Via Electronic Mail

February 18, 2021

Board of Trustees of the FELRA & UFCW Pension Fund
c/o Ms. Linda DuVall, Chief Business Officer
Associated Administrators, LLC
911 Ridgebrook Road
Sparks, Maryland 21152

Re: 2021 Fees for Actuarial Services for the FELRA & UFCW Pension Fund

Dear Trustees:

This letter represents our proposed fees for the year 2021, pursuant to Section 2 of the Consulting Agreement between Cheiron and the Food Employees Labor Relations Association & United Food and Commercial Workers Pension Fund.

A) Retainer – We propose an annual fee of $102,000 ($8,500 per month) for performing the retainer services below effective January 1, 2021. In addition to inflation of 1.4% based on the increase in the CPI-U, this amount reflects the additional work necessary to perform the valuation due to the combining of the Mid-Atlantic UFCW & Participating Employers Pension Fund on December 31, 2020 as well as the preparation of its final Schedule MB for the 2020 Plan year.

There is no longer a separate fee agreement for the Mid-Atlantic UFCW & Participating Employers Pension Fund. The total retainer fees for both plans was $122,436 in 2020 when compared to the proposed fee of $102,000 for this year.

Similar to prior years, the retainer fee covers the following services for the FELRA Pension Fund:

1. Conduct an annual valuation of the Pension Fund including all standard required exhibits and disclosures as well as a detailed review and summary discussion of the Fund's assets and liabilities, funded status, historical trends, and future projections. This will result in a formal written report.

2. Attend one annual Board of Trustees meeting for the purpose of presenting the annual valuation report. The presentation will include historical trend analysis and deterministic and stochastic forecast projections using Cheiron's proprietary *P-Scan* interactive modeling tool.

3. Attend up to three additional Trustee/Policy Committee meetings per year.

4. Respond to the annual disclosure request of the Fund auditor.

5. Prepare the Schedule MB attachment to the annual Form 5500 filing. For 2021, this will include the final filing of the Schedule MB for the Mid-Atlantic UFCW & Participating Employers Pension Fund.

6. Provide other Fund professionals any additional information required from the Fund auditor in regard to the standard annual government and PBGC filings. Ad-hoc brief discussions with other Fund professionals that do not require follow-up work or communications.

B) Non-Retainer – With respect to special consulting projects, Cheiron's hourly billing rates for our actuarial analysts and consultants will range between $150 and $515 per hour for 2021.

We look forward to working with you and the Trustees during 2021.

Sincerely,
Cheiron

Kevin J. Woodrich, FSA, EA
Principal Consulting Actuary

cc: Gene M. Kalwarski, FSA, EA

Accepted and Agreed To:

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Signature	Date