DRAFT

MEETING OF THE BOARD OF TRUSTEES OF THE
HOSPITALITY INDUSTRY 401(K) PLAN

Held at: UNITE HERE Local 25
901 K Street, N.W. Suite 200
Washington, D.C. 20001

On: September 9, 2016

Trustees Present:
John Boardman
Solomon Keene

Others Present:
Anne Mayerson, Bredhoff & Kaiser, PLLC, Fund Co-Counsel
Fred Singerman, Seyfarth Shaw LLP, Fund Co-Counsel
Anne-Marie Sims, Associated Administrators, LLC
Barbara Maiorano, Associated Administrators, LLC
Alton Fryer, Principal Financial Group
Henry Jaung, Meketa Investment Group (for part of the meeting)

I. Call to Order

The meeting was called to order at 12:30 p.m.

II. Approval of Minutes of Prior Meeting

The Trustees reviewed the minutes of the July 13, 2016 Board of Trustees meeting and approved them with no changes.

III. Payroll Audit Collections Report

Anne-Marie Sims referred the Trustees to the payroll audit collection report as of September 8, 2016. She noted that Ellen Odell was unable to attend this meeting but will be attending the next meeting.

IV. Administrative Manager's Report

Ms. Sims presented the Administrative Manager's Report for the second quarter of 2016.

V. Investment Consultant's Report

Henry Jaung presented Meketa Investment Group's report for the quarter ending June 30, 2016. He said that the options are doing very well, with three exceptions:

- As reported at the last meeting, Meketa recommends removing the Principal MidCap Value 1 fund managed by Victory Integrity Management. Meketa recommends replacing this option with Victory Capital's Victory Sycamore Established Value A Fund. He described the Victory fund and noted that the revenue share to Principal was sufficiently similar to the existing Victory fund (.40% vs. .45%) so as not to result in any change in Principal's fees.

- Also as reported at the last meeting, Meketa recommends removing the Principal Jennison MidCap Growth Fund. Mr. Jaung explained that Meketa recently met with this manager and concluded that the fees are too high; this fund is highly diversified and essentially is a "closet index fund." Meketa recommends replacing this option with Principal's MidCap index fund.

- Touchstone Sands Capital Institutional Growth Fund has underperformed recently but, after meeting with the manager, Meketa recommends that this fund be retained. Mr. Jaung explains that this fund does one thing: large-cap growth. Because the portfolio is very concentrated, so the fund has the potential to both overperform and underperform based on stock picks. Notwithstanding the recent underperformance due to poor stock picks, Meketa continues to have confidence in the management team, which has not changed.

After discussion, the Trustees agreed to replace the Principal MidCap Value Fund and the Principal Jennison MidCap Growth Fund and map the balances to the Victory Sycamore Established Value A Fund and the Principal MidCap index fund, respectively, but to wait until after the annual mass mailing in early December that includes the 404(a) disclosure and the Summary Annual Report, so that the notice of the changes can be included in this notice without incurring additional mailing costs.

The Trustees also asked Mr. Fryer to provide the appropriate paperwork to add Ms. Sims as an authorized signer so that they can delegate signing authority to her where appropriate.

Mr. Jaung exited the meeting.

VI. Principal Financial Group

Mr. Fryer confirmed that there would be no fee changes as a result of the changes in investment options described above.

He noted that Principal is also recordkeeper for a multiemployer 401(k) fund in which UNITE HERE Local 26 participates, and said that Principal has significantly less interaction with the employers on that fund. He said that he would ask his colleague, Doris Fulton, to provide a summary of the way in which that fund operates differently so that the Trustees can determine whether there are efficiencies to be gained by following Local 26's approach on administrative issues.

VII. Next Meeting

The Trustees decided that it was not necessary to hold a meeting in conjunction with the December 2016 meetings for the other funds; the next meeting will be scheduled to coincide with the meetings for the other funds that will take place during the first quarter 2017.

VIII. Adjournment

There being no further business before the Board of Trustees, the meeting was adjourned at approximately 1:30 p.m.