December 17, 2025

United Food and Commercial Workers Unions and Participating Employers Health and Welfare Fund

Analysis of Stop-Loss Proposals
Effective January 1, 2026

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Segal

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Introduction

- On behalf of the United Food and Commercial Workers Unions and Participating Employers Health and Welfare Fund (the Fund), Segal solicited proposals for specific stop-loss insurance.
  - The Fund currently does not have specific stop-loss coverage.
- The Fund's objective is to assess the market and determine the competitiveness of obtaining stop-loss coverage.
- Segal requested specific stop-loss insurance proposals for a January 1, 2026 effective date with claims data through October 2025.
- Segal requested specific stop-loss insurance proposals from the carriers listed below. A '◆' in the chart below indicates the carriers that submitted proposals in response to our request.

Vendor	Submitted Proposal
Berkshire Hathaway Specialty Insurance (Berkshire)	◆
QBE	◆
Tokio Marine HCC Life (TMHCC)	◆
Union Labor Life Insurance Company (Ullico)	◆

- All carriers provided firm proposals.

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Executive Summary

- Berkshire, QBE, TMHCC, and Ullico were asked to provide firm proposals with the following specifications:
  - An effective date of January 1, 2026
  - Specific deductibles of $250,000, $350,000, $500,000 and $750,000
  - A contract basis of “12/12” and”12/18”
  - Coverage for medical and prescription drug claims
- All bidders responded with proposals for the “12/12” (incurred in 12 months and paid in 12 months) and “12/18” (incurred in 12 months and paid in 18 months) contract basis. Some bidders had variations from the requested specifications:
  - Berkshire declined to quote at the $750,000 deductible level and provided a quote at $450,000 instead of at $500,000.
  - Ullico provided two quotes, one featuring the Segal Dividend Choice Program and one featuring their Stop-Loss Choice Plan.
    - Segal Dividend Choice is a Stop Loss program that provides an opportunity for dividends based on favorable Specific experience over the policy year period.
- Based on both premiums and laser liability TMHCC and QBE provide the most competitive quotes at the requested deductible levels on the “12/12” and “12/18” contract options, followed by the proposal from Ullico.
  - Based on premium alone, Ullico’s proposal has the lowest premiums; however, it has significant laser liability that would potentially be the responsibility of the Fund.
- The remainder of this report reflects the competitive proposals on the “12/12” and“12/18” contract basis from the bidders noted above.
- The proposal from TMHCC is firm through December 19, 2025 and the proposal from QBE is firm through December 31, 2025.

Executive Summary

Tokio Marine HCC Life (TMHCC)

- TMHCC's provided the **most competitive** quotes at all deductible levels, based on premium and laser liability, on both the "12/12" and "12/18" contract basis.

Contract Basis	Specific Deductible			
	$250,000	**$350,000**	**$500,000**	**$750,000**
12/12	Annual Premium: $843,700 Total Liability: $1,368,700	Annual Premium: $572,000 Total Liability: $897,000	Annual Premium: $351,600 Total Liability: $496,700	Annual Premium: $215,700 Total Liability: $215,700
12/18	Annual Premium: $968,400 Total Liability: $1,493,400	Annual Premium: $656,600 Total Liability: $981,600	Annual Premium: $402,800 Total Liability: $547,800	Annual Premium: $246,800 Total Liability: $246,800

- **TMHCC identified two lasers at $380,000 and $645,000.**
- Rates are firm through December 19, 2025.

Executive Summary
QBE

- QBE's provided the **second most competitive** quotes at all deductible levels, based on premium and laser liability, on both the "12/12" and "12/18" contract basis.

Contract Basis	Specific Deductible			
	$250,000	**$350,000**	**$500,000**	**$750,000**
12/12	Annual Premium: $709,900 Total Liability: $1,574,900	Annual Premium: $483,800 Total Liability: $948,800	Annual Premium: $307,500 Total Liability: $467,500	Annual Premium: $166,700 Total Liability: $166,700
12/18	Annual Premium: $850,300 Total Liability: $1,715,300	Annual Premium: $579,500 Total Liability: $1,044,500	Annual Premium: $368,300 Total Liability: $528,300	Annual Premium: $199,600 Total Liability: $199,600

- **QBE identified four lasers at $305,000, $405,000, $495,000 and $660,000.**
- Rates are firm through December 31, 2025.
- QBE provided an option with a 50% renewal rate cap with premiums that are $33,000 to $150,000 more depending on the selected specific deductible option.

Financial Analysis – 12/12 Proposals

The following table outlines the 12/12 Medical and Rx proposals:

		Berkshire	QBE 50% Rate Cap	QBE	TMHCC	Ullico Segal Dividend Choice	Ullico Stop Loss Choice Plan
Stop Loss Specifications	Effective Date	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026
	Claims Covered	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx
	Claims Basis	12/12	12/12	12/12	12/12	12/12	12/12
	Lasers	1 @ $340,000 1 @ $450,000 1 @ $460,000 1 @ $635,000 1 @ $950,000 1 @ $1,100,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $380,000 1 @ $645,000	2 @ $450,000 1 @ $650,000 1 @ $775,000 1 Conditional @ $3,750,000	1 @ $775,000 1 Conditional @ $3,750,000
	Annual Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Composite Stop Loss Insurance (PMPM)*	$250,000	$113.99	$98.90	$92.43	$109.86	$91.36	DTQ
	$350,000	$75.24	$67.41	$62.99	$74.48	$64.06	DTQ
	$500,000	$52.45	$42.85	$40.04	$45.78	$42.67	DTQ
	$750,000	DTQ	$23.21	$21.70	$28.09	DTQ	$25.24
Specific Stop Loss Annual Premium	$250,000	**$875,400**	**$759,600**	**$709,900**	**$843,700**	**$701,600**	**DTQ**
	$350,000	**$577,800**	**$517,700**	**$483,800**	**$572,000**	**$492,000**	**DTQ**
	$500,000	**$402,800**	**$329,100**	**$307,500**	**$351,600**	**$327,700**	**DTQ**
	$750,000	**DTQ**	**$178,300**	**$166,700**	**$215,700**	**DTQ**	**$193,800**

NOTE:Annual premiums are based on an estimated 640 active, COBRA, and non-Medicare retiree members.
Berkshire quoted a $450,000 deductible level and was unable to quote $500,000.

Financial Analysis – Total Claim and Premium Liability

The following table outlines the 12/12 Medical and Rx proposals:

		Berkshire	QBE 50% Rate Cap	QBE	TMHCC	Ullico Segal Dividend Choice	Ullico Stop Loss Choice Plan
Stop Loss Specifications	Effective Date	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026
	Claims Covered	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx
	Claims Basis	12/12	12/12	12/12	12/12	12/12	12/12
	Lasers	1 @ $340,000 1 @ $450,000 1 @ $460,000 1 @ $635,000 1 @ $950,000 1 @ $1,100,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $380,000 1 @ $645,000	2 @ $450,000 1 @ $650,000 1 @ $775,000 1 Conditional @ $3,750,000	1 @ $775,000 1 Conditional @ $3,750,000
	Annual Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Total Maximum Laser Liability and Stop Loss Premium	$250,000	$3,310,400	$1,624,600	$1,574,900	$1,368,700	$5,526,600	**DTQ**
	$350,000	$2,422,800	$982,700	$948,800	$897,000	$4,817,000	**DTQ**
	$500,000	$1,747,800	$489,100	$467,500	$496,600	$4,026,600	$3,718,800
	$750,000	**DTQ**	$178,300	$166,700	$215,700	**DTQ**	$3,246,800

NOTE:Annual premiums are based on an estimated 640 active, COBRA, and non-Medicare retiree members.
Berkshire quoted a $450,000 deductible level and was unable to quote $500,000.

Financial Analysis – 12/18 Proposals

The following table outlines the 12/18 Medical and Rx proposals:

		Berkshire	QBE 50% Rate Cap	QBE	TMHCC	Ullico Segal Dividend Choice	Ullico Stop Loss Choice Plan
Stop Loss Specifications	Effective Date	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026	January 1, 2026
	Claims Covered	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx
	Claims Basis	12/18	12/18	12/18	12/18	12/18	12/18
	Lasers	1 @ $340,000 1 @ $450,000 1 @ $460,000 1 @ $635,000 1 @ $950,000 1 @ $1,100,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $380,000 1 @ $645,000	2 @ $450,000 1 @ $650,000 1 @ $775,000 1 Conditional @ $3,750,000	1 @ $775,000 1 Conditional @ $3,750,000
	Annual Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Composite Stop Loss Insurance (PMPM)*	$250,000	$147.96	$118.46	$110.71	$126.09	$107.57	DTQ
	$350,000	$97.20	$80.73	$75.45	$85.49	$74.88	DTQ
	$500,000	$67.35	$51.32	$47.96	$52.45	$49.28	DTQ
	$750,000	DTQ	$27.81	$25.99	$32.13	DTQ	$28.46
Specific Stop Loss Annual Premium	$250,000	**$1,136,300**	**$909,800**	**$850,300**	**$968,400**	**$826,100**	**DTQ**
	$350,000	**$746,500**	**$620,000**	**$579,500**	**$656,600**	**$575,100**	**DTQ**
	$500,000	**$517,200**	**$394,100**	**$368,300**	**$402,800**	**$378,500**	**DTQ**
	$750,000	**DTQ**	**$213,600**	**$199,600**	**$246,800**	**DTQ**	**$218,600**

NOTE:Annual premiums are based on an estimated 640 active, COBRA, and non-Medicare retiree members.
Berkshire quoted a $450,000 deductible level and was unable to quote $500,000.

Financial Analysis – Total Claim and Premium Liability

The following table outlines the 12/18 Medical and Rx proposals:

		Berkshire	QBE 50% Rate Cap	QBE	TMHCC	Ullico Segal Dividend Choice	Ullico Stop Loss Choice Plan
Stop Loss Specifications	Effective Date Claims Covered Claims Basis	January 1, 2026 Medical, Rx 12/18	January 1, 2026 Medical, Rx 12/18	January 1, 2026 Medical, Rx 12/18	January 1, 2026 Medical, Rx 12/18	January 1, 2026 Medical, Rx 12/18	January 1, 2026 Medical, Rx 12/18
	Lasers	1 @ $340,000 1 @ $450,000 1 @ $460,000 1 @ $635,000 1 @ $950,000 1 @ $1,100,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $305,000 1 @ $405,000 1 @ $495,000 1 @ $660,000	1 @ $380,000 1 @ $645,000	2 @ $450,000 1 @ $650,000 1 @ $775,000 1 Conditional @ $3,750,000	1 @ $775,000 1 Conditional @ $3,750,000
	Annual Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Total Maximum Laser Liability and Stop Loss Premium	$250,000	$3,571,300	$1,774,800	$1,715,300	$1,493,400	**DTQ**	**DTQ**
	$350,000	$2,591,500	$1,085,000	$1,044,500	$981,600	**DTQ**	**DTQ**
	$500,000	$1,862,200	$554,100	$528,300	$547,800	$3,718,800	$3,743,600
	$750,000	**DTQ**	$213,600	$199,600	$246,800	$3,246,800	$3,218,600

NOTE:Annual premiums are based on an estimated 640 active, COBRA, and non-Medicare retiree members.
Berkshire quoted a $450,000 deductible level and was unable to quote $500,000.

Estimated Historical Reimbursements

- High-cost medical claims (over $200,000) paid over the previous two plan years and claims paid through October 31, 2025 for the current plan year are reflected in the table below.
- Each high-cost claim shows the estimated reimbursement at the $250,000, $350,000, $500,000, and $750,000 deductible levels.

Calendar Year	Total Paid Claims	Reimbursements			
		$250,000 Deductible	$350,000 Deductible	$500,000 Deductible	$750,000 Deductible
January 1, 2023 - December 31, 2023	$470,317	$220,317	$120,317	$0	$0
	$339,450	$89,450	$0	$0	$0
	$261,016	$11,016	$0	$0	$0
	$207,438	$0	$0	$0	$0
Total Reimbursement		**$320,783**	**$120,317**	**$0**	**$0**
January 1, 2024 - December 31, 2024	$549,669	$299,669	$199,669	$49,669	$0
	$326,009	$76,009	$0	$0	$0
	$295,427	$45,427	$0	$0	$0
	$250,368	$368	$0	$0	$0
	$249,142	$0	$0	$0	$0
	$218,038	$0	$0	$0	$0
Total Reimbursement		**$421,472**	**$199,669**	**$49,669**	**$0**
January 1, 2025 - October 31, 2025	$480,079	$230,079	$130,079	$0	$0
	$235,734	$0	$0	$0	$0
	$200,454	$0	$0	$0	$0
Total Reimbursement		**$230,079**	**$130,079**	**$0**	**$0**

*NOTE: Year-3 reimbursements are understated; claims shown are those paid through 10/31/2025; additional costs will most likely be incurred prior to the end of the plan year.

High-Cost Medical Claims – Over $100,000

Unique ID	Medical
1/23 - 12/23	
1	$261,016
2	$243,969
3	$236,859
4	$207,438
5	$144,504
6	$140,734
7	$138,129
8	$119,086

Unique ID	Medical
1/24 - 12/24	
9	$326,009
10	$295,427
3	$249,142
11	$218,038
12	$186,285
13	$175,587
14	$145,953
5	$127,076
15	$115,257
16	$114,066
17	$106,911
1	$105,349

Unique ID	Medical
1/25 - 10/25	
18	$235,734
3	$179,782
19	$172,025
6	$155,807
20	$146,660
21	$133,677
22	$100,421

High-Cost Rx Claimants over $50,000

Unique ID	Rx
1/23 - 12/23	
D-1	$470,317
D-2	$118,452
D-3	$115,818
D-4	$111,492
D-5	$107,479
2	$95,482
D-6	$91,219
D-7	$83,233
D-8	$82,717
18	$80,211
D-9	$66,138
D-10	$58,494

Unique ID	Rx
1/24 - 12/24	
D-1	$549,669
2	$250,368
D-3	$132,147
3	$117,995
D-2	$112,400
D-5	$74,279
D-11	$70,530
D-6	$64,502
18	$61,949
D-12	$61,364
D-7	$59,908
D-10	$59,196
D-13	$51,107
D-9	$50,989

Unique ID	Rx
1/25 - 10/25	
D-1	$480,079
2	$200,454
D-2	$84,488
D-3	$72,513
D-13	$54,231
D-11	$51,862
D-10	$51,747

- Entries with a “D” are drug only claims. Single numbers are related to the medical claimants on the medical large claimants on the prior page.

Next Steps

- Decide if the Fund should add stop-loss insurance.
- If the Fund elects to add stop-loss insurance, decide at which specific deductible amount ($250,000, $350,000, $500,000 or $750,000.)
  - It is important to consider both the premiums and the additional exposure that is involved with each available option.
  - When evaluating the specific deductible, it is important to consider past large claims experience, the Fund's risk tolerance, and its financial position. By increasing the specific deductible amount, the Fund would be accepting additional financial risk. As such, total premiums are typically lower across vendors as the deductible increases.
- ***Note: Segal may receive bonus commissions on stop-loss policies where we have national producer agreements in place. These bonus or supplemental commissions are based on aggregate, company-wide sales results and are not tied to any specific client policy. These commissions are not guaranteed in any year and are contingent on meeting sales and persistency results. Segal uses these commissions to help us invest in market research and to defer the institutional costs we incur to meet state licensing expenses. These commissions, if payable, do not impact premiums charged and do not impact Segal's fees.***

Appendix

- ✓ **Appendix A - Financial Ratings**
- ✓ **Appendix B – Bidder Caveats**

Appendix A – Financial Ratings

	Berkshire	QBE	TMHCC	Ullico
A.M. Best	A++	A	A++	A-
Standard and Poor's	A++	A+	A+	N/A

N/A – Not Applicable

Segal believes it is important to consider the financial strength of insurance companies and managed care organizations, which are candidates for initial selection or renewal as insurers or service providers to employee benefit plans. Therefore, we are providing the financial strength rating that was available to us on the date this document was prepared for the insurance company or managed care organization under consideration.

When available, we select A.M. Best or Standard & Poor's ratings because of their depth of coverage of insurance companies and overall reputation as a rating service. Several other rating services (e.g., Fitch and Moody's) also provide ratings of insurance companies and managed care organizations, which we provide when a rating from A.M. Best and Standards & Poor's is not available. You may wish to consult these other services before making a decision regarding the initial selection or renewal of an insurance company or managed care organization. A.M. Best and Standard and Poor's regard "vulnerable" companies to be at relatively serious risk in terms of meeting both claims and creditor obligations. Insurance companies in this category should be researched carefully before being selected.

Finally, 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 organization evaluations performed by any rating service. Segal is not responsible for providing monitoring of these ratings on an ongoing basis.

Appendix A – Financial Ratings

Financial Rating Categories Explained

A.M. Best's Rating Descriptions*

INVESTMENT GRADE OR SECURE:

RATING	CATEGORY
A++ and A+	Superior - "very strong ability to meet their ongoing obligations to policyholders"
A and A-	Excellent - "strong ability to meet their ongoing obligations to policyholders"
B++ and B+	Very Good - "good ability to meet their ongoing obligations to policyholders"

BELOW INVESTMENT GRADE OR VULNERABLE

RATING	CATEGORY
B and B-	Fair - "ability to meet their current obligations to policyholders, but their financial strength is vulnerable to adverse changes in underwriting and economic conditions"
C++ and C+	Marginal - "ability to meet their current obligations to policyholders, but their financial strength is vulnerable to adverse changes in underwriting and economic conditions"
C and C-	Weak - "ability to meet their current obligations to policyholders, but their financial strength is very vulnerable to adverse changes in underwriting and economic conditions"
D	Poor - "ability to meet their current obligations to policyholders and their financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions"
E	Under Regulatory Supervision – "placed by an insurance regulatory authority under a significant form of control or restraint, such as conservatorship or rehabilitation, but does not include liquidation"
F	In Liquidation - "under an order of liquidation by a court of law or whose owners have voluntarily agreed to liquidate the company"
S	Rating Suspended - "experienced sudden and significant events affecting their financial position or operating performance whose rating implications cannot be evaluated due to a lack of timely or adequate information"

*Ratings may be modified as follows: Under Review (u); Group (g); Pooling (p) or Reinsurance (r).

Appendix A – Financial Ratings

Financial Rating Categories Explained – continued

Standard & Poor's Rating Description

INVESTMENT GRADE OR SECURE

RATING	CATEGORY
AAA	Companies rated AAA have the highest rating assigned. Capacity to pay interest and repay principal is extremely strong.
AA	Companies rated AA have a very strong capacity to pay interest and repay principal and differ from the highest rated insurers only to a small degree.
A	Companies rated A have a strong capacity to pay interest and repay principal, although they are somewhat more susceptible to adverse changes in economic conditions than those in higher rated categories.
BBB	Companies rated BBB are regarded as having an adequate capacity to pay interest and repay principal, however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal.

BELOW INVESTMENT GRADE OR VULNERABLE

RATING	CATEGORY
BB; B; CCC; CC	Companies rated BB, B, CCC and CC are regarded, on balance, as speculative with respect to their credit worthiness. While such companies may have some protective characteristics, uncertainties and major risk exposure or adverse conditions outweigh them.
R; NR	The rating R is reserved for companies who "have experienced a REGULATORY ACTION regarding solvency." The rating NR indicates that the insurer's financial solvency is not rated.

Plus (+) or Minus (-): The ratings from "AA" to "CCC" may be modified by the addition of a plus or minus sign to refine relative standing within each category.

* S&P uses a suffix 'pi' "based on an analysis of published financial information and additional information in the public domain. They do not reflect in-depth meetings with an insurer's management and are therefore based on less comprehensive information than ratings without a 'pi' subscript"

Appendix B – Top Vendor Caveats
General Caveats

Caveats

- Each proposal includes caveats, which is typical in the stop-loss market. These caveats can include:
  - Requiring the Fund to submit a signed disclosure statement
  - A review of pre-certification, utilization review and large case management notes
  - Updated large claims and census information
- Most insurers require the Fund to complete a disclosure statement, which typically requires the Fund to provide the following:
  - Information on any participants who are currently hospitalized, have certain conditions that have the potential to reach the specific deductible amount, or have already reached 50% of the deductible.
- **Firm proposals do not require additional disclosure. Each bidder's quote includes a date through which the firm proposal is valid. After this date, additional disclosure will be required which could possibly impact quoted rates.**

Appendix B – TMHCC Caveats

Proposal Qualifications and Contingencies

Quoted terms and conditions are subject to possible revision based upon receipt and review of the following items:

- Paid claims experience to the effective date including monthly enrollment figures.
- Updated shock loss information to the date HCC Life Insurance Company has been notified that the proposal has been accepted by the group. Shock loss information should include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of $125,000, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pended or denied for any reason. Please refer to our Trigger Diagnosis Disclosure List, which provides examples of some, but not all, types of shock losses.
- We will accept final shock loss disclosure no earlier than 30 days prior to the effective date.
- Please see the attached exhibit for plan document assumptions and requirements.
- Should a large claim(s) (non-reoccurring and/or ongoing) become known and the initial date of service is prior to the date of written acceptance by HCC Life Insurance Company, we reserve the right to re-underwrite the case.
- In the event there is a greater than 10% change in enrollment between the submitted initial enrollment data and the final enrollment data, rates and factors may be recalculated.
- Minimum participation level of 75% of all eligible employees is required.
- Our proposal includes Simultaneous Funding on Specific reimbursements.

Appendix B – TMHCC Caveats

Proposal Qualifications and Contingencies

Quoted terms and conditions are subject to possible revision based upon receipt and review of the following items:

- Rates and Factors are calculated with the plan anniversary date and the Policy effective date as the same date. Should the plan anniversary date and the stop loss policy effective date be different we reserve the right to modify our rates, factors and terms of coverage to accommodate for additional liabilities incurred by the plan due to state and/or federal mandates during the stop loss contract period.
- Quote rated with retirees covered. Quote rated with no COBRAs being covered based on the census information provided.
- The Specific Contract Period Reimbursement Maximum for any individual with a Separate Individual Specific Deductible will be reduced by the difference between the Separate Individual Specific Deductible and the Policyholder's Specific Deductible.
- Contract Advantage Plan - A charge has been added to the indicated specific rates for a no new laser guarantee renewal rating action of no more than 50%, regardless of the ongoing claim liability at renewal.
- Quote Rated with the following UR Vendors: Conifer Health Solutions.

Appendix B – QBE Caveats

Proposal Qualifications and Contingencies

This is a TENTATIVE quote based upon the information furnished in the Request for Proposal. Material deviations from any of the original information that was submitted to us may result in a change to the quoted Rates and/or Factors or withdrawal of the proposal. QBE A&H will not be bound by any typographical errors or omissions contained herein.

Quoted terms and conditions are subject to possible revision based upon receipt and review of the following items:

STANDARD CONDITIONS

Disclosure shall include the following:

- Updated shock loss information to include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of 50% of the specific deductible and/or anyone who has exceeded a lifetime plan benefit of $500,000, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pended or denied for any reason. Known claimants currently under Case Management, regardless of claim dollar amount must be disclosed. Please refer to our Potentially Catastrophic Loss List (found on our website at www.qbeah.com), which provides examples of some, but not all, types of shock losses.
- A completed and signed Plan Sponsor Disclosure Statement is required on new accounts.
- Final paid claims and enrollment through the effective date.
- A complete copy of the Policyholder's Plan Document including all current Plan Amendments to confirm that the document is reflective of the Schedule of Benefits submitted during the underwriting process and contains QBE A&H's MINIMUM Plan Document assumptions.
- The selected TPA assigned to administer all claims. The TPA is subject to approval by QBE A&H.
- A complete census clearly illustrating all Cobra and/or Retirees to be covered. If they are not indicated on the census, the proposal assumes there are none covered under the plan. If retirees are eligible, this must be clearly stated in the RFP submission.
- Final Rates and Factors will be based upon the actual enrollment census as of the requested Effective Date. In the event there is a greater than 10% change in enrollment between the submitted initial enrollment date and the final enrollment data, rates and factors may be recalculated.

Appendix B – QBE Caveats

Proposal Qualifications and Contingencies

STANDARD CONDITIONS

- A minimum participation level of 75% of all eligible employees is required unless otherwise noted.

ADDITIONAL CONDITIONS SPECIALLY PREPARED FOR The United Food and Commercial Workers Unions and Participating Employers Health and Welfare Fund

Final paid claims and enrollment through the effective date.

- Quote assumes the use of the following PPO vendor: Blue Cross Blue Shield.
- All producers using QBE insurance proposals for the purposes of soliciting, selling or negotiating insurance must be licensed in the state where the prospective client is located and in the producer's resident state, and will need to be appointed where required. It is the producer's responsibility to maintain proper licenses and comply with the applicable laws in each state where the producer does insurance business.
- Quote is based on the current plan(s) of benefits. Any changes to the benefits or current enrollment in each plan may impact the rates and/or factors.
- Quote is FIRM and FINAL provided QBE receives written confirmation of accepted terms by the earlier of
- 12/31/2025, or the date updated reporting becomes available.

This proposal expires if applications are not requested before the valid through date.