

December 10, 2014



Board of Trustees

UNITE HERE Local 25 and Hotel Association of Washington, D.C. - Health and Welfare Fund
911 Ridgebrook Road
Sparks, Maryland 21152-9451

Re: Payroll Audit Findings Interest Payment Relief Request

Dear Board:

The findings of an examination of our payroll records for the audit period of January 2011 through December 2013 indicate an amount due to the UNITE HERE Local 25 and Hotel Association of Washington, D.C. Health and Welfare Fund (the "Fund") of \$5,162.73 with additional Interest Due of \$640.84. We respectfully request the additional Interest Due of \$640.84 be waived by the Board.

Our waiver of Interest Due request is supported based on the special circumstances surrounding the two separate causes for the Fund amount due as follows:

Cause #1) Short-reporting of On-Call Banquet Employees hours over the 5 hour minimum per event. Reason for request for Waiver: This clerical mis-calculation and interpretation of the On-Call Banquet 5 hour reporting rule was identified for us during the 2012 examination of our 2008-2011 records. At that time and as a dutiful employer participant of Local 25 and the Hotel Association, we immediately corrected our reporting process. As such, beginning in March 2012 the current examination concludes that we are in full compliance with this reporting. Given this immediate mitigation of this issue we are hopeful you will agree we have acted in good faith to pay the Fund. On this basis, we request a Waiver of the Interest Due related to this short-reporting.

Cause #2) Short-reporting of two weeks of hours - period ending June 29, 2013 and November 30, 2013. Reason for request for Waiver: This clerical error occurred is a result of the uncommon 5 week month versus a 4 week month. Our intent is ALWAYS to report ALL hours for ALL weeks in a month. Our staff simply over looked the 5th week in each of the 2013 months when submitting their work. We have immediately modified our procedure to eliminate this error in the future. Hopefully, you will agree we have acted in good faith to pay the Fund by evidence of our consistent payments over the past decade that we have been a dutiful employer participant of Local 25 and the Hotel Association. On this basis, we request a Waiver of the Interest Due related to this short-reporting.

When considering this request for this \$640.48 Interest Due Waiver, we hope you consider our exemplary record as good employer of Local 25 employees that strives to fully participate and follow the Fund agreements dutifully and faithfully.

Respectfully,

A handwritten signature in black ink, appearing to read "Keith", with a horizontal line extending to the right.

Keith Hansen

Director of Finance - Mandarin Oriental Hotel, Washington DC

CC: Mr. Adriaan Radder – General Manager – Mandarin Oriental Hotel, Washington DC