

Your Letterhead

Risk Memorandum Claims Experience Monitoring

To: William Jones
XYZ Service Company
124 Main Street
Raleigh, NC 27601

From: John TPA

Re: Monthly Risk Report: Health Care Plan of XYZ Service Company
Gold Option

Benefits: Medical, Rx, Dental and Vision

Date: April 23, 2010

The Projected Paid Claim for the Plan Year 1-1-2010 through 12-31-2010 are as follows:

<u>Determination Date</u>	<u>Number of Employee Participants</u>	<u>Amount of Re-Computed Projected Claims</u>	<u>Actuarially-Certified Claim Reserve</u>	<u>Claims Due And Unpaid</u>
12-31-2009	220	\$1,500,000	\$124,000	\$14,000
1-31-2010	225	1,432,000	132,000	11,000
2-28-2010	240	1,555,000	128,000	46,000
3-31-2010	245	1,645,000	131,000	68,000
4-30-2010	239	1,315,000	129,000	25,000
5-31-2010	241	1,416,000	125,000	31,000

Notes: Work-Products for the Claim Reserve and the Claims Due and Unpaid for each Determination Date are attached hereto.

Claims Due and Unpaid are Included in the Claim Reserve Liability.