DRAFT

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

Held by conference call on December 10, 2013

Trustees Present:
John Boardman
Solomon Keene

Others Present:
Anne Mayerson, Bredhoff & Kaiser, PLLC
Fred Singerman, Seyfarth Shaw
Anne-Marie Sims, Associated Administrators, LLC
Ellen Odell, Calibre CPA (for part of the meeting)
Henry Jaung, Meketa Investment Group
Alton Fryer, Principal Financial Group (for part of the meeting)

I. Call to Order

The meeting was called to order at 9:10 a.m.

II. Minutes

The Trustees reviewed and approved the minutes of the September 4, 2013 Board of Trustees meeting. *[Note: the minutes were later corrected to reflect that the two properties that had not paid the July 2013 administrative assessment were Embassy Suites Crystal City (not Fairfax Embassy Row) and the Phoenix Park Hotel.]*

III. Payroll Auditor Report

Ms. Odell said that she had nothing to report and was excused from the meeting.

IV. Payroll Audit Collection Report

Ms. Sims presented the payroll audit collection report as of December 6, 2013.

V. Investment Consultant Report

Henry Jaung provided a quarterly review for the Plan as of September 30, 2013. He reported that ten of fifteen active funds (not including the LifeTime target date funds) outperformed, or performed in line with, their stated benchmarks. He stated that the third quarter was positive, with all funds advancing except Virtus Emerging Markets and Principal Money Market. The nearer-dated Principal LifeTime target date funds outperformed their respective Dow Jones Target index for the quarter, while the 2040 and

2050 funds trailed. The total value of the Plan as of September 30 was $22.2 million, an increase of approximately $1.2 million over the quarter due to contributions and investment performance.

VI. Principal Financial Group

Mr. Fryer said that he would present a Retirement Plan Review for 2013 at the next meeting. He presented a report describing Principal's major activities with respect to the Plan in 2013, including streamlining plan administration by eliminating paper transmissions; further integrating Meketa into the investment review process; and education (Principal supported benefit fairs at the Hyatt Regency and Omni Shoreham). Mr. Boardman asked Mr. Fryer to coordinate an education session at the Gaylord in January, and said that he would provide Mr. Fryer with contact information for the appropriate person with whom Mr. Fryer should work.

Mr. Fryer said that, although paper transmissions have been eliminated, five employers continue to transmit data using an excel file rather than uploading the data through Principal's system. Once these five employers are using Principal's system, Principal will consider reducing the annual administrative fee from 92 basis points (the new annual fee after the transition to the Vanguard Fund) back down to 82 basis points or lower. He said that he needs to confirm the identity of the five employers, but believes that they are Marriott Wardman; Hyatt Regency; Mayflower (which is also still sending a paper check); Capital Hilton and Washington Hilton. Mr. Keene offered to contact the GMs of each of these hotels to attempt to move them towards using Principal's system, once Mr. Fryer confirms the identity of the five employers.

Mr. Fryer explained that a new LifeTime fund, the Principal LifeTime 2060 Separate Account, is available as part of the Principal LifeTime Separate Accounts target date series under the Plan to accommodate participants with normal retirement dates around 2060. The Trustees approved the addition of the LifeTime 2060 fund.

Following up on the issue that had been raised at the last meeting, Mr. Boardman confirmed that Gaylord began to participate in the Plan effective May 1, 2013.

VII. Administrative Manager's Report

Ms. Sims presented the Administrative Manager's Report for the second quarter of 2013. All employers have paid the July 2013 administrative assessment except for the Embassy Suites Crystal City, which she expects will pay shortly.

VIII. Co-Counsel Report

Co-counsel advised that Associated was preparing to send out (along with the annual Summary Annual Reports for the Welfare and Legal Fund) the annual participant disclosure notices, along with notices describing (i) the new participant transaction fees ($350 for each Qualified Domestic Relations Order; a $40 distribution fee each time a participant requests a distribution from the Plan; and an $80 fee to review a hardship withdrawal request, in addition to the $40 distribution fee); (ii) the changes in the investment options (the addition of the LifeTime 2060 fund and the change from the Principal to Vanguard money market fund); and (iii) the increase in the annual participant fee from 83 to 92 basis fees. All of these changes will be effective February 2, 2014, with the exception of the addition of the LifeTime 2060 fund which will be effective January 1, 2014 as previously described.

IX. Adjournment

There being no further business before the Board of Trustees, the meeting was adjourned at 10:00 am.

Approved by the Board of Trustees on: ____________________________
Date

Executed by:

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Anne-Marie Sims