

December 10, 2019

Board of Trustees
UNITE HERE Local 25 and Hotel Association
of Washington, D.C. Pension Fund
911 Ridgebrook Road
Sparks, Maryland 21152

We are pleased to confirm our understanding of the services we are to provide for UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund (the Plan) for the year ended December 31, 2019 in connection with the Plan's annual reporting obligation under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. To the extent that any of the terms of this engagement letter are inconsistent with the terms of any business associate agreement in effect between the Plan and us, the terms of the business associate agreement will govern.

We will audit the financial statements of the Plan, which comprise the statement of net assets available for benefits as of December 31, 2019, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements and report on the supplemental schedules of the Plan for the year ended December 31, 2018. The following supplemental information accompanying the financial statements, as applicable, will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America, and we will report on whether the information is fairly stated in all material respects in relation to the financial statements as a whole:

1. Assets (Held at End of Year) and Assets (Acquired and Disposed of Within Year).
2. Loans or Fixed Income Obligations in Default or Classified as Uncollectible.
3. Leases in Default or Classified as Uncollectible.
4. Reportable Transactions.
5. Nonexempt Transactions.

These financial statements and supplemental schedules are required to be included in the Plan's Form 5500 filing with the Employee Benefits Security Administration (EBSA) of the Department of Labor (DOL). The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Audit Objective

The objective of our audit is the expression of an opinion about whether the Plan's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America, and whether the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records of the Plan and other procedures we consider necessary to enable us to express such an opinion. It is our intention to issue a written report upon completion of our audit of the Plan's financial statements subject to the limitations set forth below. Our report will be addressed to the Board of Trustees of the Plan. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of investments, plan obligations, and certain other assets and liabilities by correspondence with financial institutions, actuaries, and other third parties. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations, including prohibited transactions with parties in interest or other violations of ERISA rules and regulations, that are attributable to the Plan or to acts by management or employees acting on behalf of the Plan.

Because of the inherent limitations of an audit, combined with inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and will include prohibited transactions in the supplemental schedule of nonexempt transactions as required by the instructions to Form 5500. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the plan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements, and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, we will communicate to you, and those charged with governance, internal control related matters that are required to be communicated under professional standards.

In addition, we will perform certain procedures directed at considering the Plan's compliance with applicable Internal Revenue Service (IRS) requirements for tax-exempt status and ERISA plan qualification requirements. However, you should understand that our audit is not specifically designed for and should not be relied upon to disclose matters affecting plan qualifications or compliance with the ERISA and IRS requirements. If, during the audit, we become aware of any instances of such matters or ways in which management practices can be improved, we will communicate them to you.

Management Responsibilities

Our audit of the financial statements does not relieve management or the Board of Trustees of the following responsibilities:

You agree to assume all management responsibilities for the tax services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; for establishing an accounting and financial reporting process for determining fair value measurements; for the acceptance of the actuarial methods and assumptions used by the actuary; and for the preparation and fair presentation of the financial statements in conformity with U.S generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Plan from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Plan involving (a) Plan management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, regulators, or others. In addition, you are also responsible for identifying and ensuring that the Plan complies with applicable laws and regulations. You are also responsible for the fair presentation of the supplemental schedules and the form and content of the supplemental schedules in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. You agree to include our report on the supplemental information in any document that contains, and indicates that we have reported on, the supplemental information. You also agree to include the audited financial statements with any presentation of the supplemental information that includes our report thereon.

Management is also responsible for notifying us in advance of its intent to print our report, in whole or in part, and for giving us the opportunity to review any printed material containing our report before its issuance. Our responsibility with respect to any additional information in the printed material does not extend beyond the financial information identified in our report and we have no obligation to perform any procedures to corroborate other information contained in the printed material.

Tax Return Preparation

We will prepare the Plan's Form 5500, including required schedules, for the year ended December 31, 2019. After we have completed the Plan's Form 5500 and required schedules, we will authorize the Plan to include our auditor's report on the financial statements and supplemental schedules with the Plan's Form 5500 filing. We may request your assistance in providing certain information and completing certain schedules for this form. We will provide you with advice regarding the preparation of the supporting information. It is your responsibility to provide all of the information required for the preparation of a complete and accurate form, including all required schedules, some of which are prepared and provided by other service providers (such as Schedule B provided by the actuary). Our work in connection with the preparation of your Form 5500 does not include any procedures designed to discover defalcations or other irregularities, should any exist. You have the final responsibility for the Form 5500 and the required supporting supplemental schedules and you should review them carefully before you sign them. We will work with you to electronically file this return.

In addition to the Form 5500, we will prepare a Summary Report of Multiemployer Plan Information to be used by the Plan for distribution to participants (union and contributing employers). Even though we will prepare this form, management is ultimately responsible for the accuracy and completeness of the form. You should review the form carefully before it is distributed.

This engagement does not include our commitment to prepare any other tax returns or informational returns for filing. You are responsible for determining what forms are required to be filed with all governmental and regulatory agencies and for the preparation and filing of these forms. If anything comes to our attention which would cause us to believe that additional forms which should be prepared and filed are not being filed, we will so advise you. If you determine that we should prepare these forms, a separate arrangement will be made. No additional forms are included in the fee arrangement covered by this letter.

Other Services We Will Perform

In addition to the audit services and the services for tax return preparation described above, we will perform the following additional services, if applicable:

1. Attendance at one meeting of the Trustees to present the results of our audit
2. Preparation of the plan financial statements
3. Other permissible nonattest services as required

Although our firm has the capabilities to perform many other types of engagements, involving accounting, auditing, planning, and consulting, this engagement does not include our commitment to perform any additional services other than those described above. Should you wish to receive additional services, we would be delighted to discuss them with you and enter into a separate arrangement to provide those services if we agree to provide the requested services.

Administration, Fees, and Other

We understand that your personnel will prepare schedules and analyses and type all confirmations we request and will locate any invoices or other documents selected by us for testing.

The audit documentation for this engagement is the property of Novak Francella LLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to the U.S. Department of Labor pursuant to authority given to it by law. If requested, access to such audit documentation will be provided under the supervision of Novak Francella LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the U.S. Department of Labor. The U.S. Department of Labor may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Marcella F. Pascal is the Engagement Director and is responsible for supervising the engagement. We expect to begin our audit in May 2020. The timely completion of this engagement is dependent, in part, upon your staff providing the information requested in a timely manner.

Fees for our services will be \$20,000 for the audit, preparation of the Form 5500, and the Summary Report of Multiemployer Plan Information for the year ended December 31, 2019. You will also be billed for travel and other out-of-pocket costs. These fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary or if unexpected circumstances are encountered, we will discuss this with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees may be rendered as work progresses and are payable on presentation.

Electronic Data Communication and Storage

In the interest of facilitating our services to the Plan, we may send confidential Plan data over the Internet, or store confidential Plan electronic data via computer software applications hosted remotely on the Internet or utilize cloud-based storage. We may also use third party service providers to store or transmit this Plan data, such as providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such Plan communications and confidential Plan electronic data secure in accordance with our obligations under applicable federal and state laws, regulations, and professional standards. We also understand that the Plan may request that we abide by its own security policies and procedures. To all reasonable extents, we anticipate agreeing to comply with such policies and procedures. We require that any third party vendor which handles the Plan's information described above to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us or our third party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third party service providers during this engagement so long as reasonable security measures described above are in place and utilized. If a breach occurs, we will comply with any applicable federal or state law. We are informing you that our insurance coverage will not extend to cover your Plan. We recommend that your insurance coverage include any breach of yours or our data.

Client Portals

To enhance our services to you, we will utilize ShareFile, a collaborative, virtual workspace in a protected, online environment. ShareFile permits real-time collaboration across geographic boundaries and time zones and allows Novak Francella LLC and you to share specific Plan data, engagement information, knowledge, and deliverables (collectively "Plan Specific Data") in a protected environment.

You agree that we have no responsibility for the activities of ShareFile. While ShareFile backs up your Plan Specific Data to a third party server, we recommend that you also maintain your own backup files of these records.

If you decide to transmit your confidential Plan electronic data or information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to such information absent negligence, recklessness, or willful misconduct by us. If you request that we transmit confidential Plan electronic data or information to you in a manner other than through a secure portal, you agree that we are not responsible for any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending such information in the manner you request absent negligence, recklessness, or willful misconduct by us.

Summons or Subpoenas

All Plan information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to quash, or otherwise limit the scope of, the summons or subpoena. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying the requested information of the summons or subpoena, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests. This paragraph will survive termination of this Agreement.

Board of Trustees
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We appreciate the opportunity to be of service to UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Very truly yours,



TYLER L. GEIMAN

RESPONSE:

This letter correctly sets forth the understanding of UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund.

Union Trustee

Employer Trustee