



TheStandard®

June 24, 2011

City of Milwaukee
Attn: Michael Brady
Manager Employee Benefits
789 N. Water St. Ste. 300
Milwaukee WI 53202

Group Number 626556

Thank you for allowing Standard Insurance Company to provide quality products to support your employees' insurance needs. We are pleased to renew your policy with continued coverage and services.

We have carefully reviewed the current composition of your organization, evaluating age, occupation, gender and salary of your insured employees. Based upon this review and application of rate factors appropriate for your industry classification, we are renewing your policy at existing premium rates as indicated in the chart below. These rates are guaranteed until January 1, 2014.

<i>Insurance Coverage</i>	<i>Through 12/31/11</i>	<i>Effective 01/01/12</i>
Long Term Disability:		
60 Day Divisions 2, 6 & 13:	1.09% of Insured Earnings	1.09% of Insured Earnings
90 Day Divisions 3, 7 & 14:	0.19% of Insured Earnings	0.19% of Insured Earnings
120 Day Divisions 4, 8 & 15:	0.09% of Insured Earnings	0.09% of Insured Earnings
180 Day Divisions 1,5 & 12:	0.45% of Insured Earnings	0.45% of Insured Earnings

*Divisions 1-8 are billed on a 13thly basis and on a 26thly basis for divisions 12-15.

If you have any questions about your rates or our review process, the Chicago Employee Benefits Sales and Service Office at (847) 517-9454 is available to serve your needs. We value your business and welcome the opportunity to provide continued assistance to you.

Sincerely yours,

Mary L. Trask
National Accounts Underwriter
Standard Insurance Company

cc: Willis of Wisconsin, Inc.
Chicago Employee Benefits Sales and Service Office



**LONG TERM DISABILITY
INCURRED EXPERIENCE EXHIBIT
City of Milwaukee WI - Policy No. 626556
Most recent five periods**

	<u>INCURRED POLICY YEAR 1/2007-12/31/2007</u>	<u>INCURRED POLICY YEAR 1/2008-12/31/2008</u>	<u>INCURRED POLICY YEAR 1/2009-12/31/2009</u>	<u>INCURRED POLICY YEAR 1/2010-12/31/2010</u>	<u>INCURRED POLICY YEAR 1/2011-5/31/2011 (5 Months)</u>	<u>TOTAL</u>
EARNED PREMIUM	861,813	1,210,005	1,241,634	1,235,223	588,749	5,137,424
INFORCE RATE	0.750	1.000	1.000	1.000	1.000	1.000
PREMIUM ADJUSTED TO 1.000 (current rate)	1,149,084	1,210,005	1,241,634	1,235,223	588,749	5,424,695
PAID CLAIMS	671,289	503,379	388,266	276,174	12,879	1,851,987
ACTIVE CLAIM RESERVES	218,443	392,187	438,882	519,917	374,409	1,943,839
IBNR RESERVE	0	0	0	278,026	359,649	637,675
TOTAL INCURRED CLAIMS	889,732	895,566	827,149	1,074,118	746,937	4,433,501
LOSS RATIO	77%	74%	67%	87%	127%	82%
EXPERIENCE RATE	1.083	1.035	0.932	1.216	1.774	1.143
LIFE YEARS	3,699	3,654	3,493	3,498	1,448	15,792
OPEN CLAIMS	13	12	14	15	6	60
TOTAL CLAIMS	46	37	35	33	9	160