

**UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND**

BOARD OF TRUSTEES MEETING

MARCH 11, 2013

**United Food and Commercial Workers Unions
and Contributing Employers
Legal Benefits Fund**

911 RIDGEBROOK ROAD
SPARKS, MARYLAND 21152-9451
TELEPHONE: (410) 683-6500
(800) 638-2972

4301 GARDEN CITY DRIVE
SUITE 201
LANDOVER, MARYLAND 20785-6102
TELEPHONE: (301) 459-3020

AGENDA

MARCH 11, 2013

9:00 a.m.

- I. CALL TO ORDER
- II. RESIGNATION/APPOINTMENT OF TRUSTEE
- III. MINUTES OF NOVEMBER 22, 2011 (pg. 1 – 5)
- IV. FINANCIAL REPORT
 - A. PNC BANK
 - B. AUDITOR'S REPORT
- V. ATTORNEY'S REPORT
- VI. ADMINISTRATIVE MANAGER'S REPORT - 3Q11 – 4Q12 (pg. 6 – 57)
 - A. CONTRACT RENEWAL REQUEST
- VII. INVOICES (pg. 58 – 59)
- VIII. OTHER FUND BUSINESS
- IX. LEGAL PROVIDER REPORTS
 - A. AKMAN & ASSOCIATES
 - 1. FEE INCREASE
 - B. ROBERT A. ADES & ASSOCIATES
 - 2. FEE INCREASE
- X. NEXT MEETING DATE AND LOCATION
- XI. ADJOURNMENT

MINUTES

**United Food and Commercial Workers Unions
and Contributing Employers
Legal Benefits Fund**

911 RIDGEBROOK ROAD
SPARKS, MARYLAND 21152-9451
TELEPHONE: (410) 683-6500
(800) 638-2972

4301 GARDEN CITY DRIVE
SUITE 201
LANDOVER, MARYLAND 20785-2210
TELEPHONE: (301) 459-3020

**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND
NOVEMBER 22, 2011 IN
LANDOVER, MARYLAND**

The following Trustees were present:

UNION TRUSTEES

T. McNutt – Chairman
J. Harrison

EMPLOYER TRUSTEES

J. McWilliams – Secretary

Also present were:

B. Garstecki – Bond Beebe
M. Herwig – PNC Bank
W. Jensen – Associated Administrators, LLC
S. Sanchez – Slevin & Hart, P.C.
J. Sears – Associated Administrators, LLC

I. CALL TO ORDER

Noting the presence of a quorum, the Chairman called the meeting to order.

II. RESIGNATION/APPOINTMENT OF TRUSTEE

Mr. Jensen reported that he had received correspondence from Carvel Mays resigning his position as a Trustee effective September 27, 2011. He further reported that he had received correspondence from UFCW Local 27 appointing Jennifer Harrison as a Trustee, replacing Mr. Mays, effective November 17, 2011. The Trustees welcomed Ms. Harrison to the meeting.

III. MINUTES

The Trustees reviewed the minutes of the last regular meeting held on February 25, 2011 and,

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED that the minutes of the last regular meeting held on February 25, 2011 were approved as presented.

IV. FINANCIAL REPORT

A. PNC Bank

Mr. Herwig distributed and reviewed a Summary of Activity report for the period January 1, 2011 through September 30, 2011. Such report indicated a beginning market value of \$148,770, receipts of \$429,330, expenses of \$491,415, and earnings of \$215, producing an ending market balance of \$86,900 as of September 30, 2011.

B. Auditor's Report

The Trustees welcomed Mr. Brian Garstecki of Bond Beebe to the meeting. He reviewed the Financial Statements for the year that ended December 31, 2010. Such report indicated a beginning balance of \$143,603, net investment income of \$3,373 and employer contributions of \$645,616, producing a total income of \$648,989. Expenses included \$656,246 in benefit expense and \$69,849 of operating expenses, producing a total expense of \$726,095. This resulted in a decrease of the net assets available for benefits of \$77,106. In addition, there was a net decrease in fees payable to legal service providers of \$6,915, producing net assets available for benefits over benefit obligations as of December 31, 2010 of \$73,412. Mr. Garstecki then reviewed the Notes to the Financial Statements and the Schedule of Employer Contributions.

Mr. Garstecki said the 2010 IRS forms 5500 and 990 were filed timely. He reported no material weaknesses or discrepancies in preparing the audit.

Mr. Garstecki presented the engagement letter for the 2011 audit. The letter called for a fee of \$12,100 representing no increase to the 2010 fee.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve Bond Beebe's engagement letter for the 2011 audit at a fee of \$12,100.

The Trustees thanked Mr. Garstecki for his report and he was excused from the remainder of the meeting.

V. ADMINISTRATIVE MANAGER'S REPORT

A. First Quarter 2011

Mr. Jensen reviewed the administrative manager's report for the first quarter 2011, which was previously distributed. Such report indicated employer contributions of \$153,615 and interest and dividend income of \$392, producing a total income of \$154,007 for the period. Expenses included \$154,327 of benefit related expenses and \$16,431 of operating expenses, producing a total expense of \$170,758. This resulted in a net deficit of \$16,751 for the quarter. Mr. Jensen noted that the contributions were made on behalf of 2,605 participants for the first quarter 2011.

Mr. Jensen then reviewed the utilization for the first quarter of 2011 and the delinquency report for the quarter.

B. Second Quarter 2011

Mr. Jensen reviewed the administrative manager's report for the second quarter 2011, which was distributed at the meeting. Such report indicated employer contributions of \$139,783 and interest and dividend income of \$285, producing a total income of \$140,068 for the period. Expenses included \$144,454 of benefit related expenses and \$14,804 of operating expenses, producing a total expense of \$159,258. This resulted in a net deficit of \$19,190 for the quarter. Mr. Jensen noted that the contributions were made on behalf of 2,452 participants for the second quarter 2011.

Mr. Jensen then reviewed the utilization for the second quarter of 2011 and the delinquency report for the quarter.

VI. INVOICES

Mr. Jensen presented a list of invoices dated November 22, 2011. He noted there were no additions, deletions, or changes to the list and that all invoices represented proper Fund expenses.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED that the list of invoices dated November 22, 2011 was approved for payment.

VII. OTHER FUND BUSINESS

A. 2012 Legal Contribution Rate

Mr. Jensen reviewed a memorandum dated October 18, 2011. He said after a review of Fund expenses and revenue, he recommended the contribution rate be increased to \$22.08 effective January 1, 2012.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to increase the contribution rate to \$22.08 per participant per month effective January 1, 2012.

B. Payroll Audit – United Optical

Mr. Jensen said a payroll audit of United Optical was completed by Bond Beebe, and that such audit reported an amount of \$882.00 was owed to the Fund by the employer. Mr. Jensen said a letter was sent to United Optical in pursuit of this amount.

C. Fiduciary Insurance – Waiver of Premium

Mr. Jensen noted that the Waiver of Premium invoices for the Fiduciary Insurance had been sent to the Trustees on May 13, 2011.

VII. NEXT MEETING DATE AND LOCATION

The Trustees left the next meeting to the call of the Chairman.

IX. ADJOURNMENT

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully submitted,

Julie McWilliams – Secretary

ADMINISTRATIVE MANAGER'S REPORT

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND**

THIRD QUARTER 2011

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2011 CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
MAGRUDERS	\$19.00	MOB	33	\$1,900
METROPOLITAN	19.00	MOB	31	1,767
SHOPPERS	19.00	MOB	2,065	117,686
SPECTERA	19.00	MOB	22	1,254
UFCW LOCAL 400	19.00	MOB	55	3,154
UNION COMMUNICATION SVCS	19.00	MOB	3	171

TOTAL			2,209	\$125,932
-------	--	--	-------	-----------

AVERAGE MONTHLY CONTRIBUTION \$19.00

THIRD QUARTER 2011
EXPENSES

PROVIDERS

	<u>AMOUNT</u>	<u>AVERAGE MONTHLY COST</u>	<u>PERCENTAGE</u>
ADES & ASSOCIATES	\$121,660	\$18.543	87.500%
AKMAN & ASSOCIATES	1,271	\$19.258	0.914%
SUBTOTAL	\$122,931	\$18.550	88.414%

OPERATING EXPENSES

	<u>AMOUNT</u>	<u>AVERAGE MONTHLY COST</u>	<u>PERCENTAGE</u>
ADMINISTRATION	\$8,021	\$1.210	5.769%
ACCOUNTING	6,000	0.905	4.315%
INVESTMENT MGMNT	126	0.019	0.091%
LEGAL	1,958	0.295	1.408%
PRINTING	4	0.001	0.003%
SUBTOTAL	\$16,109	\$2.430	11.586%
TOTAL	\$139,040	\$20.980	100.00%

THIRD QUARTER 2011
QUARTERLY RECAP

FIRST 2011 SECOND 2011 THIRD 2011 FOURTH 2011 TOTAL

EMPLOYER CONTRIB	\$153,615	\$139,783	\$125,932	\$0	\$419,330
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	392	285	212	0	889

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$0	\$420,219
--------------	-----------	-----------	-----------	-----	-----------

EXPENSES

PROVIDERS	\$154,327	\$144,454	\$122,931	\$0	\$421,712
OPERATING	16,431	14,804	16,109	0	47,344

TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$0	\$469,056
----------------	-----------	-----------	-----------	-----	-----------

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$0	\$420,219
TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$0	\$469,056

SURPLUS (DEFICIT)	(\$16,751)	(\$19,190)	(\$12,896)	\$0	(\$48,837)
-------------------	------------	------------	------------	-----	------------

AVERAGE INCOME	\$19.05	\$19.04	\$19.03	\$0.00	\$19.04
AVERAGE EXPENSES	\$21.12	\$21.65	\$20.98	\$0.00	\$21.25

SURPLUS (DEFICIT)	(\$2.07)	(\$2.61)	(\$1.95)	\$0.00	(\$2.21)
-------------------	----------	----------	----------	--------	----------

PARTICIPANTS	2,695	2,452	2,209	0	2,452
--------------	-------	-------	-------	---	-------

FUND RESERVE	\$130,079	\$113,326	\$86,900	\$0	
--------------	-----------	-----------	----------	-----	--

2010
QUARTERLY RECAP

	<u>FIRST 2010</u>	<u>SECOND 2010</u>	<u>THIRD 2010</u>	<u>FOURTH 2010</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$165,186	\$163,746	\$161,494	\$155,237	\$645,663
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	1,088	826	724	422	3,060
TOTAL INCOME	\$166,274	\$164,572	\$162,218	\$155,659	\$648,723
EXPENSES					
PROVIDERS	\$168,638	\$164,569	\$160,388	\$155,738	\$649,333
OPERATING	21,544	16,736	22,457	11,592	72,329
TOTAL EXPENSES	\$190,182	\$181,305	\$182,845	\$167,330	\$721,662
TOTAL INCOME	\$166,274	\$164,572	\$162,218	\$155,659	\$648,723
TOTAL EXPENSES	\$190,182	\$181,305	\$182,845	\$167,330	\$721,662
SURPLUS (DEFICIT)	(\$23,908)	(\$16,733)	(\$20,627)	(\$11,671)	(\$72,939)
AVERAGE INCOME	\$18.12	\$18.09	\$18.58	\$18.55	\$18.33
AVERAGE EXPENSES	\$20.72	\$19.93	\$20.94	\$19.94	\$20.38
SURPLUS (DEFICIT)	(\$2.60)	(\$1.84)	(\$2.36)	(\$1.39)	(\$2.05)
PARTICIPANTS	3,059	3,033	2,910	2,797	2,950
FUND RESERVE	\$207,023	\$185,038	\$162,874	\$148,770	

THIRD QUARTER 2011
UTILIZATION

ADES & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	39	403.30	176.00	\$1,600
02	PROBATE	1	24.00	14.00	
03	WILL	17	65.00	73.00	
04	NEGLIGENCE	3	58.00	29.00	
05	REAL ESTATE	17	142.70	68.00	
06	CONSUMER	16	96.70	72.00	
07	CRIMINAL	11	124.00	68.00	2,500
08	TRAFFIC	15	124.10	53.00	
09	LANDLORD/TENANT	11	89.50	41.00	
10	ADMINISTRATIVE	21	112.00	158.00	
11	IMMIGRATION	3	21.00	4.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	2	39.70	26.00	
15	CIVIL LITIGATION	18	125.00	58.00	
16	T CASES	0	0.00	0.00	
TOTAL		174	1,425.00	840.00	\$4,100

ALL HOURS	2,265.00
ADJUSTED HOURS	1,845.00
PAYMENT	\$121,660
COST PER HOUR	\$65.94

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	0	2.85	3.25	
02	PROBATE	0	1.10	1.50	
03	WILL	1	1.90	0.85	
04	NEGLIGENCE	0	0.00	0.00	
05	REAL ESTATE	0	0.00	0.00	
06	CONSUMER	1	4.35	4.80	
07	CRIMINAL	0	0.00	0.00	
08	TRAFFIC	0	0.00	0.00	
09	LANDLORD/TENANT	0	0.00	0.00	
10	ADMINISTRATIVE	0	0.00	0.00	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	0.00	0.00	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	1	0.00	0.40	
TOTAL		3	10.20	10.80	\$0

ALL HOURS	21.00
ADJUSTED HOURS	15.60
PAYMENT	\$1,271
COST PER HOUR	\$81.47

THIRD QUARTER 2011 UTILIZATION

COMBINED

CODE	TYPE	OPENED CASES	ATTORNEY HOURS	PARALEGAL HOURS	SURCHARGE
01	FAMILY	39	406.15	179.25	\$1,600
02	PROBATE	1	25.10	15.50	
03	WILL	18	66.90	73.85	
04	NEGLIGENCE	3	58.00	29.00	
05	REAL ESTATE	17	142.70	68.00	
06	CONSUMER	17	101.05	76.80	
07	CRIMINAL	11	124.00	68.00	2,500
08	TRAFFIC	15	124.10	53.00	
09	LANDLORD/TENANT	11	89.50	41.00	
10	ADMINISTRATION	21	112.00	158.00	
11	IMMIGRATION	3	21.00	4.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	2	39.70	26.00	
15	CIVIL LITIGATION	18	125.00	58.00	
16	T CASES	1	0.00	0.40	
TOTAL		177	1,435.20	850.80	\$4,100

ALL HOURS	2,286.00
ADJUSTED HOURS	1,860.60
PAYMENT	\$122,931
COST PER HOUR	\$66.07

THIRD QUARTER 2011
DELINQUENCIES

None

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
FOURTH QUARTER 2011**

ADMINISTRATIVE MANAGER'S REPORT

FOURTH QUARTER 2011 CONTRIBUTIONS
--

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
MAGRUDERS	\$19.00	MOB	35	\$1,995
METROPOLITAN	19.00	MOB	31	1,767
SHOPPERS	19.00	MOB	2,004	114,228
SPECTERA	19.00	MOB	21	1,197
UFCW LOCAL 400	19.00	MOB	56	3,192
UNION COMMUNICATION SVCS	19.00	MOB	3	171

TOTAL			2,150	\$122,550
-------	--	--	-------	-----------

AVERAGE MONTHLY CONTRIBUTION \$19.00

FOURTH QUARTER 2011 EXPENSES

PROVIDERS

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADES & ASSOCIATES	\$117,560		\$18.406		84.443%
AKMAN & ASSOCIATES	1,272		\$20.190		0.914%
SUBTOTAL	\$118,832		\$18.424		85.357%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$7,802		\$1.210		5.604%
ACCOUNTING	9,974		1.546		7.164%
INVESTMENT MGMNT	63		0.010		0.045%
LEGAL	2,035		0.316		1.462%
POSTAGE	446		0.069		0.320%
PRINTING	66		0.010		0.047%
SUBTOTAL	\$20,386		\$3.161		14.642%
TOTAL	\$139,218		\$21.585		100.00%

FOURTH QUARTER 2011
QUARTERLY RECAP

FIRST 2011 SECOND 2011 THIRD 2011 FOURTH 2011 TOTAL

EMPLOYER CONTRIB	\$153,615	\$139,783	\$125,932	\$122,550	\$541,880
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	392	285	212	144	1,033

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
--------------	-----------	-----------	-----------	-----------	-----------

EXPENSES

PROVIDERS	\$154,327	\$144,454	\$122,931	\$118,832	\$540,544
OPERATING	16,431	14,804	16,109	20,386	67,730

TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274
----------------	-----------	-----------	-----------	-----------	-----------

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274

SURPLUS (DEFICIT)	(\$16,751)	(\$19,190)	(\$12,896)	(\$16,524)	(\$65,361)
-------------------	------------	------------	------------	------------	------------

AVERAGE INCOME	\$19.05	\$19.04	\$19.03	\$19.02	\$19.04
AVERAGE EXPENSES	\$21.12	\$21.65	\$20.98	\$21.58	\$21.33

SURPLUS (DEFICIT)	(\$2.07)	(\$2.61)	(\$1.95)	(\$2.56)	(\$2.29)
-------------------	----------	----------	----------	----------	----------

PARTICIPANTS	2,695	2,452	2,209	2,150	2,377
--------------	-------	-------	-------	-------	-------

FUND RESERVE	\$130,079	\$113,326	\$86,900	\$68,335	
--------------	-----------	-----------	----------	----------	--

2010
QUARTERLY RECAP

FIRST 2010 SECOND 2010 THIRD 2010 FOURTH 2010 TOTAL

EMPLOYER CONTRIB	\$165,186	\$163,746	\$161,494	\$155,237	\$645,663
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	1,088	826	724	422	3,060

TOTAL INCOME	\$166,274	\$164,572	\$162,218	\$155,659	\$648,723
--------------	-----------	-----------	-----------	-----------	-----------

EXPENSES

PROVIDERS	\$168,638	\$164,569	\$160,388	\$155,738	\$649,333
OPERATING	21,544	16,736	22,457	11,592	72,329

TOTAL EXPENSES	\$190,182	\$181,305	\$182,845	\$167,330	\$721,662
----------------	-----------	-----------	-----------	-----------	-----------

TOTAL INCOME	\$166,274	\$164,572	\$162,218	\$155,659	\$648,723
TOTAL EXPENSES	\$190,182	\$181,305	\$182,845	\$167,330	\$721,662

SURPLUS (DEFICIT)	(\$23,908)	(\$16,733)	(\$20,627)	(\$11,671)	(\$72,939)
-------------------	------------	------------	------------	------------	------------

AVERAGE INCOME	\$18.12	\$18.09	\$18.58	\$18.55	\$18.33
AVERAGE EXPENSES	\$20.72	\$19.93	\$20.94	\$19.94	\$20.38

SURPLUS (DEFICIT)	(\$2.60)	(\$1.84)	(\$2.36)	(\$1.39)	(\$2.05)
-------------------	----------	----------	----------	----------	----------

PARTICIPANTS	3,059	3,033	2,910	2,797	2,950
--------------	-------	-------	-------	-------	-------

FUND RESERVE	\$207,023	\$185,038	\$162,874	\$148,770	
--------------	-----------	-----------	-----------	-----------	--

FOURTH QUARTER 2011
UTILIZATION

ADES & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	32	366.60	139.00	\$1,700
02	PROBATE	5	90.00	45.00	
03	WILL	15	63.00	59.00	
04	NEGLIGENCE	3	75.00	40.00	
05	REAL ESTATE	4	95.00	46.00	
06	CONSUMER	10	85.50	61.00	
07	CRIMINAL	7	108.00	65.00	2,500
08	TRAFFIC	12	114.50	59.00	
09	LANDLORD/TENANT	5	46.20	18.00	
10	ADMINISTRATIVE	22	116.00	181.00	
11	IMMIGRATION	1	12.00	1.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	6.00	18.00	
15	CIVIL LITIGATION	12	114.20	48.00	
16	T CASES	0	0.00	0.00	
TOTAL		128	1,292.00	780.00	\$4,200

ALL HOURS	2,072.00
ADJUSTED HOURS	1,682.00
PAYMENT	\$117,560
COST PER HOUR	\$69.89

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	1	2.35	2.60	
02	PROBATE	0	0.50	2.15	
03	WILL	1	0.75	0.60	
04	NEGLIGENCE	0	0.00	0.00	
05	REAL ESTATE	0	0.00	0.20	
06	CONSUMER	1	3.80	5.10	
07	CRIMINAL	0	0.00	0.00	
08	TRAFFIC	0	1.40	0.40	
09	LANDLORD/TENANT	0	0.00	0.00	
10	ADMINISTRATIVE	0	0.00	0.00	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	0.00	0.00	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	1	2.50	1.05	
TOTAL		4	11.30	12.10	\$0

ALL HOURS	23.40
ADJUSTED HOURS	17.35
PAYMENT	\$1,272
COST PER HOUR	\$73.31

FOURTH QUARTER 2011
UTILIZATION

COMBINED

CODE	TYPE	OPENED CASES	ATTORNEY HOURS	PARALEGAL HOURS	SURCHARGE
01	FAMILY	33	368.95	141.60	\$1,700
02	PROBATE	5	90.50	47.15	
03	WILL	16	63.75	59.60	
04	NEGLIGENCE	3	75.00	40.00	
05	REAL ESTATE	4	95.00	46.20	
06	CONSUMER	11	89.30	66.10	
07	CRIMINAL	7	108.00	65.00	2,500
08	TRAFFIC	12	115.90	59.40	
09	LANDLORD/TENANT	5	46.20	18.00	
10	ADMINISTRATION	22	116.00	181.00	
11	IMMIGRATION	1	12.00	1.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	6.00	18.00	
15	CIVIL LITIGATION	12	114.20	48.00	
16	T CASES	1	2.50	1.05	
TOTAL		132	1,303.30	792.10	\$4,200

ALL HOURS	2,095.40
ADJUSTED HOURS	1,699.35
PAYMENT	\$118,832
COST PER HOUR	\$69.93

FOURTH QUARTER 2011 DELINQUENCIES

None

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
FIRST QUARTER 2012**

ADMINISTRATIVE MANAGER'S REPORT

FIRST QUARTER 2012
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE¹</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
MAGRUDERS	\$22.08	MOB	35	\$2,319
METROPOLITAN	22.08	MOB	31	2,052
SHOPPERS	22.08	MOB	1,967	130,303
SPECTERA	22.08	MOB	21	1,414
UFCW LOCAL 400	22.08	MOB	57	3,754
UNION COMMUNICATION SVCS	22.08	MOB	3	198

TOTAL	2,114	\$140,040
-------	-------	-----------

AVERAGE MONTHLY CONTRIBUTION \$22.08

¹RATE INCREASE EFFECTIVE JANUARY 2012

FIRST QUARTER 2012 EXPENSES

PROVIDERS

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADES & ASSOCIATES	\$118,540		\$18.879		88.153%
AKMAN & ASSOCIATES	1,245		\$19.762		0.926%
SUBTOTAL	\$119,785		\$18.888		89.079%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$7,991		\$1.260		5.943%
ACCOUNTING	4,130		0.651		3.071%
LEGAL	2,564		0.404		1.907%
PRINTING	1		0.000		0.001%
SUBTOTAL	\$14,686		\$2.315		10.922%
TOTAL	\$134,471		\$21.203		100.00%

FIRST QUARTER 2012
QUARTERLY RECAP

FIRST 2012 SECOND 2012 THIRD 2012 FOURTH 2012 TOTAL

EMPLOYER CONTRIB	\$140,040	\$0	\$0	\$0	\$140,040
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	74	0	0	0	74

TOTAL INCOME	\$140,114	\$0	\$0	\$0	\$140,114
--------------	-----------	-----	-----	-----	-----------

EXPENSES

PROVIDERS	\$119,785	\$0	\$0	\$0	\$119,785
OPERATING	14,686	0	0	0	14,686

TOTAL EXPENSES	\$134,471	\$0	\$0	\$0	\$134,471
----------------	-----------	-----	-----	-----	-----------

TOTAL INCOME	\$140,114	\$0	\$0	\$0	\$140,114
TOTAL EXPENSES	\$134,471	\$0	\$0	\$0	\$134,471

SURPLUS (DEFICIT)	\$5,643	\$0	\$0	\$0	\$5,643
-------------------	---------	-----	-----	-----	---------

AVERAGE INCOME	\$22.09	\$0.00	\$0.00	\$0.00	\$22.09
AVERAGE EXPENSES	\$21.20	\$0.00	\$0.00	\$0.00	\$21.20

SURPLUS (DEFICIT)	\$0.89	\$0.00	\$0.00	\$0.00	\$0.89
-------------------	--------	--------	--------	--------	--------

PARTICIPANTS	2,114	0	0	0	2,114
--------------	-------	---	---	---	-------

FUND RESERVE	\$69,378				
--------------	----------	--	--	--	--

2011
QUARTERLY RECAP

FIRST 2011 SECOND 2011 THIRD 2011 FOURTH 2011 TOTAL

EMPLOYER CONTRIB	\$153,615	\$139,783	\$125,932	\$122,550	\$541,880
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	392	285	212	144	1,033

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
--------------	-----------	-----------	-----------	-----------	-----------

EXPENSES

PROVIDERS	\$154,327	\$144,454	\$122,931	\$118,832	\$540,544
OPERATING	16,431	14,804	16,109	20,386	67,730

TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274
----------------	-----------	-----------	-----------	-----------	-----------

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274

SURPLUS (DEFICIT)	(\$16,751)	(\$19,190)	(\$12,896)	(\$16,524)	(\$65,361)
-------------------	------------	------------	------------	------------	------------

AVERAGE INCOME	\$19.05	\$19.04	\$19.03	\$19.02	\$19.04
AVERAGE EXPENSES	\$21.12	\$21.65	\$20.98	\$21.58	\$21.33

SURPLUS (DEFICIT)	(\$2.07)	(\$2.61)	(\$1.95)	(\$2.56)	(\$2.29)
-------------------	----------	----------	----------	----------	----------

PARTICIPANTS	2,695	2,452	2,209	2,150	2,377
--------------	-------	-------	-------	-------	-------

FUND RESERVE	\$130,079	\$113,326	\$86,900	\$68,335	
--------------	-----------	-----------	----------	----------	--

FIRST QUARTER 2012
UTILIZATION

ADES & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	55	367.70	161.80	\$1,800
02	PROBATE	7	64.00	34.00	
03	WILL	28	98.00	68.00	
04	NEGLIGENCE	6	86.00	61.00	
05	REAL ESTATE	13	103.00	76.00	
06	CONSUMER	26	91.20	71.00	
07	CRIMINAL	8	82.00	63.00	2,500
08	TRAFFIC	7	91.50	52.00	
09	LANDLORD/TENANT	6	49.20	20.00	
10	ADMINISTRATIVE	35	166.00	205.00	
11	IMMIGRATION	1	10.30	1.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	5.00	10.00	
15	CIVIL LITIGATION	24	172.50	68.00	
16	T CASES	0	0.00	0.00	
TOTAL		216	1,386.40	890.80	\$4,300

ALL HOURS	2,277.20
ADJUSTED HOURS	1,831.80
PAYMENT	\$118,540
COST PER HOUR	\$64.71

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	0	2.10	1.95	
02	PROBATE	0	0.00	0.00	
03	WILL	1	1.40	1.75	
04	NEGLIGENCE	0	0.00	0.00	
05	REAL ESTATE	0	0.00	0.00	
06	CONSUMER	0	2.60	3.10	
07	CRIMINAL	0	0.00	0.00	
08	TRAFFIC	1	1.25	0.30	
09	LANDLORD/TENANT	0	0.00	0.00	
10	ADMINISTRATIVE	0	0.00	0.00	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	0.00	0.00	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	2	2.25	1.50	
TOTAL		4	9.60	8.60	\$0

ALL HOURS	18.20
ADJUSTED HOURS	13.90
PAYMENT	\$1,245
COST PER HOUR	\$89.57

FIRST QUARTER 2012
UTILIZATION

COMBINED

CODE	TYPE	OPENED CASES	ATTORNEY HOURS	PARALEGAL HOURS	SURCHARGE
01	FAMILY	55	369.80	163.75	\$1,800
02	PROBATE	7	64.00	34.00	
03	WILL	29	99.40	69.75	
04	NEGLIGENCE	6	86.00	61.00	
05	REAL ESTATE	13	103.00	76.00	
06	CONSUMER	26	93.80	74.10	
07	CRIMINAL	8	82.00	63.00	2,500
08	TRAFFIC	8	92.75	52.30	
09	LANDLORD/TENANT	6	49.20	20.00	
10	ADMINISTRATION	35	166.00	205.00	
11	IMMIGRATION	1	10.30	1.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	5.00	10.00	
15	CIVIL LITIGATION	24	172.50	68.00	
16	T CASES	2	2.25	1.50	
TOTAL		220	1,396.00	899.40	\$4,300

ALL HOURS	2,295.40
ADJUSTED HOURS	1,845.70
PAYMENT	\$119,785
COST PER HOUR	\$64.90

FIRST QUARTER 2012
DELINQUENCIES

None

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
SECOND QUARTER 2012**

ADMINISTRATIVE MANAGER'S REPORT

SECOND QUARTER 2012 CONTRIBUTIONS
--

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
MAGRUDERS	\$22.08	MOB	34	\$2,275
METROPOLITAN	22.08	MOB	31	2,075
SHOPPERS	22.08	MOB	1,932	127,976
SPECTERA	22.08	MOB	22	1,458
UFCW LOCAL 400 ¹	22.08	MOB	52	3,478
UNION COMMUNICATION SVCS	22.08	MOB	3	198

TOTAL	2,074	\$137,460
-------	-------	-----------

AVERAGE MONTHLY CONTRIBUTION \$22.08

¹ADJUSTMENT FOR PRIOR MONTHS WITH PRIOR RATES

**SECOND QUARTER 2012
EXPENSES**

PROVIDERS

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADES & ASSOCIATES	\$116,743		\$18.964		89.640%
AKMAN & ASSOCIATES	1,225		\$18.561		0.941%
SUBTOTAL	\$117,968		\$18.960		90.581%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$7,854		\$1.262		6.031%
BONDING & INSURANCE	\$4,350		\$0.699		3.340%
INVESTMENT MGMNT	63		0.010		0.048%
SUBTOTAL	\$12,267		\$1.971		9.419%
TOTAL	\$130,235		\$20.931		100.00%

**SECOND QUARTER 2012
QUARTERLY RECAP**

FIRST 2012 SECOND 2012 THIRD 2012 FOURTH 2012 TOTAL

EMPLOYER CONTRIB	\$140,040	\$137,460	\$0	\$0	\$277,500
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	74	38	0	0	112

TOTAL INCOME	\$140,114	\$137,498	\$0	\$0	\$277,612
--------------	-----------	-----------	-----	-----	-----------

EXPENSES

PROVIDERS	\$119,785	\$117,968	\$0	\$0	\$237,753
OPERATING	14,686	12,267	0	0	26,953

TOTAL EXPENSES	\$134,471	\$130,235	\$0	\$0	\$264,706
----------------	-----------	-----------	-----	-----	-----------

TOTAL INCOME	\$140,114	\$137,498	\$0	\$0	\$277,612
TOTAL EXPENSES	\$134,471	\$130,235	\$0	\$0	\$264,706

SURPLUS (DEFICIT)	\$5,643	\$7,263	\$0	\$0	\$12,906
-------------------	---------	---------	-----	-----	----------

AVERAGE INCOME	\$22.09	\$22.10	\$0.00	\$0.00	\$22.10
AVERAGE EXPENSES	\$21.20	\$20.93	\$0.00	\$0.00	\$21.07

SURPLUS (DEFICIT)	\$0.89	\$1.17	\$0.00	\$0.00	\$1.03
-------------------	--------	--------	--------	--------	--------

PARTICIPANTS	2,114	2,074	0	0	2,094
--------------	-------	-------	---	---	-------

FUND RESERVE	\$69,378	\$76,478			
--------------	----------	----------	--	--	--

2011
QUARTERLY RECAP

	<u>FIRST 2011</u>	<u>SECOND 2011</u>	<u>THIRD 2011</u>	<u>FOURTH 2011</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$153,615	\$139,783	\$125,932	\$122,550	\$541,880
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	392	285	212	144	1,033
 TOTAL INCOME	 \$154,007	 \$140,068	 \$126,144	 \$122,694	 \$542,913
 EXPENSES					
PROVIDERS	\$154,327	\$144,454	\$122,931	\$118,832	\$540,544
OPERATING	16,431	14,804	16,109	20,386	67,730
 TOTAL EXPENSES	 \$170,758	 \$159,258	 \$139,040	 \$139,218	 \$608,274
 TOTAL INCOME	 \$154,007	 \$140,068	 \$126,144	 \$122,694	 \$542,913
TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274
 SURPLUS (DEFICIT)	 (\$16,751)	 (\$19,190)	 (\$12,896)	 (\$16,524)	 (\$65,361)
 AVERAGE INCOME	 \$19.05	 \$19.04	 \$19.03	 \$19.02	 \$19.04
AVERAGE EXPENSES	\$21.12	\$21.65	\$20.98	\$21.58	\$21.33
 SURPLUS (DEFICIT)	 (\$2.07)	 (\$2.61)	 (\$1.95)	 (\$2.56)	 (\$2.29)
 PARTICIPANTS	 2,695	 2,452	 2,209	 2,150	 2,377
 FUND RESERVE	 \$130,079	 \$113,326	 \$86,900	 \$68,335	

SECOND QUARTER 2012
UTILIZATION

ADES & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	49	347.00	141.40	\$650
02	PROBATE	3	33.00	21.00	
03	WILL	28	92.00	79.00	
04	NEGLIGENCE	3	76.00	41.00	
05	REAL ESTATE	9	92.00	60.00	
06	CONSUMER	20	78.00	57.00	
07	CRIMINAL	11	112.00	81.00	2,000
08	TRAFFIC	17	127.00	82.00	
09	LANDLORD/TENANT	7	53.00	34.00	
10	ADMINISTRATIVE	26	135.00	191.00	
11	IMMIGRATION	2	12.00	1.50	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	1	18.00	20.00	
15	CIVIL LITIGATION	22	166.00	53.00	
16	T CASES	0	0.00	0.00	
TOTAL		198	1,341.00	861.90	\$2,650

ALL HOURS	2,202.90
ADJUSTED HOURS	1,771.95
PAYMENT	\$116,743
COST PER HOUR	\$65.88

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	1	2.20	1.75	
02	PROBATE	0	0.00	0.00	
03	WILL	1	1.20	1.50	
04	NEGLIGENCE	0	0.00	0.00	
05	REAL ESTATE	0	0.00	0.00	
06	CONSUMER	1	1.05	0.75	
07	CRIMINAL	0	0.00	0.00	
08	TRAFFIC	0	0.00	0.00	
09	LANDLORD/TENANT	1	0.40	0.60	
10	ADMINISTRATIVE	0	0.00	0.00	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	0.00	0.00	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	2	0.50	0.90	
TOTAL		6	5.35	5.50	\$0

ALL HOURS	10.85
ADJUSTED HOURS	8.10
PAYMENT	\$1,225
COST PER HOUR	\$151.23

SECOND QUARTER 2012
UTILIZATION

COMBINED

CODE	TYPE	OPENED CASES	ATTORNEY HOURS	PARALEGAL HOURS	SURCHARGE
01	FAMILY	50	349.20	143.15	\$650
02	PROBATE	3	33.00	21.00	
03	WILL	29	93.20	80.50	
04	NEGLIGENCE	3	76.00	41.00	
05	REAL ESTATE	9	92.00	60.00	
06	CONSUMER	21	79.05	57.75	
07	CRIMINAL	11	112.00	81.00	2,000
08	TRAFFIC	17	127.00	82.00	
09	LANDLORD/TENANT	8	53.40	34.60	
10	ADMINISTRATION	26	135.00	191.00	
11	IMMIGRATION	2	12.00	1.50	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	1	18.00	20.00	
15	CIVIL LITIGATION	22	166.00	53.00	
16	T CASES	2	0.50	0.90	
TOTAL		204	1,346.35	867.40	\$2,650

ALL HOURS	2,213.75
ADJUSTED HOURS	1,780.05
PAYMENT	\$117,968
COST PER HOUR	\$66.27

SECOND QUARTER 2012
DELINQUENCIES

Magruder

Was delinquent for the month of June 30, 2012. The first letter of the delinquency procedure was sent July 24, 2012. Payment was received July 30, 2012.

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
THIRD QUARTER 2012**

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2012
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
MAGRUDERS ¹	\$22.08	MOB	34	\$2,253
METROPOLITAN	22.08	MOB	33	2,165
SHOPPERS	22.08	MOB	1,911	126,540
SPECTERA	22.08	MOB	22	1,480
UFCW LOCAL 400	22.08	MOB	52	3,422
UNION COMMUNICATION SVCS	22.08	MOB	3	198

TOTAL

2,055 \$136,058

AVERAGE MONTHLY CONTRIBUTION \$22.07

¹Estimated for September 2012

**THIRD QUARTER 2012
EXPENSES**

PROVIDERS

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADES & ASSOCIATES	\$114,630		\$18.795		85.247%
AKMAN & ASSOCIATES	1,166		\$17.667		0.867%
SUBTOTAL	\$115,796		\$18.783		86.11%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$7,764		\$1.259		5.774%
ACCOUNTING	8,362		1.356		6.219%
INVESTMENT MGMNT	63		0.010		0.047%
LEGAL	2,460		0.399		1.829%
MEETING	14		0.002		0.010%
POSTAGE	2		0.000		0.001%
PRINTING	7		0.001		0.005%
SUBTOTAL	\$18,672		\$3.027		13.89%
TOTAL	\$134,468		\$21.810		100.00%

**THIRD QUARTER 2012
QUARTERLY RECAP**

FIRST 2012 SECOND 2012 THIRD 2012 FOURTH 2012 TOTAL

EMPLOYER CONTRIB	\$140,040	\$137,460	\$136,058	\$0	\$413,558
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	74	38	34	0	146

TOTAL INCOME	\$140,114	\$137,498	\$136,092	\$0	\$413,704
--------------	-----------	-----------	-----------	-----	-----------

EXPENSES

PROVIDERS	\$119,785	\$117,968	\$115,796	\$0	\$353,549
OPERATING	14,686	12,267	18,672	0	45,625

TOTAL EXPENSES	\$134,471	\$130,235	\$134,468	\$0	\$399,174
----------------	-----------	-----------	-----------	-----	-----------

TOTAL INCOME	\$140,114	\$137,498	\$136,092	\$0	\$413,704
TOTAL EXPENSES	\$134,471	\$130,235	\$134,468	\$0	\$399,174

SURPLUS (DEFICIT)	\$5,643	\$7,263	\$1,624	\$0	\$14,530
-------------------	---------	---------	---------	-----	----------

AVERAGE INCOME	\$22.09	\$22.10	\$22.07	\$0.00	\$22.09
AVERAGE EXPENSES	\$21.20	\$20.93	\$21.81	\$0.00	\$21.31

SURPLUS (DEFICIT)	\$0.89	\$1.17	\$0.26	\$0.00	\$0.78
-------------------	--------	--------	--------	--------	--------

PARTICIPANTS	2,114	2,074	2,055	0	2,081
--------------	-------	-------	-------	---	-------

FUND RESERVE	\$69,378	\$76,478	\$77,371		
--------------	----------	----------	----------	--	--

**2011
QUARTERLY RECAP**

FIRST 2011 SECOND 2011 THIRD 2011 FOURTH 2011 TOTAL

EMPLOYER CONTRIB	\$153,615	\$139,783	\$125,932	\$122,550	\$541,880
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	392	285	212	144	1,033

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
--------------	-----------	-----------	-----------	-----------	-----------

EXPENSES

PROVIDERS	\$154,327	\$144,454	\$122,931	\$118,832	\$540,544
OPERATING	16,431	14,804	16,109	20,386	67,730

TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274
----------------	-----------	-----------	-----------	-----------	-----------

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274

SURPLUS (DEFICIT)	(\$16,751)	(\$19,190)	(\$12,896)	(\$16,524)	(\$65,361)
-------------------	------------	------------	------------	------------	------------

AVERAGE INCOME	\$19.05	\$19.04	\$19.03	\$19.02	\$19.04
AVERAGE EXPENSES	\$21.12	\$21.65	\$20.98	\$21.58	\$21.33

SURPLUS (DEFICIT)	(\$2.07)	(\$2.61)	(\$1.95)	(\$2.56)	(\$2.29)
-------------------	----------	----------	----------	----------	----------

PARTICIPANTS	2,695	2,452	2,209	2,150	2,377
--------------	-------	-------	-------	-------	-------

FUND RESERVE	\$130,079	\$113,326	\$86,900	\$68,335	
--------------	-----------	-----------	----------	----------	--

THIRD QUARTER 2012
UTILIZATION

ADES & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG
01	FAMILY	47	310.20	123.00	\$800
02	PROBATE	2	23.00	19.30	
03	WILL	28	94.00	75.00	
04	NEGLIGENCE	4	75.00	52.00	
05	REAL ESTATE	14	139.00	93.20	
06	CONSUMER	7	55.00	31.00	
07	CRIMINAL	5	69.00	51.00	1,000
08	TRAFFIC	13	110.00	74.00	
09	LANDLORD/TENANT	12	105.00	49.00	
10	ADMINISTRATIVE	10	64.00	167.00	
11	IMMIGRATION	2	18.00	2.80	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	12.00	32.00	
15	CIVIL LITIGATION	18	143.00	53.20	
16	T CASES	0	0.00	0.00	
TOTAL		162	1,217.20	822.50	\$1,800

ALL HOURS	2,039.70
ADJUSTED HOURS	1,628.45
PAYMENT	\$114,630
COST PER HOUR	\$70.39

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG
01	FAMILY	1	2.90	2.10	
02	PROBATE	0	0.00	0.00	
03	WILL	1	1.40	1.60	
04	NEGLIGENCE	0	0.00	0.00	
05	REAL ESTATE	1	0.75	1.25	
06	CONSUMER	2	2.80	3.30	
07	CRIMINAL	0	0.00	0.00	
08	TRAFFIC	0	0.00	0.00	
09	LANDLORD/TENANT	0	0.00	0.00	
10	ADMINISTRATIVE	0	0.00	0.00	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	0.00	0.00	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	3	0.75	1.10	
TOTAL		8	8.60	9.35	\$0

ALL HOURS	17.95
ADJUSTED HOURS	13.28
PAYMENT	\$1,166
COST PER HOUR	\$87.80

**THIRD QUARTER 2012
UTILIZATION**

COMBINED

CODE	TYPE	OPENED CASES	ATTORNEY HOURS	PARALEGAL HOURS	SURCHARGE
01	FAMILY	48	313.10	125.10	\$800
02	PROBATE	2	23.00	19.30	
03	WILL	29	95.40	76.60	
04	NEGLIGENCE	4	75.00	52.00	
05	REAL ESTATE	15	139.75	94.45	
06	CONSUMER	9	57.80	34.30	
07	CRIMINAL	5	69.00	51.00	1,000
08	TRAFFIC	13	110.00	74.00	
09	LANDLORD/TENANT	12	105.00	49.00	
10	ADMINISTRATION	10	64.00	167.00	
11	IMMIGRATION	2	18.00	2.80	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	12.00	32.00	
15	CIVIL LITIGATION	18	143.00	53.20	
16	T CASES	3	0.75	1.10	
TOTAL		170	1,225.80	831.85	\$1,800

ALL HOURS	2,057.65
ADJUSTED HOURS	1,641.73
PAYMENT	\$115,796
COST PER HOUR	\$70.53

THIRD QUARTER 2012
DELINQUENCIES

Magruder

Is delinquent for the month of September 2012. The first letter of the delinquency procedure was sent October 22, 2012. Second letter was sent November 2, 2012. Letter was sent to Legal on November 14, 2012.

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
FOURTH QUARTER 2012**

ADMINISTRATIVE MANAGER'S REPORT

**FOURTH QUARTER 2012
CONTRIBUTIONS**

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
MAGRUDERS	\$22.08	MOB	35	\$2,297
METROPOLITAN	22.08	MOB	34	2,231
SHOPPERS	22.08	MOB	1,941	128,572
SPECTERA	22.08	MOB	16	1,081
UFCW LOCAL 400	22.08	MOB	51	3,356
UNION COMMUNICATION SVCS	22.08	MOB	3	198

TOTAL	2,080	\$137,735
-------	-------	-----------

AVERAGE MONTHLY CONTRIBUTION \$22.07

**FOURTH QUARTER 2012
EXPENSES**

PROVIDERS

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADES & ASSOCIATES	\$112,871		\$18.229		85.23%
AKMAN & ASSOCIATES	928		\$19.333		0.70%
SUBTOTAL	\$113,799		\$18.237		85.93%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$7,858		\$1.259		5.93%
ACCOUNTING	7,245		1.161		5.47%
INVESTMENT MGMNT	126		0.020		0.10%
POSTAGE	430		0.069		0.32%
PRINTING	2,980		0.478		2.25%
SUBTOTAL	\$18,639		\$2.987		14.07%
TOTAL	\$132,438		\$21.224		100.00%

FOURTH QUARTER 2012
QUARTERLY RECAP

FIRST 2012 SECOND 2012 THIRD 2012 FOURTH 2012 TOTAL

EMPLOYER CONTRIB	\$140,040	\$137,460	\$136,058	\$137,735	\$551,293
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	74	38	34	20	166

TOTAL INCOME	\$140,114	\$137,498	\$136,092	\$137,755	\$551,459
--------------	-----------	-----------	-----------	-----------	-----------

EXPENSES

PROVIDERS	\$119,785	\$117,968	\$115,796	\$113,799	\$467,348
OPERATING	14,686	12,267	18,672	18,639	64,264

TOTAL EXPENSES	\$134,471	\$130,235	\$134,468	\$132,438	\$531,612
----------------	-----------	-----------	-----------	-----------	-----------

TOTAL INCOME	\$140,114	\$137,498	\$136,092	\$137,755	\$551,459
TOTAL EXPENSES	\$134,471	\$130,235	\$134,468	\$132,438	\$531,612

SURPLUS (DEFICIT)	\$5,643	\$7,263	\$1,624	\$5,317	\$19,847
-------------------	---------	---------	---------	---------	----------

AVERAGE INCOME	\$22.09	\$22.10	\$22.07	\$22.08	\$22.09
AVERAGE EXPENSES	\$21.20	\$20.93	\$21.81	\$21.22	\$21.29

SURPLUS (DEFICIT)	\$0.89	\$1.17	\$0.26	\$0.86	\$0.80
-------------------	--------	--------	--------	--------	--------

PARTICIPANTS	2,114	2,074	2,055	2,080	2,081
--------------	-------	-------	-------	-------	-------

FUND RESERVE	\$69,378	\$76,478	\$77,371	\$79,072	
--------------	----------	----------	----------	----------	--

2011
QUARTERLY RECAP

FIRST 2011 SECOND 2011 THIRD 2011 FOURTH 2011 TOTAL

EMPLOYER CONTRIB	\$153,615	\$139,783	\$125,932	\$122,550	\$541,880
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	392	285	212	144	1,033

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
--------------	-----------	-----------	-----------	-----------	-----------

EXPENSES

PROVIDERS	\$154,327	\$144,454	\$122,931	\$118,832	\$540,544
OPERATING	16,431	14,804	16,109	20,386	67,730

TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274
----------------	-----------	-----------	-----------	-----------	-----------

TOTAL INCOME	\$154,007	\$140,068	\$126,144	\$122,694	\$542,913
TOTAL EXPENSES	\$170,758	\$159,258	\$139,040	\$139,218	\$608,274

SURPLUS (DEFICIT)	(\$16,751)	(\$19,190)	(\$12,896)	(\$16,524)	(\$65,361)
-------------------	------------	------------	------------	------------	------------

AVERAGE INCOME	\$19.05	\$19.04	\$19.03	\$19.02	\$19.04
AVERAGE EXPENSES	\$21.12	\$21.65	\$20.98	\$21.58	\$21.33

SURPLUS (DEFICIT)	(\$2.07)	(\$2.61)	(\$1.95)	(\$2.56)	(\$2.29)
-------------------	----------	----------	----------	----------	----------

PARTICIPANTS	2,695	2,452	2,209	2,150	2,377
--------------	-------	-------	-------	-------	-------

FUND RESERVE	\$130,079	\$113,326	\$86,900	\$68,335	
--------------	-----------	-----------	----------	----------	--

FOURTH QUARTER 2012
UTILIZATION

ADES & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	20	250.60	103.20	
02	PROBATE	2	34.00	30.00	
03	WILL	2	58.00	53.00	
04	NEGLIGENCE	3	83.00	37.00	
05	REAL ESTATE	5	77.00	56.00	
06	CONSUMER	7	69.00	41.00	
07	CRIMINAL	7	106.00	84.00	
08	TRAFFIC	9	94.00	66.00	
09	LANDLORD/TENANT	4	59.00	31.00	
10	ADMINISTRATIVE	7	64.00	163.00	
11	IMMIGRATION	1	10.00	0.80	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	4	76.00	50.00	
15	CIVIL LITIGATION	5	118.00	37.00	
16	T CASES	0	0.00	0.00	
TOTAL		76	1,098.60	752.00	\$0

ALL HOURS	1,850.60
ADJUSTED HOURS	1,474.60
PAYMENT	\$112,871
COST PER HOUR	\$76.54

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	1	2.40	1.85	
02	PROBATE	0	0.00	0.00	
03	WILL	1	1.50	1.20	
04	NEGLIGENCE	0	0.00	0.00	
05	REAL ESTATE	0	0.00	0.00	
06	CONSUMER	1	1.50	2.60	
07	CRIMINAL	0	0.00	0.00	
08	TRAFFIC	0	0.00	0.00	
09	LANDLORD/TENANT	1	0.40	1.00	
10	ADMINISTRATIVE	0	0.00	0.00	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	0	0.00	0.00	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	2	0.75	0.65	
TOTAL		6	6.55	7.30	\$0

ALL HOURS	13.85
ADJUSTED HOURS	10.20
PAYMENT	\$928
COST PER HOUR	\$90.98

FOURTH QUARTER 2012 UTILIZATION

COMBINED

CODE	TYPE	OPENED CASES	ATTORNEY HOURS	PARALEGAL HOURS	SURCHARGE
01	FAMILY	21	253.00	105.05	
02	PROBATE	2	34.00	30.00	
03	WILL	3	59.50	54.20	
04	NEGLIGENCE	3	83.00	37.00	
05	REAL ESTATE	5	77.00	56.00	
06	CONSUMER	8	70.50	43.60	
07	CRIMINAL	7	106.00	84.00	
08	TRAFFIC	9	94.00	66.00	
09	LANDLORD/TENANT	5	59.40	32.00	
10	ADMINISTRATION	7	64.00	163.00	
11	IMMIGRATION	1	10.00	0.80	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	4	76.00	50.00	
15	CIVIL LITIGATION	5	118.00	37.00	
16	T CASES	2	0.75	0.65	
TOTAL		82	1,105.15	759.30	\$0

ALL HOURS	1,864.45
ADJUSTED HOURS	1,484.80
PAYMENT	\$113,799
COST PER HOUR	\$76.64

FOURTH QUARTER 2012
DELINQUENCIES

None

AA *LLC Associated Administrators, LLC*

March 11, 2013

Board of Trustees of the
UFCW Unions and Contributing Employers Legal Benefits Fund

Re: Administrative Services Contract Renewal

Dear Trustees:

The administrative services contract between Associated Administrators, LLC ("Associated") and the UFCW Unions and Contributing Employers Legal Benefits Fund ("Fund") expired on December 31, 2012. We hope that you will consider favorably our request for a three-year agreement.

Proposed Fee Increases

We propose a three-year contract term with 4% annual rate increases. Please see a detailed proposal of those fees in Attachment A.

Justification for Fee Increases

- **Increased Costs for Employee Benefits**

Associated's costs of doing business have increased. The most recent health & welfare benefit increases ranged from 5.69% to 12.23% for our unit employees. Pension contribution rates increased by 10% in January 2011 and by another 5% in January 2012. Future significant pension contribution increases are likely, when our CBA expires in October 2013.

Our non-unit medical benefits through UHC increased by 13% as of September 1, 2011 due in part to PPACA and despite reductions in coverage and increased co-pays to our employees. Facing a similar increase in 2012, Associated paid an additional 2% and our employees pay the balance.

- **Postage**

Associated pays all regular postage on behalf of the Funds, excluding mass mailings. This is not typical of most TPA's. The Postal Accountability and Enhancement Act now provides for annual increases in postage rates each year. As such, we anticipate future annual increases during the course of our contract. United States Postal Service recently implemented a rate hike of

2.57% for first class mail, along with service cuts. While we encourage use of email, the number of items sent via United States Postal Service continues to increase, including EOBs, enrollment forms, and Summary Plan Descriptions.

- **Compliance Monitoring**

Associated continues to provide a compliance monitoring program to help each of our client funds track regulatory reporting requirements, vendor contracts, and required documentation. Failure to comply can result in fines and fees to the Funds. We have placed outside Counsel on retainer to advise us of new regulations applicable to benefits.

- **Information Technology Developments**

Associated invested over \$416,000 in technology upgrades in 2011, and \$520,000 in 2012. These include computers, thin clients, servers, switches, firewalls, and software necessary to keep us compliant, and to provide the required services.

Associated purchased an iCore phone system in February 2011. This system enables us to make real time adjustments to staffing to improve phone answering speed. We upgraded to Exchange-Server 2010 and Kaspersky Anti-Virus Software recently to enhance our services and security.

Associated routinely invests in computer infrastructure to remain state-of-the-art. System enhancements are not charged to the customer except to the extent that our earnings from client fees are the basis for our reinvestment.

- **Forms 5500 and 990**

Changes to the Form 5500 Schedule C now require additional coordination between the Fund Office and Fund vendors in order to assist the Auditor in preparation of the Form 5500. Schedule C requires new extensive recordkeeping of individual vendor and Trustee expenses, including allocating such expenses for each Trustee meeting. Additionally, the most comprehensive changes to the Form 990 in over 20 years now require the Fund to collect information from each Trustee annually. The changes to the Form 990 resulted in the adoption of the following policies: Conflict of Interest, Whistleblower, and Record Retention.

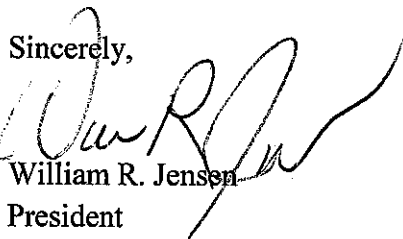
Associated has assigned to the Fund two Account Executives with over forty years of benefits fund administrative experience. They use that experience to continuously look for cost efficiencies. Examples include opening a post office box to replace the bank lockbox saving the Funds about \$450 per month, combining mailings where possible to save postage, and reconciling vendor invoices to avoid overpayments. Supporting the account management team is

a staff of twelve employees, which includes staff from our accounting, eligibility, pension, communications, appeals, and IT departments. They are dedicated to providing superior services.

The cumulative effect of new regulations has required an overall increase in our workforce. We understand the difficulty of the economy on the Funds, the employers, the Trustees and participants. We ask that you recognize the inordinate amount of new work created by new regulations which Associated performs on behalf of the Plan Sponsor in order to keep the Funds compliant. We realize that as fiduciaries, the Trustees must be certain that the Funds receive services proportionate in quality and quantity to the fees charged. Associated prides itself on providing excellent service to the Fund and plan participants, and we do so at a competitive price.

Associated appreciates the opportunity to serve the Funds and welcomes all questions concerning our proposal.

Sincerely,



William R. Jensen
President



Joseph Sears
Account Executive

cc: S. Sanchez, Esq.

**UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND**

EXHIBIT A

Fund	Current Fee Per Month	01/01/13 Through 12/31/13	01/01/14 Through 12/31/14	01/01/15 Through 12/31/15
Legal	\$1.26 PPPM	\$1.31 PPPM	\$1.36 PPPM	\$1.41 PPPM

01/01/2013 through 12/31/2015 Hourly Rates for Healthcare Reform Work,
New Regulatory Changes and Implementation of New Vendors:

\$100/Hour – IT/Management

\$ 60/Hour – Supervisor

\$ 30/Hour – Regular Employee

INVOICES

UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND

INVOICES

MARCH 11, 2013

1. A & R ASSOCIATES

05/08/12	Renewal of Fiduciary Insurance – 04/30/12 – 04/30/14	\$	4,100.00
-----------------	---	-----------	-----------------

2. BOND BEEBE

10/11/11	Services rendered through September 2011 in connection with the compliance audit of United Optical	\$	3,709.07
-----------------	---	-----------	-----------------

11/03/11	A final billing for professional services rendered in connection with the audit of the financial statements for the year ended December 31, 2010	\$	1,265.00
-----------------	---	-----------	-----------------

02/14/12	Services rendered through January 31, 2012 in connection with the compliance audit of Shoppers Food Warehouse	\$	4,129.75
-----------------	--	-----------	-----------------

06/28/12	First progress billing for professional services rendered in connection with the audit of the financial statements for the year ended December 31, 2011	\$	5,000.00
-----------------	--	-----------	-----------------

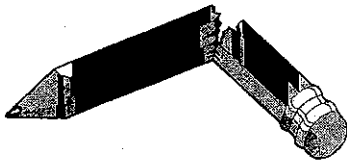
07/25/12	Professional services rendered through July 15, 2012 in connection with the compliance audit of Magruder's	\$	2,477.50
-----------------	---	-----------	-----------------

08/24/12	Professional services rendered through August 15, 2012 in connection with the compliance audit of Magruder's	\$	885.00
-----------------	---	-----------	---------------

10/31/12	Professional services rendered in connection with the audit of financial statements for the year ended December 31, 2011	\$	7,245.00
-----------------	---	-----------	-----------------

3. SLEVIN & HART, P.C.

11/14/11	Professional Services rendered through October 31, 2011	\$	2,035.47
12/12/11	Professional Services rendered through November 30, 2011	\$	2,564.10
07/10/12	Professional services rendered through June 30, 2012	\$	947.18
08/13/12	Professional services rendered through July 31, 2012	\$	1,512.75
01/23/13	Professional services rendered through December 31, 2012	\$	3,343.00



MEETING NOTES

[illegible]