Segal

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June 23, 2023

Board of Trustees
Food Employers Labor Relations Association and United Food & Commercial Workers' VEBA Fund
Landover, Maryland 20785

Re: Symetra Life and AD&D Renewal Effective July 1, 2023

Dear Trustees:

We have received and reviewed Symetra's proposed renewal for life and AD&D coverage effective July 1, 2023.

Renewal

Premium and claims data provided by Symetra for the period July 1, 2018 through February 28, 2023 illustrate that the Fund's current loss ratio is 112.7%. A loss ratio is equal to the total benefits paid divided by the total premium. A loss ratio above 100% indicates that the benefits the participants have received exceed the premiums the Fund has paid to Symetra. Generally, a loss ratio at or above 100% will generate requests for premium increases from vendors.

Symetra's initial proposal represented a two-year agreement at the current premium rates. On behalf of the Fund, Segal requested that Symetra provide a best and final quote for the Trustees to consider. Symetra agreed to hold the inforce rates for an additional year, or three years total. The following chart outlines the current rates that will continue effective July 1, 2023 through June 30, 2026.

Symetra Life and AD&D Renewal Effective July 1, 2023 – June 30, 2026				
Group	Benefit	Volume	Premium	Annual
01-017797-00	Basic Life	$63,176,000	$0.183	$138,700
01-017797-00	Basic AD&D	$37,692,000	$0.018	$8,100
01-017797-01	Basic Life	$18,541,000	$0.204	$45,400
		Total	-	$192,200

Financial Strength

Segal believes that it is important for clients to consider the financial strength of insurance companies, which are candidates for initial selection or renewal as insurers to employee benefit plans. Therefore, we are providing the current claims paying ability rating that was available to us as of the date this document was prepared, for the insurance company under consideration. We have provided the A.M. Best rating for your convenience. However, several other rating services (e.g., Standard & Poor's, Fitch and Moody's) also provide claims paying ability evaluations of insurance companies. You may wish to consult with these other services before making a decision regarding the initial selection or renewal of an insurance company.

Insurance Company	Rating Agency	Rating	Date of Rating
Symetra	A.M. Best	A (Excellent)	March 31, 2023

A.M. Best assigns an "Excellent" rating to companies that have, in their opinion, an excellent ability to meet their ongoing insurance obligations.

Segal does not itself perform insurance company or managed care organization credit quality evaluations and does not offer any warranty as to the scope or reliability (e.g., with respect to an organization's ability to meet future obligations) of the insurance company or managed care organizations.

Next Steps

Symetra's proposed renewal appears reasonable and competitive. Segal recommends that the Trustees accept this proposal.

Please let us know if you have any questions, otherwise we look forward to discussing this with you further.

Regards,

Josh Timm
Senior Vice President

cc: Mr. David Jensen
Ms. Anne-Marie Sims
Mr. Christopher Heppner
Mr. Thomas Wyszomirski