% | -44% | -53% | -46% | -51% | |
| 7/1/97-98 | 47% | -37% | 3% | 10% | 15% | 64% | 47% | 32% | 61% | 41% | 21% | 49% | 114% | 49% | | |
| 7/1/98-99 | -62% | -13% | -1% | 11% | 22% | -11% | -8% | -4% | -18% | -3% | -2% | -4% | -16% | | | |
| 7/1/99-00 | 0% | 7% | 19% | 35% | 22% | 46% | 5% | 4% | 4% | 3% | -18% | -10% | | | | |
| 7/1/00-01 | 21% | 22% | -2% | -3% | -19% | -45% | -27% | -41% | -43% | -49% | -40% | | | | | |
| 7/1/01-02 | 48% | -2% | -4% | 1% | 14% | 35% | 17% | 37% | 52% | 66% | | | | | | |
| 7/1/02-03 | -9% | -1% | 8% | -2% | -3% | -4% | 6% | 7% | 2% | | | | | | | |
| 7/1/03-04 | 22% | 16% | -17% | -27% | -29% | -37% | -31% | 0% | | | | | | | | |
| 7/1/04-05 | -20% | -14% | 17% | 45% | 17% | 29% | 34% | | | | | | | | | |
| 7/1/05-06 | -4% | 12% | -13% | -38% | -44% | -36% | | | | | | | | | | |
| 7/1/06-07 | -2% | -13% | 3% | 26% | 96% | | | | | | | | | | | |
| 7/1/07-08 | 34% | 17% | 22% | 30% | | | | | | | | | | | | |
| 7/1/08-09 | -26% | -18% | -25% | | | | | | | | | | | | | |
| 7/1/09-10 | -1% | 0% | | | | | | | | | | | | | | |
| 7/1/10-11 | 11% | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 6% | 5% | 5% | 8% | 10% | 7% | 15% | 20% | 22% | 25% | 26% | 31% | 11% | 13% | 9% | 33% |
| Latest 7 | -1% | 0% | -1% | 5% | 5% | -2% | -1% | 5% | 5% | 0% | -2% | 11% | 7% | 3% | 7% | 12% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY CALENDAR YEAR
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.14

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Calendar Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 204-216 | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | 136% | | | -77% | 10340% | | 6% | |
| 7/1/70-71 | | | | | | | | | 96% | | | 31929% | 375% | 183% | | |
| 7/1/71-72 | | | | | | | 143% | | | -35% | 1109% | | | | -45% | |
| 7/1/72-73 | | | | | | | 5259% | | | 3903% | 185% | | | | 41% | |
| 7/1/73-74 | | | | | 681% | -57% | 91% | -39% | 65% | 51% | 25% | 16% | 22% | 12% | 14% | 46% |
| 7/1/74-75 | | | | 224% | -79% | -32% | -65% | 3% | 9% | -64% | -48% | -42% | -34% | -39% | -43% | -58% |
| 7/1/75-76 | | | 525% | -46% | 71% | 31% | 140% | 121% | 71% | 355% | 292% | 218% | 120% | 203% | 150% | 126% |
| 7/1/76-77 | | 410% | -53% | 31% | 12% | 38% | -21% | -40% | -61% | -49% | -45% | -44% | -30% | -51% | -39% | -33% |
| 7/1/77-78 | 301% | -67% | -20% | -44% | -28% | -32% | -31% | -31% | 22% | 0% | -21% | -9% | 4% | 13% | 14% | 26% |
| 7/1/78-79 | -36% | 62% | 45% | 63% | 84% | 48% | 51% | 37% | 46% | 15% | 16% | 29% | 12% | 17% | -1% | -20% |
| 7/1/79-80 | 104% | -41% | -29% | -34% | -45% | -37% | -33% | -2% | -21% | -12% | -3% | -12% | -19% | -19% | -18% | -3% |
| 7/1/80-81 | -61% | 25% | 22% | 26% | 21% | 35% | 44% | 45% | 58% | 64% | 76% | 47% | 36% | 14% | 34% | |
| 7/1/81-82 | -25% | -17% | -33% | -31% | -19% | -15% | -4% | -20% | -21% | -30% | -33% | -27% | -29% | -9% | | |
| 7/1/82-83 | 14% | 0% | 14% | 37% | 21% | 23% | 8% | 20% | 18% | 3% | -7% | -10% | 4% | | | |
| 7/1/83-84 | -28% | -33% | -4% | -19% | -18% | -15% | -28% | -37% | -34% | -32% | -24% | -27% | | | | |
| 7/1/84-85 | -22% | 17% | -9% | -7% | 2% | -12% | -15% | -18% | -18% | -13% | -21% | | | | | |
| 7/1/85-86 | 4% | -23% | -28% | -33% | -30% | -28% | -26% | -24% | -31% | -31% | | | | | | |
| 7/1/86-87 | -21% | -22% | -15% | -27% | -38% | -42% | -44% | -47% | -49% | | | | | | | |
| 7/1/87-88 | -11% | -18% | -28% | -12% | -17% | -26% | -24% | -29% | | | | | | | | |
| 7/1/88-89 | -22% | -22% | -23% | -29% | -27% | -23% | -25% | | | | | | | | | |
| 7/1/89-90 | -1% | 41% | 38% | -8% | -3% | 1% | | | | | | | | | | |
| 7/1/90-91 | 85% | 60% | 47% | 134% | 125% | | | | | | | | | | | |
| 7/1/91-92 | 3% | -13% | 2% | 1% | | | | | | | | | | | | |
| 7/1/92-93 | -43% | -51% | -53% | | | | | | | | | | | | | |
| 7/1/93-94 | -10% | 7% | | | | | | | | | | | | | | |
| 7/1/94-95 | 81% | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 17% | 18% | 22% | 12% | 40% | -8% | 301% | -4% | 18% | 275% | 107% | 2461% | 900% | 25% | 14% | 12% |
| Latest 7 | 13% | 1% | -5% | 4% | 2% | -21% | -22% | -22% | -11% | -7% | 1% | -1% | -3% | 24% | 14% | 12% |

MONTANA STATE FUND
CHANGE IN AVERAGE CASE OUTSTANDING BY CALENDAR YEAR
INDEMNITY LOSSES ONLY (EXCLUDES LAE)

Exhibit 14.15

AS OF JUNE 30, 2012

| Accident Year | Change in Case Outstanding - Calendar Year | | | | | | | | | | | | | | | |
|------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 396-408 | 408-420 | 420-432 | 432-444 | 444-456 | 456-468 | 468-480 | 480-492 | 492-504 | 504-516 | 516-528 | 528-540 | 540-552 | 552-564 | 564-576 | 576-Ult |
| 7/1/64-65 | | | | | | | | | | | | | | | | |
| 7/1/65-66 | | | | | | | | | | | | | | | | |
| 7/1/66-67 | | | | | | | | | | | | | | | | |
| 7/1/67-68 | | | | | | | | | | | | | | | | |
| 7/1/68-69 | | | | | | | | | | | | | | | | |
| 7/1/69-70 | | | | | | | | | | | | | | | | |
| 7/1/70-71 | | | | | | | | | | | | | | | | |
| 7/1/71-72 | | | | | | | | | | | | | | | | |
| 7/1/72-73 | | | | | | | | | | | | | | | | |
| 7/1/73-74 | 22% | 13% | 13% | 14% | 6% | 31% | | | | | | | | | | |
| 7/1/74-75 | -53% | -50% | -78% | -74% | -73% | | | | | | | | | | | |
| 7/1/75-76 | 112% | 90% | 341% | 310% | | | | | | | | | | | | |
| 7/1/76-77 | -27% | -45% | -51% | | | | | | | | | | | | | |
| 7/1/77-78 | 3% | 48% | | | | | | | | | | | | | | |
| 7/1/78-79 | -10% | | | | | | | | | | | | | | | |
| 7/1/79-80 | | | | | | | | | | | | | | | | |
| 7/1/80-81 | | | | | | | | | | | | | | | | |
| 7/1/81-82 | | | | | | | | | | | | | | | | |
| 7/1/82-83 | | | | | | | | | | | | | | | | |
| 7/1/83-84 | | | | | | | | | | | | | | | | |
| 7/1/84-85 | | | | | | | | | | | | | | | | |
| 7/1/85-86 | | | | | | | | | | | | | | | | |
| 7/1/86-87 | | | | | | | | | | | | | | | | |
| 7/1/87-88 | | | | | | | | | | | | | | | | |
| 7/1/88-89 | | | | | | | | | | | | | | | | |
| 7/1/89-90 | | | | | | | | | | | | | | | | |
| 7/1/90-91 | | | | | | | | | | | | | | | | |
| 7/1/91-92 | | | | | | | | | | | | | | | | |
| 7/1/92-93 | | | | | | | | | | | | | | | | |
| 7/1/93-94 | | | | | | | | | | | | | | | | |
| 7/1/94-95 | | | | | | | | | | | | | | | | |
| 7/1/95-96 | | | | | | | | | | | | | | | | |
| 7/1/96-97 | | | | | | | | | | | | | | | | |
| 7/1/97-98 | | | | | | | | | | | | | | | | |
| 7/1/98-99 | | | | | | | | | | | | | | | | |
| 7/1/99-00 | | | | | | | | | | | | | | | | |
| 7/1/00-01 | | | | | | | | | | | | | | | | |
| 7/1/01-02 | | | | | | | | | | | | | | | | |
| 7/1/02-03 | | | | | | | | | | | | | | | | |
| 7/1/03-04 | | | | | | | | | | | | | | | | |
| 7/1/04-05 | | | | | | | | | | | | | | | | |
| 7/1/05-06 | | | | | | | | | | | | | | | | |
| 7/1/06-07 | | | | | | | | | | | | | | | | |
| 7/1/07-08 | | | | | | | | | | | | | | | | |
| 7/1/08-09 | | | | | | | | | | | | | | | | |
| 7/1/09-10 | | | | | | | | | | | | | | | | |
| 7/1/10-11 | | | | | | | | | | | | | | | | |
| 7/1/11-12 | | | | | | | | | | | | | | | | |
| All Years | 8% | 11% | 56% | 83% | -34% | 31% | #DIV/0! | #DIV/0! | | | | | | | | |
| Latest 7 | | | | | | | | | | | | | | | | |

MONTANA STATE FUND
SCHEDULE P BALANCING
AS OF JUNE 30, 2012

LOSSES ONLY (EXCLUDES LAE)
DIRECT AND ASSUMED
IN (000)'S

| <u>Schedule P</u> | | | | | |
|---|-----------------------------|----------------|---------------|----------------------------|-------------------------------|
| Accident Year | Total Incurred Losses | Paid Losses | IBNR | Case Incurred Losses | Case Outstanding Losses |
| (1) | (2) | (3) | (4) | (5) | (6) |
| Prior | 234,261 | 13,612 | 6,247 | 228,014 | 214,402 |
| 6/30/02-03 | 127,327 | 93,674 | 3,180 | 124,147 | 30,473 |
| 6/30/03-04 | 125,987 | 90,134 | 10,258 | 115,729 | 25,595 |
| 6/30/04-05 | 138,471 | 96,090 | 10,972 | 127,499 | 31,409 |
| 6/30/05-06 | 159,458 | 106,987 | 19,452 | 140,006 | 33,019 |
| 6/30/06-07 | 165,520 | 106,112 | 25,942 | 139,578 | 33,466 |
| 6/30/07-08 | 167,042 | 100,085 | 23,364 | 143,678 | 43,593 |
| 6/30/08-09 | 146,338 | 80,994 | 27,428 | 118,910 | 37,916 |
| 6/30/09-10 | 131,386 | 64,076 | 37,562 | 93,824 | 29,748 |
| 6/30/10-11 | 141,568 | 54,531 | 50,630 | 90,938 | 36,407 |
| 6/30/11-12 | <u>114,223</u> | <u>23,955</u> | <u>50,442</u> | <u>63,781</u> | <u>39,826</u> |
| Total | 1,651,581 | 830,250 | 265,477 | 1,386,104 | 555,854 |
| Total ex Prior | 1,417,320 | 816,638 | 259,230 | 1,158,090 | 341,452 |
| <u>Data from MSF Loss Triangles Used by Actuaries</u> | | | | | |
| 6/30/02-03 | | 93,633 | | 124,106 | 30,473 |
| 6/30/03-04 | | 90,020 | | 115,615 | 25,595 |
| 6/30/04-05 | | 95,829 | | 127,238 | 31,409 |
| 6/30/05-06 | | 106,649 | | 139,668 | 33,019 |
| 6/30/06-07 | | 106,066 | | 139,532 | 33,466 |
| 6/30/07-08 | | 100,119 | | 143,712 | 43,593 |
| 6/30/08-09 | | 80,380 | | 118,296 | 37,916 |
| 6/30/09-10 | | 63,542 | | 93,290 | 29,748 |
| 6/30/10-11 | | 54,251 | | 90,658 | 36,407 |
| 6/30/11-12 | | <u>23,805</u> | | <u>63,631</u> | <u>39,826</u> |
| Total | | 814,294 | | 1,155,746 | 341,452 |
| <u>Differences</u> | | | | | |
| 6/30/02-03 | | 41 | | 41 | - |
| 6/30/03-04 | | 114 | | 114 | - |
| 6/30/04-05 | | 261 | | 261 | - |
| 6/30/05-06 | | 338 | | 338 | - |
| 6/30/06-07 | | 46 | | 46 | - |
| 6/30/07-08 | | (34) | | (34) | - |
| 6/30/08-09 | | 614 | | 614 | - |
| 6/30/09-10 | | 534 | | 534 | - |
| 6/30/10-11 | | 280 | | 280 | - |
| 6/30/11-12 | | <u>150</u> | | <u>150</u> | - |
| Total | | 2,344 | | 2,344 | - |

MONTANA STATE FUND
INVESTMENT INCOME

MEDICAL

| Age in <u>Years</u> (1) | Estimated Cumulative Fraction of Losses <u>Paid</u> (2) | Incremental Fraction of Losses <u>Paid</u> (3) | Discounted Percent <u>Paid at 3.0%</u> (4) |
|-------------------------------|--|--|---|
| 1 | 0.2209 | 0.2209 | 79.4% |
| 2 | 0.3768 | 0.1559 | 76.2% |
| 3 | 0.4519 | 0.0751 | 72.8% |
| 4 | 0.4918 | 0.0399 | 71.3% |
| 5 | 0.5330 | 0.0412 | 71.3% |
| 6 | 0.5589 | 0.0259 | 70.9% |
| 7 | 0.5875 | 0.0286 | 71.4% |
| 8 | 0.6074 | 0.0199 | 71.6% |
| 9 | 0.6273 | 0.0199 | 72.3% |
| 10 | 0.6536 | 0.0263 | 73.1% |
| 11 | 0.6743 | 0.0207 | 73.3% |
| 12 | 0.6864 | 0.0121 | 73.8% |
| 13 | 0.7059 | 0.0195 | 75.0% |
| 14 | 0.7310 | 0.0251 | 75.7% |
| 15 | 0.7424 | 0.0114 | 75.7% |
| 16 | 0.7598 | 0.0174 | 77.0% |
| 17 | 0.7746 | 0.0148 | 77.7% |
| 18 | 0.7917 | 0.0171 | 78.6% |
| 19 | 0.8078 | 0.0161 | 79.3% |
| 20 | 0.8261 | 0.0183 | 80.0% |
| 21 | 0.8431 | 0.0170 | 80.4% |
| 22 | 0.8589 | 0.0158 | 80.7% |
| 23 | 0.8613 | 0.0024 | 81.1% |
| 24 | 0.8728 | 0.0115 | 83.2% |
| 25 | 0.8859 | 0.0131 | 84.3% |
| 26 | 0.8997 | 0.0138 | 85.2% |
| 27 | 0.9135 | 0.0138 | 85.8% |
| 28 | 0.9258 | 0.0123 | 86.3% |
| 29 | 0.9336 | 0.0078 | 86.8% |
| 30 | 0.9441 | 0.0105 | 88.0% |
| 31 | 0.9577 | 0.0136 | 88.6% |
| 32 | 0.9614 | 0.0037 | 87.9% |
| 33 | 0.9651 | 0.0037 | 89.5% |
| 34 | 0.9687 | 0.0036 | 91.2% |
| 35 | 0.9813 | 0.0126 | 93.1% |
| 36 | 0.9872 | 0.0059 | 92.1% |
| 37 | 0.9914 | 0.0042 | 91.8% |
| 38 | 0.9923 | 0.0009 | 91.2% |
| 39 | 0.9931 | 0.0008 | 93.1% |
| 40 | 0.9939 | 0.0008 | 95.2% |
| 41 | 0.9994 | 0.0055 | 97.6% |
| 42 | 0.9995 | 0.0001 | 91.6% |
| 43 | 0.9996 | 0.0001 | 93.0% |
| 44 | 0.9997 | 0.0001 | 94.3% |
| 45 | 0.9998 | 0.0001 | 95.7% |
| 46 | 0.9999 | 0.0001 | 97.1% |
| 47 | 1.0000 | 0.0001 | 98.5% |
| Total | | 1.000 | |

(2) Paid loss patterns selected based upon TW, CACI payment patterns

MONTANA STATE FUND
INVESTMENT INCOME

INDEMNITY

| Age in Years (1) | Estimated Cumulative Fraction of Losses Paid (2) | Incremental Fraction of Losses Paid (3) | Discounted Percent Paid at 3.0% (4) |
|------------------------|---|---|--|
| 1 | 0.1533 | 0.1533 | 87.8% |
| 2 | 0.4127 | 0.2594 | 88.4% |
| 3 | 0.5734 | 0.1607 | 86.5% |
| 4 | 0.6799 | 0.1065 | 84.4% |
| 5 | 0.7359 | 0.0560 | 82.1% |
| 6 | 0.7854 | 0.0495 | 81.0% |
| 7 | 0.8100 | 0.0246 | 79.2% |
| 8 | 0.8320 | 0.0220 | 79.0% |
| 9 | 0.8533 | 0.0213 | 78.7% |
| 10 | 0.8696 | 0.0163 | 78.1% |
| 11 | 0.8855 | 0.0159 | 77.9% |
| 12 | 0.8947 | 0.0092 | 77.2% |
| 13 | 0.9034 | 0.0087 | 77.6% |
| 14 | 0.9135 | 0.0101 | 78.0% |
| 15 | 0.9228 | 0.0093 | 77.9% |
| 16 | 0.9274 | 0.0046 | 77.6% |
| 17 | 0.9340 | 0.0066 | 78.6% |
| 18 | 0.9426 | 0.0086 | 78.9% |
| 19 | 0.9474 | 0.0048 | 78.2% |
| 20 | 0.9492 | 0.0018 | 78.7% |
| 21 | 0.9541 | 0.0049 | 80.3% |
| 22 | 0.9582 | 0.0041 | 80.7% |
| 23 | 0.9624 | 0.0042 | 81.3% |
| 24 | 0.9657 | 0.0033 | 81.7% |
| 25 | 0.9680 | 0.0023 | 82.5% |
| 26 | 0.9697 | 0.0017 | 83.8% |
| 27 | 0.9733 | 0.0036 | 85.4% |
| 28 | 0.9764 | 0.0031 | 86.2% |
| 29 | 0.9802 | 0.0038 | 87.1% |
| 30 | 0.9827 | 0.0025 | 87.4% |
| 31 | 0.9858 | 0.0031 | 88.3% |
| 32 | 0.9885 | 0.0027 | 88.6% |
| 33 | 0.9907 | 0.0022 | 88.9% |
| 34 | 0.9919 | 0.0012 | 89.1% |
| 35 | 0.9924 | 0.0005 | 90.3% |
| 36 | 0.9940 | 0.0016 | 92.5% |
| 37 | 0.9954 | 0.0014 | 93.5% |
| 38 | 0.9966 | 0.0012 | 94.7% |
| 39 | 0.9977 | 0.0011 | 96.0% |
| 40 | 0.9993 | 0.0016 | 97.5% |
| 41 | 0.9996 | 0.0003 | 97.1% |
| 42 | 0.9998 | 0.0002 | 98.5% |
| 43 | 0.9999 | 0.0001 | 97.7% |
| 44 | 1.0000 | 0.0001 | 96.6% |
| Total | | 1.000 | |

(2) Paid loss patterns selected based upon TW, CACI payment patterns