

SEIU LOCAL NO. 1 HEALTH FUND
SUBROGATION LIEN AGREEMENT AND DISCLOSURE STATEMENT
Page 1 of 5

Date: _____

Employee's Name: _____

Claim: _____

Name of Injured Party: _____

Date of Incident: _____

I, _____ (NAME OF MEMBER) represent the following:

- (i) I am covered under the health and welfare plan (the "Plan") sponsored by the Local No. 1 Health Fund (the "Fund");
- (ii) I acknowledge that the Fund has made or will make payments to cover expenses on behalf of my Dependents or me; and
- (iii) I hereby agree to pursue any and all claims I may have against all other entities, persons or insurance policies for which benefits are payable as a result of injury or sickness on ____/____/____ sustained to _____ (NAME OF THE INJURED OR ILL INDIVIDUAL, WRITE "SELF" IF SAME AS MEMBER) (the "Occurrence").

Note, capitalized terms are defined under the Fund's plan document, a copy of which may be obtained by contacting the Fund Administrator.

Dependent/Third-Party Beneficiary

If the injured or ill individual is someone other than the Member (i.e., someone other than "self" was entered under (iii) above), then this section shall apply.

The Dependent (or the Dependent's parent, legal guardian, or "next friend" if Dependent is a minor or legally incompetent) represents as follows:

- (i) I am covered under the Fund as a Dependent of the Member;
- (ii) I acknowledge that the Fund has made or will make payments on my behalf; and
- (iii) I hereby agree to pursue any and all claims I may have against all other entities, persons or insurance policies for which benefits are payable as a result of the Occurrence.

This document may not be amended or revised without the express written consent of the Fund.

SEIU LOCAL NO. 1 HEALTH FUND
SUBROGATION LIEN AGREEMENT AND DISCLOSURE STATEMENT

Page 2 of 5

Note, if the Dependent is a minor or legally incompetent, the parent, legal guardian or “next friend” shall assign his or her rights to reimbursement for health care expenses to the Dependent, thereby making the minor or legally incompetent individual a third-party beneficiary to the Fund.

Deceased Member or Dependent

The provisions of this Agreement apply to the heir or authorized representative of the estate of a deceased Member or Dependent, regardless of applicable law and whether or not the representative has access or control of any recovery.

Execution

Both Member and, if applicable, Dependent (or the Dependent’s parent, legal guardian or “next friend” if Dependent is a minor or legally incompetent) or in the case of a deceased Member or deceased Dependent, the heir or authorized representative of the estate (collectively, the “Claimant(s)”) must execute this Agreement on the last page before a notary public and return the Agreement to the Fund Administrator.

Agreement to Reimburse

FOR AND IN CONSIDERATION OF ACCEPTING BENEFITS UNDER THE FUND AND FOR THE FUND MAKING PAYMENTS AS SET FORTH HEREIN, THE CLAIMANT(S) AGREE AS FOLLOWS:

The Fund will have a first priority lien against amounts payable or received as reimbursement of any expenses paid by the Fund on behalf of Claimant(s), regardless of whether the Claimant(s) is made whole by the settlement or judgment.

I will complete and return to the Fund Office the Right of Reimbursement and Subrogation Questionnaire.

I agree to assign and/or reimburse the Fund any amounts of money recovered as the result of any claim against any person or entity, including any uninsured or underinsured insurance coverage or any other first-party or third-party contract or claim, equal to the amount of monies paid on or to be paid in the future on behalf of Claimant(s) by the Fund, for covered medical expenses and/or accident or sickness benefits or other necessary expenses of the Claimant(s) arising out of the Occurrence.

I agree that in consideration of money paid or to be applied by the Fund because of the loss, injury or damage for which Claimant(s) may have a claim or lawsuit against any person(s) who caused this loss, injury or damage, the Fund shall be subrogated to the extent of such payment, to any and all recovery by Claimant(s), and such right shall be assigned to the Fund by me as a condition of the payment of such money by the Fund.

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SEIU LOCAL NO. 1 HEALTH FUND
SUBROGATION LIEN AGREEMENT AND DISCLOSURE STATEMENT

Page 3 of 5

I agree to promptly reimburse, or to instruct and cause my attorney to reimburse the Fund in an amount equal to that paid by the Fund as benefits as a result of any and all claims filed on behalf of Claimant(s) as described above, from the first dollar received from any source or recovery including any uninsured or underinsured coverage or any other first-party or third-party contract or claim in settlement, judgment or payment of any kind.

I shall notify the Fund's attorney of any action taken by Claimant(s), Claimant'(s) attorney or any other agent working on behalf of Claimant(s) related to recovering any money in relation to the Occurrence. The Fund's attorney shall be notified using the following information:

Wesley H. Covert
Laner Muchin, Ltd.
515 North State Street, Suite 2800
Chicago, Illinois 60654-4688
Tel: (312) 467-9800
Fax: (312) 467-9479
Email: wcovert@lanermuchin.com

I agree to execute any and all instruments and papers as may be required to facilitate the Fund's right of subrogation or reimbursement under this Agreement. I shall assist the Fund's attorney, and take other necessary and related action as may be required to protect the Fund's right of subrogation or reimbursement under this Agreement.

If I fail to take action on behalf of Claimant(s) to prosecute a claim or attempt to recover for any and all claims in relation to the Occurrence, then the Fund is hereby authorized on behalf of Claimant(s), at its option, to bring a suit or claim in the Claimant's name, place or stead, against any responsible third party or against any uninsured or underinsured insurance coverage or any other first-party or third-party contract or claim to recover any amounts paid by the Fund on behalf of Claimant(s).

I represent that neither I nor Claimant(s) have or will release or discharge any claim or responsible party, effect any settlement, or dismiss any legal action against any party (or parties) or its insurer, or any other party who may be responsible for paying damages including any uninsured or underinsured insurance coverage or any other first-party or third-party contract or claim, nor will I or any Claimant or any agent acting on our behalf effect satisfaction of any judgment resulting from any legal action, without first notifying the Fund's attorney and tendering to the Fund's attorney the full amount of reimbursement due to the Fund. Neither I nor any Claimant shall take any action or inaction that could prejudice the Fund's right to subrogation or reimbursement.

I acknowledge the Fund's rejection of the "make-whole doctrine" and the "common fund doctrine" and other similar equitable doctrines and I further acknowledge my obligation to pay for my own legal fees and costs. As such, I agree to hire only attorneys who agree to waive the

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SEIU LOCAL NO. 1 HEALTH FUND
SUBROGATION LIEN AGREEMENT AND DISCLOSURE STATEMENT

Page 4 of 5

aforementioned equitable doctrines, and to remit the gross rather than the net proceeds from litigation.

If I am represented by legal counsel, then the attorney(s) must signify in writing that he or she has reviewed this Agreement and will abide by its terms. If any such counsel refuses to provide such writing, the Fund's rights under this Agreement remain and the Fund may not pay any of your or your Dependents' future claims until such writing is obtained. Acceptable proof of acknowledgement of and agreement with the terms of this Agreement can be made by having the attorney execute this Agreement on the space provided below.

The undersigned attorney has received and reviewed this Agreement, accepts its terms and agrees to reimburse the Fund in accordance with the Agreement prior to disbursing to the Claimant any proceeds obtained by settlement of judgment related to the aforementioned Accident.

[SIGNATURE SPACE FOR ATTORNEY]

I further acknowledge that in those instances in which an attorney is hired by Claimant(s), and in which the Fund is given notice and an opportunity to pursue its own subrogation recovery, the Fund shall not be required to use the attorney selected by myself and/or any Claimant. If the attorney selected wishes to proceed in light of this Agreement, and creates a common fund from which the Fund's subrogation recovery specifically is paid, the Fund shall not be responsible for any of the Claimant's or the Claimant's attorney's court costs, experts' fees, attorney's fees, filing fees, or other costs or expenses incurred in seeking a recovery, whether by suit, settlement or otherwise, unless the Trustees had agreed in writing to pay such fees or costs. If Claimant's attorney agrees to proceed, he will be considered to have waived the common fund doctrine; however, if such attorney pursues a claim against the Fund under the common fund doctrine, the Claimant shall indemnify the Fund for any and all losses, including attorney fees and legal costs, the Fund suffers as a result of any such claims made against the Fund, including losses incurred as a result of the make-whole or common fund doctrine(s).

Should any money subject to this Agreement be recovered on behalf of any Claimant, and such money is transferred to the Claimant, Claimant agrees that such money is a Plan asset and that Claimant is a fiduciary to the Plan with respect to such money, pursuant to Section 3(21)(A)(i) of the Employee Retirement Income Security Act of 1974, as amended. As a fiduciary, Claimant is required to hold the money in trust on behalf of the Plan and not otherwise spend or distribute the money until the Plan has released its subrogation lien in writing. If the Claimant is a fiduciary pursuant to the foregoing, a failure to comply with this Agreement shall be considered a breach of fiduciary duty and the Trustees may enforce the terms of this Agreement through legal action, offset of benefits, or any other available legal or equitable means.

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SUBROGATION LIEN AGREEMENT AND DISCLOSURE STATEMENT

Finally, I understand that if I and/or any Claimant fails to notify, cooperate, and reimburse the Fund as required by this Agreement and the provisions of the Plan, such failure may result in legal action against myself and Claimant(s) and may cause the Fund to withhold future benefits, if any, to reimburse the Fund for amounts that should have been recovered under this Agreement.

The undersigned hereby certify(ies) that the information contained in this document is true, accurate and complete to the best of his/her/their knowledge, information and belief.

Signed on this _____ day of _____, 20__.

By: _____
Member

By: _____
Injured Party (if minor, then by
minor's parent or legal guardian)

SUBSCRIBED AND SWORN to before me on

This _____ day of _____, 20__.

By: _____
Authorized Representative of
Member's (or Dependent's) Estate

Notary Public

Received and approved on this _____ day of _____, 20__.

By: _____
Plan Administrator of the Local
No. 1 Health Fund