PNC BANK

September 11, 2018

Warehouse Employees Union Local No. 730 Pension Fund
Board of Trustees
c/o Associated Administrators, LLC
911 Ridgebrook Road
Sparks, Maryland 21152
Attn: Alicia Cochran, Account Executive

Re: Explanation of Treasury Management Fees

Dear Alicia:

Attached is the June account analysis for checking account #55-01329499 for Warehouse Employees Union Local No. 730 Pension Fund (Attachment 1) and a schedule of the unit pricing change from the 2017 (Attachment 2). This letter will outline the changes in the fee schedule shown on these attachments. Please share this with the Fund Trustees.

This account was opened in 1995. It generates about 100 checks per month, and nearly 1000 per year. It averages a $350,000 balance and uses supporting Treasury Management services as follows:

- ARP (Account Reconcilement Plan) services to sort and reconcile the account activity
- Positive Pay to protect the account from fraudulent checks and ACH charges
- Pinacle online banking to monitor and manage the account activity and deliver services
- Remote deposit services to handle deposits remotely without going to the bank branch
- Automated Clearinghouse Services to receive and send ACH transactions

Starting when the account was opened, the Bank waived all fees by not charging unit prices on each service. Since there were no fees to be offset, the Bank did not provide a credit for balances. When Positive Pay services were implemented for checks paid and ACH debits, the Bank assessed per item charges to the account for checks at a penny per item and a $10 fee per month for ACH.

The unit pricing change schedule (Attachment 2) lists each of the Treasury Management services for which the account is assessed a fee, and shows the change in unit price charges for 2018. In 2017, fees on this checking account averaged $24.74 per month. The transaction volumes were based on the actual for the month of February, 2018 when the analysis was done in March.

Due to the length of the relationship, PNC Bank discounted the 2018 unit pricing about 40% on average for the set of Treasury Management services used. At the same time, PNC Bank is implementing a credit for balances, and that credit is used to offset fees. We doubled the credit on the account – our commercial earnings credit rate is 0.35% and it is 0.70% on this account analysis, and this will move in conjunction with changes in our standard rate.

The account analysis statement for the month of June (Attachment 1) shows the actual month of June activity volume for the Warehouse Employees Pension account. Compared to Attachment 2, June activity volumes were very similar to the February baseline, but offsetting balances were greater, resulting in lower net fees after earnings credit. Here is a rundown of the fees by account service:

- Monthly account maintenance is $5 (80% discounted)
- Account balance fee is driven by FDIC insurance pass through at $0.0142 per hundred
- Checks cleared and paid at four cents per item (80% discounted)
- Account reconcilement services
    - Monthly maintenance at $15
    - Per item transaction charge of $0.0690
    - Input and output file transmission and images at one penny each
    - Monthly hard copy report at $10 prepared and sent
- Positive pay for checks, at $15 per month (62.5% discounted) and $0.0180 per item
- Positive pay for ACH (debit block), $16 per month (up from $10)
- ACH service, $5.55 per month maintenance and $0.17 per file and 3 cents per item (significantly discounted)
- Remote deposit at $0.80 per deposit ticket and 13 cents per item, no maintenance fee
- Pinacle online previous day service $5 per month and 10 cents per item, no maintenance fee

Associated covers the fixed cost of Pinacle online services and remote deposit services for this account and for others of its clients, since the base cost of these services applies to all client accounts.

Every month is different, as reflected on each monthly account analysis, and each varies based on the transaction activity for the month and on the offsetting account balances for the month. The average monthly fee on the account in 2017 was $24.74 with no offsetting credit for balances, the month of February was $60.35 due to higher transaction volumes and much lower offsetting balances, and June was $28.31 based on lower activity and larger offsetting balances of $302,120. If the account had an average balance of $322,000, fees would have offset entirely.

PNC Bank is committed to providing the Warehouse Employees Union Local No. 730 Pension Fund and Associated Administrators with Treasury Management services needed to achieve the organization's financial goals at a competitive price. In support of our continued investment in new technology and innovative cash management tools, we are increasing our fees on a discounted basis for select services. The impact of these price changes depends on the mix of services used and related transaction volumes, offset by the level of balances that the Fund choses to keep in the account.

Price changes were scheduled to take effect in January 2018, and we deferred the implementation of Treasury Management fee increases until the month after the Fund's next scheduled 2018 board meeting. We worked to delete services that were either not being utilized or were considered unnecessary. We know that any increase raises questions, and we are happy to review and explain our price increases.

We thank you for choosing PNC as your Treasury Management and banking provider and we appreciate your business.

Very truly yours,

Stephen D. Palmer
Senior Vice President

Attachment 1

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ACCOUNT ANALYSIS STATEMENT

CLIENT NAME & ADDRESS	ACCOUNT INFORMATION		ANALYSIS PERIOD
WAREHOUSE EMPLOYEES LOCAL NO. 730	ACCOUNT	5501329499	06/01/2018 to 06/30/2018
PENSION FUND	CLIENT	TREASURY MANAGEMENT	
911 RIDGEBROOK RD	SERVICES:	CLIENT CARE	
SPARKS, MD 21152	TELEPHONE:	1-800-669-1518	STATEMENT DATE
	EMAIL:	TMCC@pnc.com	
	BILLING CYCLE	MONTHLY	JULY 17, 2018

CURRENT MONTHLY BALANCE & COMPENSATION			
AVERAGE LEDGER BALANCE	302,119.98	EARNINGS ALLOWANCE(0.700 %)	157.04
		TOTAL ANALYZED CHARGES	185.35
LESS: DEPOSIT FLOAT	29,165.03	EXCESS/(DEFICIT) FEES	28.31-
		TOTAL AMOUNT DUE	28.31
AVERAGE COLLECTED BALANCE	272,954.95		(DEBIT)
LESS: RESERVES(0.00%)	0.00		
INVESTABLE BALANCE	272,954.95		
COLLECTED BALANCE REQUIRED	322,156.83		
EXCESS/(DEFICIT) BALANCE	49,201.88-		

EARNINGS CREDIT RATE IS TIERED. THE HIGHEST TIER EARNINGS CREDIT RATE FOR NEXT MONTH IS: .700000 %

$1738.10 IN COLLECTED BALANCE WILL PAY FOR $1.00 IN SERVICES, BASED UPON THIS MONTH'S TIERED EARNINGS CREDIT RATE.

YOUR ACCOUNT 5501329499 WILL BE CHARGED ON THE LAST BUSINESS DAY OF THE MONTH FOR THE ABOVE NOTED DEFICIENCY AMOUNT.

SUMMARY OF ACCOUNT SERVICES

SERVICE DESCRIPTION	AFP CODE	VOLUME	UNIT PRICE	TOTAL PRICE	COLLECTED BALANCE REQUIRED
DEMAND DEPOSIT RELATED SERVICES					
ACCOUNT MAINTENANCE	**01 00 00**	**1**	**5.0000**	**5.00**	**8,690.50**
ACCOUNT BALANCE FEE	**00 02 30**	**3,021**	**0.0142**	**42.90**	**74,564.49**
PAID ITEMS	**15 01 00**	**112**	**0.0400**	**4.48**	**7,786.69**
				$52.38	**$91,041.68**
REMOTE DEPOSIT RELATED SERVICES					
REMOTE DEPOSIT CAPTURE-TICKETS	**01 02 00**	**4**	**0.8000**	**3.20**	**5,561.92**
REMOTE DEPOSIT CHECK IMAGES	**10 02 18**	**5**	**0.1300**	**0.65**	**1,129.77**
				$3.85	**$6,691.69**
ACCOUNT RECONCILEMENT SERVICES					
FULL RECON MONTHLY MAINTENANCE	**20 00 10**	**1**	**15.0000**	**15.00**	**26,071.50**
FULL RECONCILEMENT ITEM	**20 01 10**	**112**	**0.0690**	**7.73**	**13,435.51**
INPUT/TRANSMISSION ITEMS	**20 02 01**	**124**	**0.0100**	**1.24**	**2,155.24**
OUTPUT TRANSMISSION/ITEM	**20 99 99**	**112**	**0.0100**	**1.12**	**1,946.67**
ARP HARD COPY RECONCILEMENT REPORT	**20 03 10**	**1**	**10.0000**	**10.00**	**17,381.00**
PAYEE REVIEW ITEMS	**20 99 99**	**112**	**0.0180**	**2.02**	**3,510.96**
POSITIVE PAY MAINTENANCE	**20 00 00**	**3**	**5.0000**	**15.00**	**26,071.50**
				$52.11	**$90,572.38**
AUTOMATED CLEARINGHOUSE SERVICES					
ACH MONTHLY MAINTENANCE FEE	**25 00 00**	**1**	**5.5455**	**5.54**	**9,629.07**
ACH TRANSMISSION FILES	**25 05 01**	**1**	**17.0000**	**17.00**	**29,547.70**
NOC OR RETURN ITEM	**25 04 00**	**1**	**1.2000**	**1.20**	**2,085.72**
ACH DB/CR ORIG	**25 01 01**	**882**	**0.0300**	**26.46**	**45,990.13**

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ACCOUNT ANALYSIS STATEMENT

CLIENT NAME & ADDRESS	ACCOUNT INFORMATION	ANALYSIS PERIOD
WAREHOUSE EMPLOYEES LOCAL NO. 730 PENSION FUND 911 RIDGEBROOK RD SPARKS, MD 21152	ACCOUNT 5501329499 CLIENT SERVICES: TREASURY MANAGEMENT CLIENT CARE TELEPHONE: 1-800-669-1518 EMAIL: TMCC@pnc.com BILLING CYCLE MONTHLY	06/01/2018 to 06/30/2018 STATEMENT DATE JULY 17, 2018

SUMMARY OF ACCOUNT SERVICES

SERVICE DESCRIPTION	AFP CODE	VOLUME	UNIT PRICE	TOTAL PRICE	COLLECTED BALANCE REQUIRED
ACH POS PAY/DEBIT/CREDIT BLOCK	25 10 50	1	16.0000	16.00	27,809.60
ACH DB/CR RECEIVED	25 02 00	3	0.1700	0.51	886.43
				$66.71	$115,948.65
INFORMATION SERVICES					
PREVIOUS DAY ACCOUNT	40 02 22	1	5.0000	5.00	8,690.50
PINACLE-PREV DAY TRANS-3 MONTH	40 02 71	53	0.1000	5.30	9,211.93
				$10.30	$17,902.43
TOTAL ANALYZED CHARGES :				$185.35	$322,156.83

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Attachment 2

Warehouse Employees Union Local No. 730 - Pension Fund

Service Description	Volume	2017 Unit Price	2018 Unit Price	2018 Unit Price Change	2018 Total Price
DEMAND DEPOSIT RELATED SERVICES					
ACCOUNT MAINTENANCE	1	WAIVED	5.0000	5.0000	5.00
ACCOUNT BALANCE FEE	2815	WAIVED	0.0142	0.0142	39.97
PAID ITEMS	109	WAIVED	0.0400	0.0400	4.36
					$49.33
REMOTE DEPOSIT RELATED SERVICES					
REMOTE DEPOSIT CAPTURE-TICKETS	6	WAIVED	0.8000	0.8000	4.80
REMOTE DEPOSIT CHECK IMAGES	7	WAIVED	0.1300	0.1300	0.91
					$5.71
ACCOUNT RECONCILEMENT SERVICES					
FULL RECON MONTHLY MAINTENANCE	1	WAIVED	15.0000	15.0000	15.00
FULL RECONCILEMENT ITEM	109	WAIVED	0.0690	0.0690	7.52
INPUT/TRANSMISSION ITEMS	120	WAIVED	0.0100	0.0100	1.20
OUTPUT TRANSMISSION/ITEM	109	WAIVED	0.0100	0.0100	1.09
ARP HARD COPY RECNOCILEMENT REPORT	1	WAIVED	10.0000	10.0000	10.00
ARP IMAGE ITEMS	66	WAIVED	0.0100	0.0100	0.66
POSITIVE PAY MONTHLY MAINTENANCE	3	WAIVED	5.0000	5.0000	15.00
PAYEE REVIEW ITEMS	109	0.0100	0.0180	0.0080	1.96
					$52.43
AUTOMATED CLEARINGHOUSE SERVICES					
ACH MONTHLY MAINTENANCE FEE	1	3.6400	5.5455	1.9055	5.54
PINACLE ACH FILE PROCESSED	1	WAIVED	5.2500	5.2500	5.25
ACH TRANSMISSION FILES	1	WAIVED	17.0000	17.0000	17.00
ACH DB/CR ORIG	868	WAIVED	0.0300	0.0300	26.04
ACH POS PAY/DEBIT/CREDIT BLOCK	1	10.0000	16.0000	6.0000	16.00
ACH DB/CR RECEIVED	3	WAIVED	0.1700	0.1700	0.51
					70.34
INFORMATION SERVICES					
PREVIOUS DAY ACCOUNT	1	WAIVED	5.0000	5.0000	5.00
PINACLE-PREV DAY TRANS-3 MONTH	44	WAIVED	0.1000	0.1000	4.40
					9.40
TOTAL ANALYZED CHARGES :					$187.21
EARNINGS ALLOWANCE (0.700%):					$126.86
TOTAL AMOUNT DUE:					$60.35