February 18, 2022

The Board of Trustees of the
Industry and Local 338 Pension Fund

Re: Administrative Services Contract Renewal

Dear Trustees:

The administrative services contract between Associated Administrators, LLC ("Associated") and the Industry and Local 338 Pension Fund ("Fund") expires March 31, 2022. We hope the Trustees will consider favorably our request for a new three-year agreement at the rates attached in Exhibit A, which represents a 5% increase each year, designed to cover increased costs of doing business effective April 1, 2022.

Services Recap

Brief recap of some of the services provided by Associated over the last three years:

- Implemented the changes associated with the Funding Policy
- Participated in the Committee of Unsecured Creditors (College of New Rochelle Bankruptcy)
- Assisted in the processing and collection of withdrawal liability
- Tracked employer audits
- Issued W2 and 1099-MISC forms
- Completed and submitted applications to renew Fiduciary Liability and Cyber Liability Insurance
- Completed and submitted applications for Fidelity Bond
- Completed and submitted all PBGC comprehensive filings
- Maintained our accurate and efficient service, despite the serious challenges of the COVID-19 pandemic

- **Pension Protection Act ("PPA")/ Multiemployer Pension Reform Act of 2014 ("MPRA")**
  The PPA and MPRA contain requirements for reporting which must be provided for participants, beneficiaries, unions, and contributing employers. The Acts also require coordination with the Plan actuary, auditor and counsel for the actuarial certification and distributions of the Annual Funding Notice and Multiemployer Plan Summary Report. Associated has consistently produced and mailed these notices and filed with the appropriate reporting entities, including the DOL, EBSA, PBGC, the union and the participating employers.

- **Compliance Monitoring**
  Associated continues to provide a compliance monitoring program to help each of our client plans track regulatory reporting requirements, vendor contracts, and required documentation.

- **Information Technology Developments**
  Associated's highest cost increases and deliberate reinvestment have been in Information Technology. We invested over $560,000 in 2020. System enhancements allow us to better serve our clients and participants, and to maintain proper computer security. We utilize industry proven software to monitor network performance and to further block malware and phishing attacks on our ports, machines and applications. Our servers, desktops, and laptops are updated on a regular basis from software vendors to include critical and security patches. Four servers were replaced at a cost of $140,000 in 2020 and a new contract was recently executed with Basys for software upgrades and cloud hosting to better guard against cyber-intrusions.

- **Postage**
  Associated pays all regular postage on behalf of the Fund, excluding mass mailings. The United States Postal Service implemented a rate hike in 2019 of 10% for first class mail. Another increase was implemented January 2022.

Associated has assigned to the Fund an Account Executive and an Account Manager with over 24 years of benefits fund administrative experience. We use that experience to continuously look for cost efficiencies. Supporting the account team is a staff of nine employees, which includes staff from our Accounting, Pension, Communications, Appeals, Participant Services, Eligibility and IT departments. We are all dedicated to providing superior services.

We realize that as fiduciaries, the Trustees must be certain that the Plan receives services proportionate in quality and quantity to the fees charged. Associated prides itself on providing excellent service to the Plan and its participants, and we do so at a competitive price.

Associated Administrators, LLC appreciates the opportunity to serve this Fund and welcomes all questions concerning our proposal.

Sincerely,

AHCochran

Alicia Cochran
Account Executive
Associated Administrators, LLC

cc: Elizabeth O'Leary, Esq.

INDUSTRY AND LOCAL 338 PENSION FUND

EXHIBIT A

Current Monthly Fee	4/1/22 Through 3/31/23	4/1/23 Through 3/31/24	4/1/24 Through 3/31/25
$10,813	$11,354 Annual increase $6,488	$11,921 Annual increase $6,812	$12,517 Annual increase $7,153

April 1, 2022 through March 31, 2025 Hourly Rates for New Regulatory Changes and Implementation of New Vendors:

$100/Hour – IT/Management
$60/Hour – Supervisor
$30/Hour – Regular Employee