

Dear Valued Member,

The new 2022-2023 Retro year will begin on July 1, 2022. As one of our valued members, our team at Washington Retail (WR) wants to thank you for your loyalty, positive attitude, and resiliency as we've persevered through the challenges of these past two years.

We will likely continue to face challenges ahead but being part of a Retro group means leveraging our resources together in ways that no single business could accomplish individually.

As your liaison to Labor & Industries, we provide services to achieve the best possible outcomes for your employees and lower your workers' compensation premiums. Our experienced claims management and safety in-house team work tirelessly to secure the best refund possible for each member.

Our value-based partnership will continue to focus on providing measurable outcomes, customizing the program to fit your needs, and committing to saving you time, money, and risk when enrolled in the Retro program.

Your membership also includes our government affairs team's tireless advocacy on your behalf to protect all issues that impact your business arising at the city, state, and congressional levels.

We are pleased to say that the Retro group is growing, and we are actively recruiting new team members to enhance our services to you. The continued growth in Retro enrollment has allowed us to put aside fee increases since 2012.

Your contract with Washington Retail details our commitment to administer the Group Retrospective (Retro) Program. It is an "evergreen" contract that rolls over automatically each year unless there are revisions.

We are sending a revised contract to be signed and mailed (or emailed) back to the Association. Both revisions are on Page 2, Section D of the agreement. Specifically, items one and four:

- #1: The administration fee is for WR to administer the Program and is paid out of the Contingency Fund. At the time of the refund, the fee charged is paid back to the Contingency Fund, and the balance of the refund is sent to the member. The updated administration fee is 6%.
- #4: Risk fee is paid to the Association for the financial risk acting as the Department of Labor and Industries (DLI) Retro Program legal contract holder. The Auto Retro risk fee will change from 10% of the group's refund to 3% of the previous four quarters of the Group's industrial insurance premiums, the same basis used for the calculation of the administration fee.

Thank you for your ongoing support as we make these necessary nominal adjustments to the new 2022-2023 Retro year fee structure.

Please sign and send back via mail or email admin@waretailservices.com the Evergreen Contract by May 20, 2022.

Sincerely,



Rose Gundersen
VP of Operations and Retail Services



Terry Hopsecger
Director of Business Development