

**The Union Labor Life
Insurance Company**

8403 Colesville Road
Silver Spring, MD 20910
202.682.0900

A Ullico Inc. Company

December 14, 2018

Trustees of the Warehouse Employees
Union Local No. 730 Health & Welfare Trust Fund
c/o Associated Administrators, LLC
911 Ridgebrook Road
Sparks, MD 21152

Attn: Ms. Alicia Cochran

RE: Renewal for Period Beginning January 1, 2019
 Group Contract: SL 10287

Dear Trustees:

We have completed a full review of the current group insurance between The Union Labor Life Insurance Company (Union Labor Life) and the Warehouse Employees Union Local No. 730 Health & Welfare Trust Fund in order to determine any necessary changes for the upcoming renewal period. The following are the terms of our offer for the renewal period that will begin January 1, 2019. Please note that our renewal is contingent upon the receipt of any due and unpaid premium.

Teamsters Group Medical Stop Loss Program

The Stop Loss Insurance for your Fund is currently provided through a special group purchasing arrangement between the International Brotherhood of Teamsters and The Union Labor Life Insurance Company. This Stop Loss program is exclusively provided under a Union Labor Life contract and provides opportunities for dividends, optional claims management and special multi-year offers to help plan sponsors lock in next year's renewal rates on Specific Stop Loss coverage. One of the unique features of the program is that a premium volume dividend will be paid based on the total premium written for the entire program written in a year. For the 2018 year, a premium volume dividend of 5.0% of premium will be paid to your Fund. Note that this dividend will be paid one month after the end of the policy year and will not be available if your Fund were to terminate prior to the completion of the current policy year. We are pleased to provide our Stop Loss renewal proposal under this arrangement. Details of this proposal are provided in the enclosed pages.

Union Labor Life serves the union workplace with specialized Life and Health insurance products for unions and their members to support the Labor Movement. Our company is a wholly-owned subsidiary of Ullico Inc. with a solid financial position, currently rated B++ (Good) by A.M. Best, the impartial reporting firm that rates insurance companies on financial stability management.

Stop Loss Renewal

Our renewal rating is based on the overall experience of our stop loss business, adjusted for industry inflationary trends, as well as for the demographics, plan design, network discounts, managed care programs and claims experience of the particular group.

Note that the current policy is for a 5-month period as the renewal anniversary date was revised from 8/1 to 1/1 effective August 1, 2018. In order to continue providing the Specific Stop Loss insurance at the current \$500,000 specific deductible Level, we are proposing to increase the total liability by 3.8% for the next contract year effective January 1, 2019. The current rates in the chart below represent rates equivalent to a 12-month policy.

	<i>Current (12-month rate)</i>	<i>Renewal</i>
<i>Specific Level</i>	<i>\$500,000</i>	<i>\$500,000</i>
<i>Billed Premium</i>	<i>\$86,127</i>	<i>\$91,310</i>
<i>Aggregating Deductible</i>	<i>\$50,000</i>	<i>\$50,000</i>
<i>Total Liability</i>	<i>\$136,127</i>	<i>\$141,310</i>
<i>Renewal Adjustment</i>		<i>3.8% increase</i>

Note that the attached stop loss renewal proposal reflects our final coverage terms. No further disclosure reporting will be required as long as we receive confirmation of renewal acceptance by December 28, 2018. After this date, updated disclosure data will required. Acceptance of our final terms proposal must be accompanied by completed and signed copy of the enclosed "Selection Page." The Stop Loss Insurance coverage will not be considered bound until we receive and accept the final Selection page.

Summary

Please find attached a summary of the proposed renewal factors, which will be guaranteed for **twelve months**. Should you have any questions, please contact me

We look forward to continuing our service to the Warehouse Employees Union Local No. 730 Health & Welfare Trust Fund for the coming year.

Sincerely,



Brian Doherty
Regional Sales Manager
(202) 682-6681
bdoherty@ullico.com

cc: Francis Burroughs
cc: Ravi Malhotra