Warehouse Employees Union Local No. 730
Health & Welfare Trust Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
Telephone: (800) 730-2241
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Agenda

March 7, 2025

(At approximately 11:00 AM)

I. Call to Order

II. Minutes, Regular Meeting –December 6, 2024

III. Financial Report – Investment Performance Services

IV. Co- Counsel Report

V. Administrative Manager Report

VI. Invoices

VII. Other Fund Business

VIII. Next Meeting Date and Location

IX. Adjournment

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DRAFT

MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND
DECEMBER 6, 2024
VIA ZOOM

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
W. Davis – Secretary	J. Paradis – Chairman
R. Brooks	F. Stegman
S. Clark	M. Goble – Alternate

Also present were:

A. Cochran – Associated Administrators, LLC
R. Grant – Associated Administrators, LLC
J. Kimble – Morgan, Lewis & Bockius, LLP
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.
R. Sichel – Investment Performance Services, LLC
A. Tarnoviski – Investment Performance Services, LLC
M. Vallario - NFP

I. CALL TO ORDER

A quorum being present, the meeting was called to order.

II. TRUSTEE RESIGNATION AND APPOINTMENT

Ms. Cochran noted that she received a letter from Local 639 advising that Mr. Frank Myers had retired from Local 639 and that the Local 639 Executive Board had appointed Mr. Scott Clark as Mr. Myers' replacement. The Trustees welcomed Mr. Clark to the meeting.

Ms. Cochran informed the Trustees that she instructed the broker to add Mr. Clark to the Fiduciary and Fidelity Bond policies.

III. MINUTES

The Trustees reviewed the minutes of the last regular meeting held September 13, 2024.

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 September 13, 2024 are approved as presented.**

IV. FINANCIAL REPORT

A. Custodian Bank – PNK Bank, NA

Ms. Cochran noted a copy of the PNC Summary of Activity report for the period January 1, 2024 through September 30, 2024 is contained in the meeting booklet.

B. Investment Performance Services, LLC ("IPS")

The Trustees welcomed Mr. Rich Sichel and Ms. Tarnoviski of IPS to the meeting.

Mr. Sichel distributed his report titled, "Master Consulting Services Report – September 30, 2024." He reviewed the financial markets generally. Mr. Sichel reported that the Fund's total market value of assets as of September 30, 2024 was $25,772,273, and its year-to-date return is 3.6%, compared to the 4.0% return for the index, gross of fees.

C. Quarterly Performance Report

Mr. Sichel reported that as of September 30, 2024 the Fund held 38.3% in Investment Grade Fixed Income, 43.2% in Short Duration High Yield, 4.9% in Real Estate – Core, 5.4% in Real Estate – Value Add, and 8.2% in cash equivalents. He noted Wedge Capital held $9,883,116, Chartwell Investment held $11,134,331, ARA Core Property Fund L.P. held $1,262,717, Boyd Watterson held $1,381,118, and there was $2,110,992 in the cash account.

The Trustees thanked Mr. Sichel and Ms. Tarnoviski for his their report and they were excused from the meeting.

V. COUNSEL REPORT

A. Delinquency Collection and Payroll Audit Policies

Ms. Saindon reviewed the updates to the Delinquency Collection and Payroll Audit policy. The Trustees requested additional information including the affect it will have on other employer procedures and agreed to table adoption of the Policy.

B. Subrogation Report

Ms. Saindon reviewed the status of the subrogation matters as of December 6, 2024. She reviewed the current cases and stated that there are no cases requiring Trustee action at this time.

C. Health Insurance Portability and Accountability Act of 1996 ("HIPAA") Final Rule – Reproductive Health Care Privacy

Mr. Kimble reported on the Department of Health and Human Services Final Rule which modifies the HIPAA Privacy Rule to support reproductive health care privacy.

D. American Rescue Plan Act of 2021 ("ARPA") COBRA Subsidy

Mr. Kimble reported on a letter the Fund received from the IRS related to the COBRA subsidy reimbursements that the Fund received. The IRS erroneously sought to reclaim the COBRA subsidy amount. Mr. Kimble said that Co-Counsel sent correspondence with supporting documents to IRS explaining why the IRS' position was incorrect. He noted that the IRS has since advised in writing that the issue was resolved.

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the third quarter 2024. The report showed contributions of $1,419,899, interest and dividend income of $215,668, COBRA payments of $1,707, self-payments of $0, and miscellaneous income of $0, producing a total income of $1,637,274 for the quarter. Expenses included $1,032,266 of benefit expenses and $185,442 of operating expenses, producing a total expense of $1,217,708. This produced a surplus of $419,566 for the quarter ended September 30, 2024. Ms. Cochran noted that contributions were made on behalf of 312 Plan participants.

VII. INVOICES

Ms. Cochran presented a list of invoices dated December 6, 2024 for the Trustees' review. It was noted that there were no additions, deletions, or changes to the list.

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

RESOLVED that the invoices on the list dated December 6, 2024 are approved for payment as presented.

VIII. PROVIDER REPORT – NFP

The Trustees welcomed Mr. Matt Vallario of NFP to the meeting. He distributed his report titled "Warehouse Employees Union Local 730 – 2025 Basic Life and Stop Loss Renewal."

A. Stop Loss Renewal

Mr. Vallario noted that the current stop loss policy will expire December 31, 2024. He stated that Ullico, the incumbent carrier, proposed a 3% increase. He said the following carriers declined to provide quotes: Berkshire, Crum & Forster, Evolution Risk, Swiss Re, Unum, Symetra, and Voya.

Mr. Vallario reviewed the proposal submitted by Ullico. He noted that Ullico provided a proposal with a contract basis of 12/18. He recommended the Trustees renew the policy with Ullico, with a $500,000 specific deductible, and a $50,000 aggregating deductible, for an annual premium of $159,400.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the recommendation of NFP and accept the proposed stop loss renewal with Ullico for the period January 1, 2025 through December 31, 2025.

B. Life Insurance Renewal

Mr. Vallario directed the Trustees to the life insurance and AD&D information in his presentation. He noted that the current life insurance and AD&D policy will expire December 31, 2024. He said NFP received notice of decline to quote from Guardian, Hartford, Mutual of Omaha, New York Life, Standard, SunLife, and Unum. Mr. Vallario recommended the Trustees renew with the incumbent carrier, MetLife for the period January 1, 2025 through December 31, 2025 at an annual premium of $42,004.

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

> **RESOLVED to approve the life insurance and AD&D renewal with MetLife effective January 1, 2025 through December 31, 2025 with an annual premium of $42,004.**

The Trustees thanked Mr. Vallario for his report and he was excused from the meeting.

IX. <u>OTHER FUND BUSINESS</u>

A. <u>Group Vision Services ("GVS") Report</u>

The Trustees reviewed a copy of the report provided by GVS regarding utilization for the period January 1, 2023 through December 31, 2023.

B. <u>Cigna PPO Savings Report</u>

The Trustees reviewed a copy of the CIGNA PPO Savings Report for the period January 1, 2024 through September 30, 2024.

C. <u>Summary of Material Modifications ("SMM")</u>

Ms. Cochran reported that Associated mailed an SMM to participants on October 28, 2024 regarding the improved dental benefit and network.

D. 2023 Summary Annual Report

Ms. Cochran reported that Associated mailed the 2023 Summary Annual Report to Plan participants on October 8, 2024.

E. Women's Health and Cancer Rights Act ("WHCRA")

Ms. Cochran reported that Associated mailed the WHCRA notice to participants on October 8, 2024.

F. Notice of Creditable Coverage

Ms. Cochran reported that Associated mailed the Notice of Creditable Coverage to Plan participants on October 8, 2024.

G. 2025 COBRA Rates

Ms. Cochran presented the 2025 COBRA rates. The Trustees reviewed the rates.

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

> **RESOLVED to approve the 2025 COBRA rates as contained in the meeting booklet.**

H. Employer Termination – Adams Burch

Ms. Cochran confirmed that the Fund received the final reimbursement from Teamsters Local 639 Health and Welfare Fund for the remaining July 2023 claims received within the 12-month filing deadline for the Adams Burch employees.

I. International Foundation of Employee Benefit Plans – Annual Membership

Ms. Cochran reported receipt of the Fund's 2025 membership renewal invoice for the International Foundation of Employee Benefit Plans. The renewal fee contains a $100 increase from the prior year.

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

> **RESOLVED to approve the Fund's 2025 renewal with the International Foundation of Employee Benefit Plans at the $1,525.00 annual fee.**

J. <u>Consolidated Appropriations Act ("CAA")</u>

Ms. Cochran reported that Associated successfully filed the CAA Gag Clause Attestation on behalf of the Fund.

K. <u>Class Action Settlement</u>

Ms. Cochran reported that the Fund received a check in the amount of $3,129.28 related to the Ranbaxy Generics class action settlement.

L. <u>Delta Dental Implementation</u>

Ms. Cochran reported that the Delta Dental implementation was in progress.

M. <u>Pharmacy Benefit Manager - Express Scripts Implementation</u>

Ms. Cochran reported the Express Scripts implementation was in progress and a Summary of Material Modifications would be mailed to the participants prior to the Express Scripts standard new member mailing.

N. <u>Delta Dental Proposal</u>

Ms. Cochran reviewed the updated composite rate of $35.26 provided by Delta Dental to include the 50% implant and orthodontia coverage with a $1,500 lifetime maximum for adults and children up to age 26.

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

RESOLVED to accept the Delta Dental proposal with the composite rate of $35.26 per member per month which includes the 50% implant coverage and 50% orthodontia coverage with a $1,500 lifetime maximum for adults and children up to age 26.

X. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected March 7, 2025 as their next regular meeting date immediately following the companion Pension Fund meeting via Zoom.

XI. ADJOURNMENT

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

Respectfully submitted,

Jason Paradis
Chairman

WAREHOUSE LOCAL 730 - HEALTH & WELFARE FUND
SUMMARY OF ACTIVITY
JANUARY 01, 2024 to DECEMBER 31, 2024

	Cash Reserve	Wedge Capital	Chartwell	TOTAL
Beginning Market Value	$1,757,547.07	$8,578,717.07	$9,731,109.68	$20,067,373.82
Receipts	$5,992,132.51	-	-	$5,992,132.51
Disbursements	$3,834,527.15	-	-	$3,834,527.15
Inter-Account Transfers	$1,700,645.15	$850,000.00	$850,000.00	$645.15
Earnings	$83,616.01	$295,299.59	$586,180.70	$965,096.30
Ending Market Value	**$2,298,123.29**	**$9,724,016.66**	**$11,167,290.38**	**$23,189,430.33**

ATTORNEY-CLIENT
COMMUNICATION

WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND
SUMMARY SUBROGATION REPORT
March 7, 2025

PARTICIPANT (DEPENDENT)	ATTORNEY FOR PARTICIPANT	DATE OF ACCIDENT	EMPLOYMENT STATUS	BENEFITS STATUS	CURRENT LIEN AMOUNT[1]	STATUS OF COLLECTION EFFORTS
			ACTIVE			
Mohamed Mansaray 8123 Mission Hill Road Jessup, MD 20794 (301) 917-4984	Turner Sothoron McGowan & Cecil LLC 319 Main Street Suite 300 Laurel, MD 20707 (301) 483-9960	10/7/22	Active	Eligible	$26,864.17 (Medical) $6,771.46 (A&S): **$33,635.63** (TOTAL)	• Participant fractured his elbow in a slip and fall outside of a gas station. • Participant's medical treatment is ongoing. He received A&S benefits for the period 10/22/22 through 3/28/23. • At a mediation held on June 17, 2024, Participant's counsel reached a tentative settlement for $50,000 contingent on making "the numbers work for [his] client." • Counsel has asked for an unspecified reduction, but stated that he needs to "put at least $20,000 in his client's pocket." In support of this request, he has submitted the information in the attached letter in which he states: **1.** Legal fees and costs: $15,422.17 **2.** Outstanding medical bills: $6,234.66 **3.** Client recovery: $20,000 TOTAL: $41,656.83 • That leaves $8,343.17 for the Fund • There is video evidence that is very unfavorable to the Participant and his counsel believes this is the best recovery they can hope for. He estimates the chances of recovering at trial at 5%. • In between meetings, the Trustees' denied Participant's renewed request to accept <u>$11,671.59 in satisfaction of the lien.</u> • On August 29, 2024, counsel for BJs, the store at which Participant fell, contacted us to offer to show the Trustees the video evidence establishing what

						they believe is Participant's negligence and emphasizing that he will not prevail at trial. They have increased their offer by $5,000 in order to resolve this matter. • **The Trustees rejected the increased offer at their September meeting.** • **Participant's counsel engaged a third-party subrogation firm to negotiate a reduced lien. The Trustees rejected that offer in October.** • **To date, no settlement or recovery has been reached. We will continue to monitor this case.**
Diana Miller (dependent) Seth Blanford (participant) 6535 Harvest Ridge Lane Hughesville, MD 20637 (301) 213-3739	Robert R. Castro The Law Office of Robert R. Castro 2670 Crain Highway, Suite 411 Waldorf, MD 20601	10/8/2023	Active	Eligible	$3,271.82 (Medical)	• **Dependent was injured in a car accident.** • **On November 26, 2024, Dependent's counsel informed us that they just received a first offer of settlement and are beginning the negotiation process.** • **On December 23, 2024, Counsel repaid the Fund in full. *This matter is now closed.***

1 Associated Administrators confirmed the lien amounts contained herein on February 20, 2025.

WAREHOUSE EMPLOYEES UNION
LOCAL NO. 730
HEALTH & WELFARE TRUST FUND

FOURTH QUARTER 2024

ADMINISTRATIVE MANAGER'S REPORT

FOURTH QUARTER 2024
CONTRIBUTIONS AND EXPENSES

INCOME				
EMPLOYER	**RATE**	**HOURS**	**PARTICIPANTS**	**CONTRIBUTIONS**
EIGHT O'CLOCK COFFEE	$ 8.50	27,541.75	66	$ 234,105
GIANT RECYCLING	$ 8.50	15,231.20	28	$ 129,465
GIANT WAREHOUSE	$ 8.50	122,255.70	215	$ 1,039,174
WASHINGTON FOOD	$ 6.00	1,051.00	2	$ 6,306
COBRA			2	$ 5,121
SELF PAY			0	$ -
TOTAL INCOME		**166,079.65**	**313**	**$ 1,414,171**

BENEFIT EXPENSES	**RATE**	**EXPENSE**	**AVG. HRLY COST**	**COMMENT**
CIGNA OONSP	19%	$ 3,506	$ 0.021	
CIGNA HEALTH CARE	$ 29.09	$ 29,493	$ 0.178	
DENTAL	$ 31.58	$ 29,780	$ 0.179	
DISABILITY		$ 12,600	$ 0.076	
DRUG		$ 368,283	$ 2.218	
HEARING GVS/FULLY INSURED	$ 0.29	$ 280	$ 0.002	
LIFE/AD&D-ING	$ 0.21	$ 10,116	$ 0.061	$0.193 LIFE / $0.016 AD&D
MEDICAL		$ 381,629	$ 2.298	
OPTICAL GVS/FULLY INSURED	$ 5.90	$ 6,091	$ 0.037	
STOP LOSS	$ 28.38	$ 19,903	$ 0.120	
SUB TOTAL		$ 861,681	$ 5.190	

OPERATING EXPENSES	**RATE**	**EXPENSE**	**AVG. HRLY COST**	**COMMENT**
ADMINISTRATION	$ 27.01	$ 25,335	$ 0.153	
ADMINISTRATION HIPAA	$ 0.21	$ 197	$ 0.001	
MISCELLANEOUS		$ 76,026	$ 0.458	
SUB TOTAL		$ 101,558	$ 0.612	
TOTAL EXPENSES		**$ 963,239**	**$ 5.802**	

SURPLUS (DEFICIT)	**$ 450,932**

AVG. HOURLY INCOME	**$ 8.52**
AVG. HOURLY EXPENSE	**$ 5.80**
SURPLUS (DEFICIT)	**$ 2.72**

FOURTH QUARTER 2024
MISCELLANEOUS EXPENSES

MISCELLANEOUS EXPENSES	AMOUNT	
AMERICAN CORE REALTY INVESTMENT MANAGER FEES	$	3,506
CHARTWELL INVESTMENT MANAGER FEES	$	13,919
GREEN LIGHT TECHNOLOGY SERVICES	$	4,500
IFEBP DUES	$	1,525
INVESTMENT PERFORMANCE SERVICES	$	10,000
LEGAL FEES - FUND CO-COUNSEL	$	32,978
MEETING	$	525
PNC FEES	$	912
PRINTING	$	2,017
WEDGE CAPITAL INVESTMENT MANAGER FEES	$	6,144
TOTAL	**$**	**76,026**

2024
QUARTERLY RECAPS

INCOME	FIRST 2024	SECOND 2024	THIRD 2024	FOURTH 2024	TOTAL
CONTRIBUTIONS	$ 1,404,185	$ 1,413,687	$ 1,419,899	$ 1,409,050	$ 5,646,821
COBRA	$ 2,497	$ 3,414	$ 1,707	$ 5,121	$ 12,739
SELF PAY	$ 2,380	$ 3,409	$ -	$ -	$ 5,789
INTEREST & DIVIDENDS	$ 206,391	$ 252,180	$ 215,668	$ 257,865	$ 932,104
MISCELLANEOUS INCOME[1]	$ -	$ 5,390	$ -	$ 3,144	$ 8,534
TOTAL INCOME	**$ 1,615,453**	**$ 1,678,080**	**$ 1,637,274**	**$ 1,675,180**	**$ 6,605,987**
BENEFIT EXPENSES					
CIGNA OONSP	$ 10,717	$ 2,983	$ 2,018	$ 3,506	$ 19,224
CIGNA	$ 29,062	$ 28,537	$ 28,307	$ 29,493	$ 115,399
DENTAL	$ 27,948	$ 30,286	$ 29,812	$ 29,780	$ 117,826
DISABILITY	$ 8,872	$ 7,843	$ 12,857	$ 12,600	$ 42,172
DRUG	$ 179,519	$ 285,619	$ 230,610	$ 368,283	$ 1,064,031
HEARING GVS/FULLY INSURED	$ 272	$ 276	$ 275	$ 280	$ 1,103
LIFE/AD&D	$ 9,604	$ 9,980	$ 9,949	$ 10,116	$ 39,649
MEDICAL	$ 412,811	$ 302,165	$ 685,747	$ 381,629	$ 1,782,352
OPTICAL	$ 5,865	$ 5,936	$ 5,361	$ 6,091	$ 23,253
STOP LOSS	$ 26,678	$ 27,132	$ 27,330	$ 19,903	$ 101,043
SUBTOTAL	$ 711,348	$ 700,757	$ 1,032,266	$ 861,681	$ 3,306,052
OPERATING EXPENSES					
ADMINISTRATION	$ 25,531	$ 25,477	$ 25,396	$ 25,532	$ 101,936
MISCELLANEOUS	$ 62,931	$ 73,432	$ 160,046	$ 76,026	$ 372,435
SUBTOTAL	$ 88,462	$ 98,909	$ 185,442	$ 101,558	$ 474,371
TOTAL EXPENSE	**$ 799,810**	**$ 799,666**	**$ 1,217,708**	**$ 963,239**	**$ 3,780,423**
SURPLUS (DEFICIT)	**$ 815,643**	**$ 878,414**	**$ 419,566**	**$ 711,941**	**$ 2,825,564**
					AVERAGE
AVG HOURLY INCOME	$ 9.76	$ 10.07	$ 9.79	$ 10.09	$ 9.93
AVG HOURLY EXPENSE	$ 4.83	$ 4.80	$ 7.28	$ 5.80	$ 5.68
SURPLUS (DEFICIT)	$ 4.93	$ 5.27	$ 2.51	$ 4.29	$ 4.25
TOTAL PARTICIPANTS	312	313	312	313	313
FUND RESERVE	$ 23,995,529	$ 24,427,928	$ 25,772,273	$ 26,283,503	

[1]Litigation settlements: Ranbaxy Generics - $3,129.28, Libor Bondholders - $14.42

2023
QUARTERLY RECAPS

INCOME	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
CONTRIBUTIONS	$ 1,457,516	$ 1,606,571	$ 1,495,603	$ 1,371,832	$ 5,931,522
COBRA	$ 1,804	$ 3,667	$ 6,418	$ 1,834	$ 13,723
SELF PAY	$ 2,550	$ 2,550	$ 2,550	$ -	$ 7,650
INTEREST & DIVIDENDS	$ 173,910	$ 207,294	$ 200,706	$ 206,925	$ 788,835
MISCELLANEOUS INCOME[1]	$ 5,363	$ -	$ -	$ 1,108	$ 6,471
TOTAL INCOME	**$ 1,641,143**	**$ 1,820,082**	**$ 1,705,277**	**$ 1,581,699**	**$ 6,748,201**
BENEFIT EXPENSES					
CIGNA OONSP	$ 11,746	$ 4,607	$ 10,195	$ 11,492	$ 38,040
CIGNA	$ 29,730	$ 28,945	$ 28,189	$ 26,280	$ 113,144
DENTAL	$ 31,391	$ 31,327	$ 31,169	$ 27,633	$ 121,520
DISABILITY	$ 13,286	$ 10,800	$ 11,786	$ 11,100	$ 46,972
DRUG	$ 126,911	$ 197,074	$ 208,650	$ 317,167	$ 849,802
HEARING GVS/FULLY INSURED	$ 293	$ 295	$ 284	$ 257	$ 1,129
LIFE/AD&D	$ 10,680	$ 10,471	$ 10,063	$ 9,196	$ 40,410
MEDICAL	$ 240,090	$ 266,039	$ 456,019	$ 286,253	$ 1,248,401
OPTICAL	$ 6,225	$ 5,942	$ 5,873	$ 5,122	$ 23,162
STOP LOSS	$ 27,848	$ 27,572	$ 27,820	$ 24,549	$ 107,789
SUBTOTAL	$ 498,200	$ 583,072	$ 790,048	$ 719,049	$ 2,590,369
OPERATING EXPENSES					
ADMINISTRATION	$ 26,678	$ 27,646	$ 24,322	$ 24,296	$ 102,942
MISCELLANEOUS	$ 86,762	$ 76,574	$ 67,117	$ 64,165	$ 294,618
SUBTOTAL	$ 113,440	$ 104,220	$ 91,439	$ 88,461	$ 397,560
TOTAL EXPENSE	**$ 611,640**	**$ 687,292**	**$ 881,487**	**$ 807,510**	**$ 2,987,929**
SURPLUS (DEFICIT)	**$ 1,029,503**	**$ 1,132,790**	**$ 823,790**	**$ 774,189**	**$ 3,760,272**
					AVERAGE
AVG HOURLY INCOME	$ 9.76	$ 9.79	$ 9.67	$ 9.78	$ 9.75
AVG HOURLY EXPENSE	$ 3.65	$ 3.70	$ 5.00	$ 4.99	$ 4.34
SURPLUS (DEFICIT)	$ 6.11	$ 6.09	$ 4.67	$ 4.79	$ 5.41
TOTAL PARTICIPANTS	339	353	310	310	328
FUND RESERVE	$ 20,480,465	$ 21,517,088	$ 21,593,815	$ 23,340,249	

[1] Litigation settlement: Mylan EpiPan - $1,107.62

FOURTH QUARTER 2024
CONTRACT INFORMATION

COMPANY	PLAN	CURRENT RATES	CURRENT RATE EFF. DATE	NEXT RATE CHANGE DATE	CBA EXPIRATION
EIGHT O'CLOCK COFFEE	E	$8.50	02-01-21	TBD	07-17-27
GIANT RECYCLING	E	$8.50	06-01-22	TBD	06-20-26
GIANT WAREHOUSE	E	$8.50	06-01-22	TBD	05-15-27
WASHINGTON FOOD	E	$6.00	11-01-21	TBD	11-02-27

HEALTH AND WELFARE
DELINQUENCY REPORT
As of December 31, 2024

NO DELINQUENCIES

Fund Reserve

Months of Available Fund Reserve			
Expenses			
	Jan - Dec 2023		$ 2,987,929.00
	Jan - Dec 2024		$ 3,780,423.00
	Total		$ 6,768,352.00
	Per Month		$ 282,014.67
Fund Reserve			
	Dec-24		$ 26,283,503.00
	Months of Reserve 12/31/2024		**93.2**
	Months of Reserve 9/30/2024		93.2

Projected Hourly Contribution - Future Expenses
Based on Most Recent 12 Month Data
(Dec 2024 - Nov 2025)

Class E	$	6.02

Warehouse Employees Union Local No. 730 Health and Welfare Fund

INVOICES
March 7, 2025

Associated Administrators, LLC

2/18/2025	Mailing New Hire Packets	$	108.81

Chartwell Investment Partners

1/28/2025	Fee for investment services rendered through December 31, 2024	$	13,959.95

Health Care Cost Containment Corporation

1/7/2025	Fee for 2025 Annual Membership Dues	$	700.00

Investment Performance Services, LLC

12/11/2024	Fee for professional services rendered through December 31, 2024	$	10,000.00

Mooney, Green, Saindon, Murphy & Welch, P.C.

2/18/2025	Fee for professional services rendered through December 31, 2024 B. Saindon, Rate: $475.00 per hour	$	2,232.50
1/29/2025	Fee for professional services rendered through November 30, 2024 B. Saindon, Rate: $475.00 per hour	$	2,042.50
12/15/2024	Fee for professional services rendered through October 31, 2024 B. Saindon, Rate: $475.00 per hour	$	2,897.50

Morgan, Lewis & Bockius, LLP

1/29/2025	Fee for professional services rendered through December 31, 2024 J. Kimble, Rate: $710.00 per hour	$	2,905.00
12/15/2024	Fee for professional services rendered through November 30, 2024 J. Kimble, Rate: $710.00 per hour	$	2,973.00

Ullico

2/4/2025	Stop Loss Insurance Policy Premiums for November 2024 through January 2025	$ 27,585.36

Wedge Capital Management

1/9/2025	Fee for professional services rendered through December 31, 2024	$ 6,044.26

COLLECTIVE BARGAINING AGREEMENT

By and Between

WASHINGTON FOOD SUPPLY

And

DRIVERS, CHAUFFEURS AND HELPERS
LOCAL UNION No. 639
Affiliated with the
INTERNATIONAL BROTHERHOOD OF TEAMSTERS

Term of the Agreement

November 1, 2024 – November 2, 2027

Remember!

Your Union office is at:
3100 Ames Place, NE
Washington, DC 20018
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EXECUTIVE BOARD

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Recording Secretary – Chuck Bollino
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Trustee – Sharon Holland
Trustee/Organizer – Joe Freeman

UNION MEETINGS
at the Union Hall the 4th
Thursday of each month

Study this Collective Bargaining Agreement and know your rights and what you are entitled to under its provisions. Know what your wages, hours and general working conditions are supposed to be under this contract.

AGREEMENT

This Contract made and entered into at Washington, D.C. effective from the 1st day of November, 2024 by and between Washington Food and Supply, Inc. hereinafter referred to as the Employer, and Teamsters Local Union No. 639 of Washington, D.C. a Union affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the Union.

ARTICLE ONE – RECOGNITION

1.1 The Employer recognizes the Union as the exclusive bargaining representative for the Warehouseman; Forklift Operator; Shipping Clerk; and Receiving Clerk, ("Employees") employed in the Employer's warehouse currently located in the District of Columbia at 6300 Columbia Park Road, Landover, MD 20735 ("Facility"). From the date of this Agreement forward, the duties of the bargaining unit will include the following: The Forklift Operator is responsible for job functions in or around the warehouse that require the use of a forklift when assigned by supervision. When no forklift job duties are assigned, the Forklift Operator will be responsible for performing any and all job functions assigned by supervision. The Shipping and Receiving Clerks are responsible for all functions necessary to ship and receive items from or into the warehouse. When no shipping or receiving job duties are assigned, the Shipping and Receiving Clerks will be responsible for performing any and all job functions assigned by supervision. The Warehousemen are responsible for performing all jobs in the warehouse assigned by supervision; with the only exception being the janitorial cleaning of warehouse bathrooms; building repair, and inventory. When no warehousemen job duties are assigned, the Warehousemen will be responsible for performing any and all job functions assigned by supervision. The Employer will not assign an Employee to perform any non-bargaining unit work when as employee who is not employed in a non-bargaining unit position is doing bargaining unit work.

1.2 The bargaining unit excludes all other personnel working at the Employer's Facility, including Managers, Supervisors, Security Officers, Floor Managers, Callers, Data Entry Clerks, Buyers, Assistant Buyers, Office Clericals, Cashiers, Janitors who clean the bathrooms, Inventory Clerks, Maintenance/Repair and Helpers. The Employer agrees to keep an even ration of the number of Helpers (who perform bargaining unit work) to the number of Employees.

1.3 The Employer will not assign Supervisors or other personnel to perform any work an Employee normally performs, if doing so adversely affects the pay or benefits of any Employee. The Employer reserves the right to assign work normally performed by an Employee to a Helper as long as the ratio defined in Article 1.2 is at least even and the Employer complies with the other Agreements in Article 1.1 and 1.2 above.

ARTICLE TWO – SCOPE OF THE AGREEMENT

2.1 If the Employer relocates its operations to a new facility within 25 miles of the geographic center of Washington, DC and transfers the work currently performed under this Agreement, the Employer agrees to offer job opportunities to the Employees at the new facility.

2.2 The Employer agrees that if it sells it operation to another owner, it will require the new owner to adopt this contract as a condition of sale.

ARTICLE THREE – UNION MEMBERSHIP

3.1 Membership is a condition of employment on or after thirty-one (31) days following the beginning of Employment and satisfactory completion of the ninety (90) day trial and training period outlined in Section 5.8 below, or the effective date of this Agreement, whichever is later, shall be a condition of employment in the job classifications specified above in § 1.1 above. Dues shall be withdrawn and remitted to the Union by the 15^{th} of every month.

ARTICLE FOUR – CHECK-OFF

4.1 The Employer agrees for each pay period to deduct "initiation fees" and "monthly dues" from the pay of regular Employees by this Agreement upon receipt of individually signed voluntary authorization cards as required by Section 302 of the Labor Management Relations Act, and remit same once a month to the Secretary-Treasurer of the Union.

ARTICLE FIVE – WORKWEEK

5.1 The regular workweek shall consist of forty (40) hours to be accomplished in five (5) consecutive days, Monday through Friday or Tuesday through Saturday. It is understood and agreed, however, that for the computation of wages for night Employees, work on a regular shift that ends on a Saturday morning shall be considered Friday.

5.2 Overtime shall be paid in excess of forty (40) hours actually worked in any one-week, or in excess of eight (8) hours in any one-day, whichever is greater. The Employer must notify a regular Employee prior to the end of his regular workweek if the regular Employee is to be laid off.

5.3 The Employer shall give two (2) weeks' notice to the Employee in its intent to lay him off due to lack of work. The Employer, at its option, may pay the Employee 20 hours of straight-time pay in lieu of such notice. Such notice requirement shall apply to Employees with one year or more of service with the Employer at the time notice is given.

5.4 Each regular Employee who reports for work on his regular assigned workday shall be guaranteed at least eight (8) hours work at the straight-time hourly rate. Unless, there is a plant closing resulting from strikes, Acts of God, a power failure and other conditions beyond the control of its Employer.

5.5 If an Employee who reports for work after being absent because of illness or injury without having so advised the Employer at least on-half hour before the closing time the day before, the Employer will be relieved of the obligation for that day of the call in guarantee and eight (8) hour guarantee provided for in this Agreement.

The above notification requirements for 5.2, 5.3 and 5.4 shall not apply in cases of strikes, Acts of God, power failure and other conditions beyond the control of the Employer, such acts must result in the total inability to open for business. If the Employer opens under adverse conditions and after two hours from the time of opening insufficient workers report for business then the Employer shall close for business and pay those workers who did report for a minimum of four (4) hours of the actual hours worked whichever is longer. Those workers who fail to report will not be paid for that day.

5.6 The guarantee of a 40 hour week noted above does not apply when the Employer lays off an Employee due to a lack of work.

5.7 Each regular Employee who is called in on his regular day off (Sunday or Monday as the case may be) shall be guaranteed a minimum of four (4) hours work.

5.8 Each Employee who has been on the payroll of the Employer and covered by this Agreement shall be classified as a “regular Employee” on the ninety-first (91) day.

ARTICLE SIX – OVERTIME

6.1. There shall be no mandatory Overtime. Overtime shall be by mutual agreement between the Employee and Employer. The Employer reserves the right to assign work to its other personnel if no Employee agrees to work overtime.

6.2 The overtime-hourly rate shall be one and one-half (1 ½) times the hourly rate.

6.3 Except as provided below in § 6.5, all work performed between 12:00 a.m. Sunday and 11:59 P.M. Sunday shall be paid at two (2) times the straight time hourly rate.

6.4 All work performed on a holiday shall be paid at double time.

6.5 It is understood and agreed that for the computation of wages for frozen food night Employees, any work performed after 10:00 P.M. during a regular shift on a Sunday night shall be treated as though the work had been performed on the following Monday.

6.6 Overtime shall be offered on a seniority basis. A seniority posting shall be maintained by the Company on the bulletin board provided in the place of employment for such postings and a copy of the list shall be provided by the Company each time there is a new member added to the Local who is employed by the Company and each time an Employee losses seniority.

ARTICLE SEVEN – MANAGEMENT RIGHTS

7.1 The operation of the warehouse, and the direction of the Employees shall be vested exclusively in the Employer without any restriction of any nature as long as the Employer does not breach a specific term or condition of this Agreement.

ARTICLE EIGHT – UNAUTHORIZED ACTIVITY

8.1 It is mutually agreed that the Union will, within two (2) weeks of the date of the signing of this Agreement, serve upon the Employer a written notice, which notice list the Union's authorized representatives and shop stewards who shall present all grievances to the Employer for consideration.

8.2 The representative shall be permitted, after contacting management and obtaining the Employer's consent, to have the right to enter and visit the establishments during business hours, provided that conferences and meetings between Employees and Union representatives shall in no way stop, hamper or obstruct the normal flow of work.

ARTICLE NINE – HOLIDAYS

9.1 Whenever there is a holiday occurring in the workweek, overtime will be paid above thirty-two (32) hours actually worked in that particular week.

9.2 Each regular Employee coming under the jurisdiction of this Agreement shall receive the following holidays with full pay according to the Holiday schedule:

New Year's Day	Thanksgiving Day
Martin Luther King's Birthday	Christmas Day
Memorial Day	Labor Day
Fourth of July	Employees Birthday

9.3 No holiday pay shall be paid to an Employee if he misses work on the day before or the day after the holiday.

9.4 All holidays falling on a Saturday shall be observed on the actual day it occurs or on the date officially observed by the government of the District of Columbia. Employees shall be paid double time for all hours worked on a holiday.

ARTICLE TEN – BULLETINS

10.1 The Employer agrees to continue its practice of permitting the Union to post Union notices on the bulletin board.

ARTICLE ELEVEN - COFFEE BREAKS

11.1 The Employer agrees to provide the Employees covered by this Agreement with a fifteen (15) minute rest period immediately after the first two (2) hours of work each day, the first half of the Employee's shift, and fifteen (15) minutes immediately following two (2) hours after the meal break, the second half of the Employee's shift.

11.2 Employees working overtime shall be entitled to a fifteen (15) minute paid rest period prior to starting any overtime and any two (2) hours thereafter.

11.3 Coffee breaks and meal periods may be scheduled at staggered times at all Cash and Carry warehouses so that a sufficient number of Employees will be available to provide for customer need.

11.4 Every break requires that the Employee clock out and back in. Extended breaks without prior approval will result in disciplinary action.

ARTICLE TWELVE – FIDELITY BONDS, PHYSICAL EXAMINATIONS

12.1 When the Employer requires a fidelity bond of any Employee, the premium of said bond shall be paid by the Employer.

12.2 The Employer shall have the privilege of requiring a physical, mental or aptitude examination of all prospective Employees. The expense of such examination shall be borne by the Employer.

12.3 For prospective Employees, failure to pass either or any of these tests, or to be unable to secure a Fidelity Bond if required by the Employer, shall be deemed sufficient reason to disqualify said person from employment.

12.4 Any prospective Employee for whom the Employer has been denied a Fidelity Bond is hereby granted permission to purchase a Fidelity Bond at the prospective Employee's own expense, provided that the Employer reserves the right to approve the bonding company selected by the Employee, further provided that the Employer shall not unreasonably withhold such approval.

ARTICLE THIRTEEN – MINIMUM WAGES

13.1 On a weekly basis, the Employer will pay each Employee employed on the date this Agreement is initially executed, their current wage rates during the three year term of this Agreement.

	11/1/2024	11/1/2025	11/1/26
Warehouseman	$16.63	$17.13	$17.63
Forklift	$16.78	$17.28	$17.78
Receiving Clerk	$17.09	$17.59	$18.09
Shipping Clerk	$17.09	$17.59	$18.09

Employees beginning their shift between the hours of 4:00 P.M. and 4:00 A.M. shall receive $0.19 per hour above the minimum rate.

Employee shall be paid in the U.S. currency or Employer check on a weekly basis on the same day the Employer issues paychecks to all other personnel employed by the Employer. Employees formally assigned to transfer from a lower paid position to a higher paid position shall receive the higher rate of pay for one hour or more of work under such higher paid classification.

Each employee who is hired – after the date of this Agreement is executed – to replace one of the five Employees in the bargaining unit, shall be paid on the following schedule:

New Hire Rates	11/1/2024	11/1/2025	11/1/26
Warehouseman	$15.63	$16.13	$16.63
Forklift	$15.78	$16.28	$16.78
Receiving Clerk	$16.09	$16.59	$17.09
Shipping Clerk	$16.09	$16.59	$17.09

ARTICLE FOURTEEN – DISCIPLINE AND DISCHARGE

14.1 The Employer shall have the right to discharge any Employee for good cause such as dishonesty or intoxication. The parties agree the Employer will have the right to terminate an Employee immediately for refusing to follow a direct order from the supervisor or management to perform any job duty defined in Article 1.1. The Employer agrees to grant one written warning before discharge for the following reasons: gambling on the job, negligence which does not result in loss of life or serious injury, absence without advising management in advance of at least one half hour before starting time of shift, failure and tardiness or absenteeism that exceeds four (4) such violations in one year or one incidence per each 13 weeks. For other offenses, the Employer will provide a written warning for the first offense, a three day suspension for the second offense and terminate an Employee for the third offense within a six (6) month period of the last disciplinary suspension for a similar offense. All discipline must be in writing to the specific offense and must be given to the Employee within days of the alleged occurrence, if the discipline is not provided within 10 days of the occurrence, then it shall be considered a nullity and shall not be considered for discipline.

14.2 In the case of tardiness or absenteeism, a written warning shall not be issued to any Employee if (a) the Employee notifies the Employer on half (1 ½) hour before his starting time that he will be tardy, (b) the Employee has individual days of unscheduled PTO remaining as defined in Article 16, and (b) the Employer excuses the tardiness.

14.3 If the Shop Steward is at work and available, no Employee shall be discharged for cause and no written notice shall be issued unless the Shop Steward is present at the time of such discharge or issuance of such written notice. If the Shop Steward is not at work and available, the assistant Shop Steward shall be advised of the discharge or notice.

14.4 In addition to the normal grievance process, the Employer will grant a hearing by its designated representatives to the Employee so disciplined upon the request of his duly accredited representatives. If the decision of such hearing is in favor of the Employee, he shall be restored to his duties, with seniority unimpaired, and compensation for all time lost.

ARTICLE FIFTEEN -SENIORITY

15.1 Seniority means the total length of service in years, months and days from the time of last hiring by the Employer. The Employer recognizes the principle that length of satisfactory service should be rewarded by proportionate job security and opportunity for promotion.

15.2 Seniority alone will govern in layoffs, provided the Employee with seniority is capable of fully performing the job. Seniority shall govern in transfers and promotions.

15.3 All openings for classified jobs shall be posted for bidding and shall remain on the bulletin board for a period of 72 hours exclusive of Saturday, Sunday and Monday. The senior Employee who is most qualified Employee, based upon the job description, bidding for said vacancy shall be awarded the job. It is understood and agreed that all job vacancies shall be posted immediately for bidding as they occur.

15.4 If, because of layoff or for any other reason, there is a reduction in the number of available jobs within a classification, or on a shift, or at a location, the bumping principle shall be applied. That is, the Employee or Employees who would adversely be affected because of their seniority will be dropped from the classification, shift, location, as appropriate, and will be permitted to exercise their seniority to obtain a job in another classification, shift or location, as the Employee chooses.

15.5 For purposes of bidding and bumping, seniority means the length of service in years, months and days from the last time the Employee entered the Employee bargaining unit covered by this Agreement.

15.6 It is understood and agreed that bidding will not be held up due to any absence from work.

15.7 In the case of a regular Employee being promoted to a higher paid classification and is determined that he cannot perform the new work any time within a ninety (90) day period from the date of his promotion as required to the satisfaction of the Employer, he shall resume his former classification. The Employee also has the option to return to his former classification within the ninety (90) day period.

15.8 A list of Employees arranged in order of their seniority shall be given to the Union once a year.

15.9 Seniority shall be broken by:

a. Discharge
b. Voluntary quitting
c. Nine months consecutive unemployment due to layoffs or work
d. Failure to report as required by recall
e. Absence because of illness or injury in excess of one (1) year. However, if any Employee is injured on the job, he shall be permitted to return to work up to two years after the injury occurred provided he returns when directed to do so by a physician.
f. Accepting a supervisory position and remaining in that position for at least ninety (90) days. It is understood, however, that the Employee, while in the supervisory position, may not participate in any Union meeting concerning acceptance of an Agreement with the Employer, or participate in any other Union meeting or activity when such participation could be considered to be contrary to the interests of the Employer.

g. Absence from work without advising the Employer for two (2) consecutive full working days unless the Employee provides a written statement acceptable to the Employer, provided that the Employer's acceptance shall not be unreasonably withheld.

15.10 In the event of a layoff and recall, the Employer shall contact the Employee by telephone or certified mail to his last know address. The Employee shall be required to respond and be available for work within 48 hours. The Employee is responsible to keep the Employer advised of his current address and telephone number.

ARTICLE SIXTEEN – PAID TIME OFF

16.1 Each regular Employee within the scope of this Agreement with the following continued length of service with the Employer will have earned and will be entitled to a Paid Time Off (hereinafter referred to as "PTO") as follows:

Length of Service	PTO
0-6 months	0 hours
6-12 months	64 hours
1-2 years	104 hours
2-8 years	144 hours
8-9 years	184 hours

16.2 PTO shall be considered as eligible to be earned after the first year, at the end of each Employee's service year. PTO shall accrue in even increments on a weekly basis.

16.3 A service year shall be any twelve sequential month period of time in which the separate calendar days in which the Employee has worked for the Employer, plus days of permissible absence granted by the Employer equal or exceed two hundred days.

16.4 An Employee may use no more than 80 hours of PTO for unscheduled leave in one day increments. The Employee may not use the 80 hours of PTO for more than a one day increment without a doctor's note submitted in advance to the Employer confirming the need for additional days of PTO. In the event an Employee uses unscheduled leave, the Employee should provide as much notice as possible, but no less than ½ hour before the start of the Employee's shift. All other PTO beyond 80 hours of unscheduled daily PTO must only be taken in full one week increments. The Employee's one week PTO requests must be in writing submitted to the Employer no less than two weeks in advance of the requested leave. The Employee must obtain the Employer's written approval before taking PTO for one week. After taking the 80 hours of unscheduled leave and exhausting the weekly PTO leave noted above, if the Employee has any PTO remaining that totals fewer than 40 hours, the Employee must take that remaining leave together in consecutive days with two weeks advanced written notice only after receiving the Employer's written approval. The Employer has the unilateral right to refuse requests to use PTO (except for the 80 hours of unscheduled leave) to make sure the warehouse is staffed appropriately. Approved PTO requests will be paid the week before Employees are scheduled to go on PTO. PTO will not accrue year to year; however, it may be carried over for a period of three (3) years, subject to a total limit of one (1) years current leave. Any PTO not used withing any twelve-month period will roll over to the next year unless an Employee makes a request for payment. At the end of three (3) years any leave that has one full pay period of the request.

16.5 PTO that accrues during the year in which a discharge for cause occurs shall not be paid to an Employee terminated for proven dishonesty or who is discharged for cause.

ARTICLE SEVENTEEN – LEAVES OF ABSENCE

17.1 The Employer shall grant a reasonable leave of absence without pay to an Employee after one (1) year employment, upon 24 hours written notice, covering an agreed upon period of time, not to exceed 30 days for the following reasons;

(a) Serious illness or death of a family member or a family (husband, wife, mother, father, daughter, son, sister or brother)
(b) Official Union Business

17.2 The Employer may grant other leaves of absence without pay. For example, the Employer recognizes that it may be necessary on some occasions for an Employee to be off for a day or part of a day to take care of personal business. The Employer will authorize such absence when request is made in advance and, if the Employer's opinion, the absence is both justified and will not unduly interfere with the normal operation of the business. Any employee taking time off without prior approval for reason other than an emergency or disability will be absent without authorization and subject to the disciplinary process.

ARTICLE EIGHTEEN – SHIFTS

18.1 The Employer may establish as many shifts as necessary and the starting time of such shifts shall be optional with the Employer. It is agreed, however, that there will be no split shifts.

ARTICLE NINETEEN – NO REDUCTIONS

19.1 No Employee covered by this Agreement shall suffer a reduction in wages or PTO time by a provision in this Agreement, except as specifically agreed to in negotiations.

ARTICLE TWENTY – PROTECTION OF RIGHTS

20.1 It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an Employee refuses to enter upon any property involved in a labor dispute or refuses to go through or work behind any picket line or unions party to this Agreement and including picket lines at the Employer's place of business.

ARTICLE TWENTY-ONE – GRIEVANCE AND ARBITRATION

21.1 It is agreed that should any grievance or dispute that arises between the parties regarding the terms of this Agreement, then such matters must be taken up within ten (10) days of the alleged occurrence by the aggrieved party and must be in writing. If this initial step is not fully complied with, the aggrieved party shall be deemed to have waived whatever rights he or she otherwise would have had under this Grievance and Arbitration proceeding. An attempt will be made by the parties to settle the controversy within fifteen (15) days after receipt of the alleged grievance. If the grievance is not settled within that time, the Employer shall immediately ask the Federal Mediation and Conciliation Service for a mediator who shall commence mediation within ten (10) days of such a request and which shall be attended by the Employee aggrieved, the Shop Steward, the Employees designated representative, the Employer and his designated Representative and the Mediator. If the grievance is not settled by the Mediator within five (5) days from commencement of mediation, then at that time, the Parties shall alternately strike the names from the list. The Employer or the Union shall then immediately contact the Arbitrator and arrange for a hearing at a time agreed to by all parties.

21.2 The decision of the Arbi shall be binding on both parties hereto.

21.3 The expense of the Arbitrator shall be borne equally by the Employer and the Union. To change, modify or add to this Agreement but is strictly limited to the interpretation and application of this Agreement in accordance with the material submitted by the parties for his determination.

ARTICLE TWENTY-TWO – NO STRIKE OR LOCKOUT

22.1 It is agreed that during the term of this contract there shall be no lockout, strike, slow down or stoppage of work.

ARTICLE TWENTY-THREE – HEALTH AND WELFARE

23.1 The Employer agrees to contribute to the Warehouse Employees Local No. 730 Health and Welfare Trust Fund for all hours each Employee works as follows:

November 1, 2024	November 1, 2025	November 1, 2026
$6.00 per hour	$6.00 per hour	$6.00 per hour

23.2 The Employer hereby agrees to become party to the Agreement and Declaration of Trust establishing the said Welfare Fund and to be bound by the terms and provisions of said Agreement.

23.3 It is understood that so long as an Employee is absent from work for any reason for one calendar month or less, or is absent from work for six months or less while on Workmen's Compensation, the Trust Fund will continue to provide that Employee with all the benefits available under the Health and Welfare plan then in effect even though contributions are not made on behalf of the Employee. If the employee is absent from work for a longer period of time, he is required to pay for his own coverage. The Employer will not pay for coverage from the date of the Employee's first day of absence from work. If the Employer erroneously pays for said benefits and the Health and Welfare plan should begin to provide any or all of the coverage hereby guaranteed by the Employer, the Employer's liability shall be reduced accordingly. It is further understood and agreed that the Employer will not contribute to the Health and Welfare plan for an Employee on layoff status.

ARTICLE TWENTY-FOUR – JOB STEWARDS

24.1 The Employer recognizes the rights of the Union designated stewards and alternates. The authority of the stewards and alternates so designated by the Union shall be limited to and shall not exceed the following duties activities:

a) The investigation and presentation of grievances in accordance with the provisions of the collective bargaining agreement.
b) The collection of dues when authorized by appropriate local action.
c) The transmission of such message and information which shall originate with and are authorized by the Local Union or its Officers provided such messages and information:
    1) Have been reduced to writing, or
    2) If not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Employers' business.

24.2 Job stewards and alternates have no authority to strike action, or any other action interrupting the Employer's business except as authorized by official action of the Union.

24.3 The Employer recognizes these limitations upon the authority of job stewards and their alternates and shall not hold the Union liable for any authorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the shop stewards have taken unauthorized strike action, slow down or work stoppage in violation of this Agreement.

ARTICLE TWENTY-FIVE – PENSION

25.1 The Union has represented to the Employer that it has in effect a pension plan which has met the requirements of the Internal Revenue Service as a qualified plan and is not inconsistent with any of the terms and conditions of the National Labor Relations Act, as amended, a copy of such pension plan will be attached hereto.

25.2 The Employer agrees to become a party to the Warehouse Employees Union Local No. 730 Pension Trust Fund and in accordance therewith, become subject to the terms, conditions, rules and regulations of said Pension Trust Fund.

25.3 Effective November 1, 2024, the Employer agrees to contribute to said fund, on behalf of each regular Employee covered by this Agreement, $4.44 per hour for each hour such Employee actually works. All of this increase will be applied toward funding sufficiency and not withdrawal liability.

25.4 Effective November 1, 2025, the Employer agrees to contribute to said fund on behalf of each regular Employee covered by this Agreement, $4.66 per hour for each hour such Employee actually works All of this increase will be applied toward funding sufficiency and not withdrawal liability.

25.5 Effective November 1, 2026, the Employer agrees to contribute to said fund on behalf of each regular Employee covered by this Agreement, $4.89 per hour for each hour such Employee actually works. All of this increase will be applied toward funding sufficiency and not withdrawal liability.

ARTICLE TWENTY-SIX – JURY DUTY

26.1 Regular Employees actually summoned and serving on juries will be granted time off when needed for actual jury duty, will receive the difference between their straight time basic weekly pay and the amount received while on jury duty.

Any Employee who is dismissed from such service sufficiently early to enable him to work two (2) hours or more of his scheduled shift shall report to complete his shift.

To receive jury duty pay, an Employee must submit documents to the Employer that are sufficient to show the Employee was summed for jury duty; the Employee attended jury duty; and the times and dates he was on jury duty.

ARTICLE TWENTY-SEVEN – FUNERAL LEAVE

27.1 The Employer agrees that in the event of a death of a parent, spouse, child, or foster child, the Employee shall receive five (5) workdays off with pay to attend the funeral, parent-in-law or brother-in-law or sister-in-law, the Employee shall receive thee (3) days off with pay to attend the funeral. Saturdays, if a normal workday, shall be counted as part of the three (3) days thus provided.

ARTICLE TWENTY-EIGHT – COOPERATION

28.1 The Union and the Employees agree to do all in their power to further the best interests of the Employer during the terms of this Agreement.

ARTICLE TWENTY-NINE – WEARING APPAREL

29.1 The Employer agrees to furnish without costs wearing apparel for those frozen food warehouse Employees, which shall remain the property of the Employer. The frozen food warehouse Employees agree to maintain said apparent in a reasonable manner.

ARTICLE THIRTY – PRE-PAID AID

30.1 The Employer agrees to contribute to the Warehouse Employees Local Union No. 730 and Contributing Companies Pre-Paid Legal Services Fund, or its mutually approved successor, on behalf of each regular Employee on the payroll covered by this Agreement the sum of $2.80 per week for each week the Employee actually works. It is understood and agreed that the Employer will not make a contribution to this fund for an Employee on lay-off status.

ARTICLE THIRTY-ONE – DISCRIMINATION

31.1 The Employer and the Union agree not to discriminate against any individual with respect to hiring compensation, terms or conditions of employment because of such individual's race, color, religion, sex, national origin or age (between the years of 40 and 70), nor will they limit, segregate or classify Employees in any way to deprive any individual Employee of employment opportunities because of race, religion, sex, national origin or age (between the yeas of 40 and 70).

ARTICLE THIRTY-TWO – DEMOCRATIC, REPUBLICAN, INDEPENDENT VOTER EDUCATION (DRIVE)

32.1 The Company agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Company of the amounts designated by each contributing employee that are to be deducted from the employee's paycheck on a weekly basis from

ARTICLE THIRTY-THREE – TENURE

33.1 This Agreement shall continue in effect from November 1, 2024 through November 2, 2027 and from year to year thereafter, unless either party, not less than one hundred twenty (120) days prior to an anniversary date of this Agreement, delivers written notice to the contrary to the other for changes or termination of this Agreement. In the event such party serves notice, in respect of changes or termination of the Agreement, it is mutually agreed that the Employer and the Union shall immediately commence negotiations on the proposed changes or termination and that pending the result of the negotiations neither party shall change the conditions existing under the Agreement.

IN WITNESS WHEREOF, the undersigned have affixed their signatures as legal representatives of both the Employer and the Union.

FOR THE EMPLOYER:	FOR THE UNION:
Washington Food & Supply Company	Teamsters Local Union No. 639
By: [signature]	By: [signature]
Date: 11-26-2024	Date: 11-26-2024

YOU HAVE RIGHTS

"If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I request that my Steward or union officer be present at the meeting. Without representation, I choose not to answer any questions." (This is my right under a U.S. Supreme Court Decision called Weingarten.)

The right of unionized employees to have a union representative present during investigatory interviews was announced by the U.S. Supreme Court in a 1975 case. These rights have become known as Weingarten Rights.

Employees have Weingarten Rights only during investigatory interviews. An investigatory interview occurs when a supervisor questions an employee to obtain information which could be used as a basis for discipline or asks an employee to defend his or her conduct.

If an employee has a reasonable belief that discipline or other adverse consequences may result from what he or she says, the employee has the right to request union representation. Management is not required to inform the employee of his/her Weingarten Rights; **it is the employees responsibility to know and request.**

When the employee makes the request for a union representative to be present, management has three options:

1. they can stop questioning until the representative arrives;
2. they can call off the interview or,
3. they can tell the employee that they will call off the interview unless the employee voluntarily gives up his/her rights to a union representative
   (an option the employee should always refuse).

PROTECT YOUR JOB
AND YOUR INTERESTS!

Know your Union and its activities.

Attend Union meetings.

Help your Union to help you by organizing non-union companies

If you leave your job, **protect your membership** by getting a Withdrawal Card from the Union Office.

Visit our website at:
www.teamsters639.com

Novak | Francella
LLC | CERTIFIED PUBLIC ACCOUNTANTS

December 2, 2024

Board of Trustees
Warehouse Employees Union Local No. 730 Health and Welfare Trust Fund
911 Ridgebrook Road
Sparks, MD 21152-9459

We are pleased to confirm our understanding of the services we are to provide for the Warehouse Employees Union Local No. 730 Health and Welfare Trust Fund (the Plan), for the year ended December 31, 2024 in connection with the Plan's annual reporting obligation under the Employee Retirement Income Security Act of 1974 (ERISA).

Audit Scope and Objectives

We will audit the financial statements of the Plan, which comprise the statements of net assets available for benefits and of benefit obligations as of December 31, 2024 the related statements of changes in net assets available for benefits and of changes in benefit obligations for the year then ended, and the related notes to the financial statements and report on the supplemental schedules of the Plan for the year ended December 31, 2024. The following supplemental information accompanying the financial statements, as applicable, will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will report on whether the information is fairly stated in all material respects in relation to the financial statements as a whole:

1. Assets (Held at End of Year) and Assets (Acquired and Disposed of Within Year).
2. Loans or Fixed Income Obligations in Default or Classified as Uncollectible.
3. Leases in Default or Classified as Uncollectible.
4. Reportable Transactions.
5. Nonexempt Transactions.

These financial statements and supplemental schedules are required to be included in the Plan's Form 5500 filing with the Employee Benefits Security Administration (EBSA) of the Department of Labor (DOL). The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

The objectives of our audit are to obtain reasonable assurance about whether the Plan's financial statements as a whole are free from material misstatements, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations, including prohibited transactions with parties in interest or other violations of ERISA rules and regulations, that are attributable to the Plan or to acts by management or employees acting on behalf of the Plan.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and will include prohibited transactions in the supplemental schedule of nonexempt transactions as required by the instructions to Form 5500. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Plan and its environment, including internal controls, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit we will communicate to you, and those charged with governance, internal control related matters that are required to be communicated under professional standards.

We will communicate with management and those charged with governance certain matters as required by GAAS, including reportable findings identified during the audit of the Plan as a result of testing relevant plan provisions.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of investments, benefit obligations, and certain other assets and liabilities by correspondence with financial institutions, actuaries, and other third parties. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

In addition, we will perform certain procedures directed at considering the Plan's compliance with applicable Internal Revenue Service (IRS) requirements for tax-exempt status and ERISA plan qualification requirements. However, you should understand that our audit is not specifically designed for and should not be relied upon to disclose matters affecting Plan qualifications or compliance with the ERISA and IRS requirements. If, during the audit, we become aware of any instances of such matters or ways in which management practices can be improved, we will communicate them to you.

Tax Return Preparation

We will prepare the Plan's Form 5500, including required schedules, for the year ended December 31, 2024. After we have completed the Plan's Form 5500 and required schedules, we will authorize the Plan to include our auditor's report on the financial statements and supplemental schedules with the Plan's Form 5500 filing. We may request your assistance in providing certain information and completing certain schedules for this form. We will provide you with advice regarding the preparation of the supporting information. It is your responsibility to provide all of the information required for the preparation of a complete and accurate form, including all required schedules, some of which are prepared and provided by other service providers (such as Schedule A provided by the insurance company). Our work in connection with the preparation of your Form 5500 does not include any procedures designed to discover defalcations or other irregularities, should any exist. You have the final responsibility for the Form 5500 and the required supporting supplemental schedules, and you should review them carefully before you sign them. We will work with you to electronically file this return.

In addition to the Form 5500, we will prepare a Summary Annual Report to be used by the Plan for distribution to participants. Even though we will prepare this form, management is ultimately responsible for the accuracy and completeness of the form. You should review the form carefully before it is distributed.

In addition, we will prepare the Form 990 for the year ended December 31, 2024. Even though we will prepare this form, management is ultimately responsible for the accurate and complete preparation and filing of the form. The Form 990 must be filed electronically with the Internal Revenue Service (IRS); we shall file the Form 990 electronically on the Plan's behalf. An IRS electronic filing signature authorization for exempt organizations form must be completed and you are responsible for returning the form to us before it can be electronically transmitted. You have the final responsibility for the Form 990, and you should review it carefully before you sign the Form 990 and/or signature authorization.

This engagement does not include our commitment to prepare any other tax returns or informational returns for filing. You are responsible for determining what forms are required to be filed with all governmental and regulatory agencies and for the preparation and filing of these forms. If anything comes to our attention that causes us to believe additional forms should be prepared and filed, we will so advise you. If you request that we prepare these forms, and we agree to prepare, a separate arrangement with a separate engagement letter will need to be made. No additional forms are included in the fee arrangement covered by this letter.

Other Services We Will Perform

In addition to the audit services and the services for tax return preparation described above, we will perform the following additional services:

1. Attendance at one meeting of the Trustees to present the results of our audit
2. Preparation of Plan financial statements
3. Other permissible nonattest services as needed

Although our firm has the capabilities to perform many other types of engagements, involving accounting, auditing, planning, and consulting, this engagement does not include our commitment to perform any additional services other than those described above. Should you wish to receive additional services, we would be delighted to discuss them with you and enter into a separate arrangement to provide those services, if we agree to provide the requested services.

Management Responsibilities for the Financial Statements

Our audit of the financial statements does not relieve management or the Board of Trustees of the following responsibilities:

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; for establishing an accounting and financial reporting process for determining fair value measurements; for the acceptance of the actuarial methods and assumptions used by the actuary; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Plan from whom we determine it necessary to obtain audit evidence. You are also responsible for maintaining a current plan instrument, including all plan amendments; for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may become due to such participants. You are also responsible for providing the information necessary for completion of the Plan's Form 5500 that we are being engaged to prepare on behalf of the Plan.

At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Plan involving (a) Plan management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, regulators, or others. In addition, you are also responsible for identifying and ensuring that the Plan complies with applicable laws and regulations. You are also responsible for the fair presentation of the supplemental schedules and the form and content of the supplemental schedules in conformity with ERISA. You agree to include our report on the supplemental information in any document that contains, and indicates that we have reported on, the supplemental information. You also agree to include the audited financial statements with any presentation of the supplemental information that includes our report thereon.

You agree to assume all management responsibilities for the tax services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. Management is also responsible for notifying us in advance of its intent to print our report, in whole or in part, and for giving us the opportunity to review any printed material containing our report before its issuance. Our responsibility, with respect to any additional information in the printed material, does not extend beyond the financial information identified in our report and we have no obligation to perform any procedures to corroborate other information contained in the printed material.

Administration, Fees, and Other

We understand that your personnel will prepare schedules, and analyses, and type all confirmations we request and will locate any invoices or other documents selected by us for testing.

The audit documentation for this engagement is the property of Novak Francella LLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to the DOL pursuant to authority given to it by law. If requested, access to such audit documentation will be provided under the supervision of Novak Francella LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the DOL. The DOL may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. In the event a request by the DOL includes the Plan's confidential information, we shall notify the Plan (in writing) of the request as soon as reasonably possible, but in no event more than five business days following receipt of the request. Additionally, we will coordinate our response with Plan legal counsel in order to provide the Plan with a reasonable opportunity to seek protective relief.

Marcella F. Pascal is the Engagement Director and is responsible for supervising and reviewing the engagement. The timely completion of this engagement is dependent, in part, upon your staff providing the information requested in a timely manner.

Fees for our services will be $17,700 for the audit and for preparation of the Form 5500, Form 990 and the Summary Annual Report. These fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary or if unexpected circumstances are encountered, we will discuss this with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees may be rendered as work progresses and are payable on presentation.

Reporting

We will issue a written report upon completion of our audit of the Plan's financial statements. Our report will be addressed to the Board of Trustees of the Plan. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

Electronic Data Communication and Storage

In the interest of facilitating our services to the Plan, we may send confidential Plan data over the Internet, or store confidential Plan electronic data via computer software applications hosted remotely on the Internet or utilize cloud-based storage. We may also use third party service providers to store or transmit this Plan data, such as providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such Plan communications and confidential Plan electronic data secure in accordance with our obligations under applicable federal and state laws, regulations, professional standards, and the terms of this engagement letter. We also understand that the Plan may request that we abide by its own security policies and procedures, and, to all reasonable extents, anticipate agreeing to comply with the Plan's security policies and procedures that are not described in this engagement letter. We require that any third party vendor which handles the Plan's information described above do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted outside of our systems or if it has been subject to unauthorized access while stored outside of our systems, notwithstanding all reasonable security measures employed by us or our third party vendors. We will not disclose information regarding the Plan or its participants ("Plan Information") to parties other than the Plan except as necessary to perform services under this Agreement and with advance written consent from the Plan.

In the event of any disclosure of Plan Information inconsistent with the preceding paragraph, or any unauthorized access by a third party of Plan Information maintained by us, we shall notify the Plan of the disclosure or unauthorized access immediately, and in no event later than ten (10) days after discovery of the disclosure or unauthorized access of Plan Information. Such notice will be in writing and will include all relevant details of the disclosure or unauthorized access, including but not limited to the date on which the disclosure or unauthorized access occurred, the information that was disclosed or accessed, the number of Plan participants and beneficiaries affected, if applicable, the steps being taken to remedy the effects of the disclosure or unauthorized access, and any other information required to be disclosed to the Fund under any applicable state or federal law. We will provide the Plan with new information regarding the disclosure or unauthorized access immediately upon learning or receiving such information. We agree to maintain our own cybersecurity liability insurance policy in an amount that we determine to be commercially reasonable.

Client Portals

To enhance our services to you, we will utilize ShareFile, a collaborative, virtual workspace in a protected, online environment. ShareFile permits real-time collaboration across geographic boundaries and time zones and allows Novak Francella LLC and you to share specific Plan data, engagement information, knowledge, and deliverables (collectively "Plan Specific Data") in a protected environment.

You agree that we have no responsibility for the activities of ShareFile. While ShareFile backs up your Plan Specific Data to a third party server, we recommend that you also maintain your own backup files of these records.

If you decide to transmit your confidential Plan electronic data or information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to such information. If you request that we transmit confidential Plan electronic data or information to you in a manner other than through a secure portal, you agree that we are not responsible for any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending such information in the manner you request.

Record Retention

We will keep records related to this engagement for 8 years. Generally, we will store a computerized PDF document of your records. We will return all original documents forwarded to us at the completion of the services rendered under this Agreement. When records are returned to you, it is your responsibility to retain and protect such records for possible future use, including potential examination by any government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the 8-year period we shall be free to destroy our records related to this Agreement to the extent consistent with any applicable legal or regulatory requirements for record retention.

Dispute Resolution

In the unlikely event that differences concerning the services under this Agreement should arise that are not resolved by mutual agreement, if agreeable to both parties, both parties will attempt in good faith to settle the dispute by engaging in mediation using a single mediator and procedures that are mutually acceptable to both parties. Each party shall bear their own expenses from mediation and the fees and expenses of the single mediator shall be shared equally by the parties.

Alternatively, the parties may, but are not required to, agree to settle the dispute or claim by binding arbitration. The arbitration proceeding shall take place in Maryland and shall be governed by the laws of the State of Maryland. The arbitration shall be administered by and in accordance with the Arbitration Rules for Professional Accounting and Related Disputes of the American Arbitration Association ("AAA"). The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award non-monetary or equitable relief and will not have the right to award punitive or exemplary damages. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall bear its own proportionate share of arbitrator fees and expenses. The prevailing party may be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

Summons or Subpoenas

All Plan information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable but in no event more than five business days following our receipt of this summons or subpoena. You may, within the time permitted under the summons or subpoena for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to quash, or otherwise limit the scope of, the summons or subpoena. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying the requested information of the summons or subpoena, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the reasonable fees and expenses of our legal counsel, incurred in responding to such requests. This paragraph will survive termination of this Agreement.

Termination

This engagement ends upon the delivery of the final work product, or where applicable, filing of the final work product for which we were engaged. In the event no final work product is delivered or filed, the engagement shall end on the date which the last invoice for the services was issued, not including any subsequent account payable reminder, revised bill, or other communications concerning completed services or future services. We acknowledge your right to terminate our services at any time. In the event you exercise the right to terminate our services, such termination shall be in writing and shall be effective upon delivery by mail, overnight mail, or email transmission with a Read Receipt requested and a copy simultaneously mailed to the last known address.

We appreciate the opportunity to be of service to the Warehouse Employees Union Local No. 730 Health and Welfare Trust Fund and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Very truly yours,

MARCELLA F. PASCAL

RESPONSE:

This letter correctly sets forth the understanding of the Warehouse Employees Union Local No. 730 Health and Welfare Trust Fund.

____
Union Trustee

____
Employer Trustee

Warehouse Employees Union Local No. 730
Health & Welfare Trust Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
Telephone: (800) 730-2241
www.associated-admin.com

Summary of Material Modifications – Changes in Your Plan

December 2024

This notice is a Summary of Material Modification ("SMM") to the Warehouse Employees Union Local No. 730 Health & Welfare Trust Fund ("Fund") Summary Plan Description ("SPD") booklet. The purpose of the notice is to advise you of changes that the Fund's Board of Trustees has made to the SPD. Please keep this notice with your SPD booklet so you will have it when you need to refer to it. If there is any discrepancy between this SMM and the SPD or other Plan documents, the SPD and other Plan documents will control.

New Prescription Provider – Express Scripts

Effective January 1, 2025, the Fund will be changing prescription drug providers. Express Scripts will be replacing CIGNA as your new prescription drug provider. A letter and new prescription ID card will be mailed to you.

Did my prescription benefits change?
No, your Fund prescription benefits remain the same. Your co-payments are still $15.00 (generic), $40.00 (preferred) and $75.00 (non-preferred) per prescription and you must request generic drugs, if available. You can also use the same pharmacies as before, but remember that Wal-Mart pharmacies are not a part of the network, and prescriptions filled there are not covered.

New ID cards
Your new Express Scripts ID card should be used for prescription drug coverage only. On and after January 1, 2025, you must use your new ID card at the pharmacy. You will also be mailed a new medical ID card from Cigna. Your Cigna card should be used for medical benefits only. Effective January 1, 2025 you will have separate medical and prescription ID cards.

Where can I learn more information?
You can access the Express Scripts member website by logging onto Express-scripts.com. Here you can view information regarding your prescription drug benefits and locate local network pharmacies.

You may also contact the Express Scripts Customer Service Department toll-free at (800) 732-3623 for general prescription drug benefit information. Other benefit questions should be directed to the Fund office at (800) 730-2241.

In your SPD, in the Prescription Drug Benefits section, pages 52-54, or anywhere else in the SPD that relates to the prescription drug benefit, all references to CIGNA are replaced with Express Scripts effective January 1, 2025.

If you have any questions about this notice, your health benefits or eligibility, you can contact the Fund Office at (800) 730-2241, Monday through Friday from 8:30 a.m. until 4:30 p.m. You can also find information about your benefits and participating providers, as well as the Fund's price comparison tool which allows you to compare the costs of different providers and services provided by the Fund, on the Fund's website at https://associated-admin.com.

The Trustees are pleased to be able to provide you with these benefits. The Trustees continue to monitor the financial condition of the Fund in order to provide you and your families with an excellent plan of benefits and providers.

WAREHOUSE EMPLOYEES LOCAL 730 HEALTH AND WELFARE FUND

January – December 2024
Savings Results

March 7, 2025

cigna healthcare

PPO and Out of Network Savings Program
January 2024 – December 2024

In Network

	Charges	Network Allowed	Network Savings	%
Inpatient	$685,096	$480,308	$204,788	29.9%
Outpatient	$5,839,606	$1,027,825	$4,811,781	82.4%
Physician	$2,138,611	$876,224	$1,262,387	59.0%
Total	**$8,663,314**	**$2,384,358**	**$6,278,956**	**72.5%**

Out of Network Savings Program

	Charges	Network Allowed	Network Savings	%
Inpatient	$44,800	$26,432	$18,368	41.0%
Outpatient	$2,887	$2,290	$597	20.7%
Physician	$71,309	$37,492	$33,816	47.4%
Total	**$118,996**	**$66,214**	**$52,782**	**44.4%**

Total Year To Date Savings
January 2024 – December 2024

	Savings
PPO Network Savings	$6,278,956
Out of Network Savings	$52,782
Utilization Management Savings	$28,448
Case Management Savings	$9,220
Outpatient Care Management Savings	$28,655
Total Year To Date Savings	**$6,398,060**

cigna healthcare

Thank You