

September 4, 2008

Dear Special Trades Trust Member:

We appreciate the fact that you and your insurance agent have chosen the Special Trades Trust to be your Workers' Compensation provider.

Not all trusts are equal. Look at our Special Trades Trust's financial statements over the past few years. You, along with nearly 1000 other members, have worked hard with us to help provide a safe place to work for your employees. Collectively, you have all produced outstanding results.

Together, here is what we have accomplished:

- **Over the last four years your average experience modification has dropped 3 points – from .97 to .94. Not only does this mean lower costs for you but it also shows that you are associated with a superior group of like minded business people.**
- **Together, we have dropped new claim counts by almost 38 percent over the past four years. We decreased new claims by over \$1 million dollars over the past two years.**
- **The Trust was deemed to have “No Funding Issues” by the NYS Compensation Board.**
- **The Trust posted a \$2.4 million profit for the trust year ending in 2007 – the best ever in the history of the trust.**
- **The Trust also had \$1.9 million in investment income for the year end 2007 trust year.**
- **Last year the trust had a 102.9 percent funding level. We expect this ratio to get even better when the 2008 trust year is finalized. This is well above the new standard established in recent legislation.**

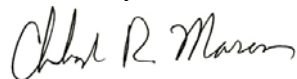
We believe the trust environment will give you the lowest possible cost for WC insurance. We are a member owned entity with low operating expenses.

With the most recent legislation, we also think the WC trust system will be financially safer and stronger than ever before. We are committed to the future of the New York WC trust market – with no distractions.

The attached document displays what, together, we have accomplished.

We thank you for your business.

Yours truly,



Christopher R. Mason, Esq.
Chief Operating Officer
New York Compensation Managers, Inc.