



THE NEW YORK HOTEL TRADES COUNCIL
EMPLOYEE BENEFIT FUNDS
THE HOTEL ASSOCIATION OF NEW YORK CITY, INC.

**PRE-PAID LEGAL
FUND**

SUMMARY PLAN DESCRIPTION

APRIL 2002

**The New York Hotel Trades Council
and
Hotel Association of New York City, Inc.
Pre-Paid Legal Fund
305 West 44th Street, 2nd Floor
New York, NY 10036**

Dear Member:

As Trustees of the New York Hotel Trades Council and Hotel Association of New York City, Inc. Pre-Paid Legal Fund, we are pleased to present you with this booklet describing your valuable benefits. Through the Pre-Paid Legal Fund you have ready access to a wide range of legal advice and representation, of the highest quality, at little or no cost to yourself.

A summary of the types of legal benefits available to you, your spouse and eligible dependents is provided in this booklet. Please keep it in a safe, easy-to-find place for future reference. Members are advised of new developments in the Pre-Paid Legal Fund through the Hotel Voice newspaper, which each member receives at home.

You are encouraged to contact or visit the Pre-Paid Legal Fund Office at any time, to find out if you are eligible, or to apply for legal benefits. The Fund Office staff will be pleased to provide you with information and assistance.

It is our hope that you will discover the great value of your legal benefits by using them to resolve legal matters now or in the future.

Sincerely,

BOARD OF TRUSTEES

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How Is the Fund Administered?

The Pre-Paid Legal Fund (the “Fund” or the “Plan”) is administered by a Board of Trustees, comprised of an equal number of Trustees representing contributing employers in the Hotel Association of New York City, Inc. (“the Employer”) and representing unions in the New York Hotel Trades Council (“the Union”). The collective bargaining agreement between the Union and the Employer will state whether a hotel, club or concession contributes to the Pre-Paid Legal Fund. The Board of Trustees has the ultimate authority and bears the responsibility to make decisions on matters regarding the Pre-Paid Legal Fund. The Fund was established in 1987.

Who Directs the Fund?

The day-to-day administration of the Fund is the responsibility of the Director with the assistance of a dedicated staff. The Fund Office is located at 305 West 44th St., 2nd Floor, NY, NY 10036. The telephone number is (212) 586-6400, ext 4258 or 4262/or 1 (800) HOTELAW.

How Are the Attorneys Chosen?

The Trustees have contracted with American Legal Services, Inc., a large network of participating attorneys throughout the country, to offer a panel of local attorneys who are available to serve eligible members of the Fund.

Who Is Eligible for Legal Benefits?

- All full-time* employees who are covered by a collective bargaining agreement between the Employer and the Union are eligible for legal benefits after the employee has been employed twelve (12) months by a contributing employer. Legal spouses and unmarried children under age nineteen (19) are also eligible.
 - *Full-time employment is considered as employment for seventeen and one-half (17 ½) or more hours a week. Banquet waiters are considered full-time employees when they have received fifty-five dollars (\$55) in base pay from contributing employers during the preceding calendar month. Certain other groups of employees, including permanent part-time employees who work an average of at least fourteen (14) hours a week, are eligible for coverage.
- Covered employees of the New York Hotel Trades Council.
- Covered employees of the New York Hotel Trades Council and Hotel Association of New York City, Inc. Employee Benefit Funds.
- Eligible dependents of the above employees, including their:
 - Legal spouse.
 - Unmarried children until the end of the calendar year in which they reach age nineteen (19).
 - Stepchildren, foster children or adopted children up to age nineteen (19), provided they depend on the employee for housing and a substantial amount (i.e., over 50%) of their financial support.
 - Unmarried children, regardless of age, who are unable to support themselves because of mental illness, developmental disability or mental retardation, as defined in the New York mental hygiene law, or physical handicap, provided they are incapacitated before reaching age nineteen (19).

How Do Unemployment, Sickness and Disability Affect Eligibility?

Members who are unemployed remain eligible for legal benefits for themselves, their spouses and eligible dependents for up to ninety (90) days. If the length of their unemployment is greater than ninety (90) days, the member is treated as a new employee upon returning to work and must again meet the twelve-month eligibility requirement for legal benefits. Members who are absent from work due to sickness or disability remain eligible for legal benefits for themselves, their spouses and eligible dependents for up to six (6) months. If the length of their sickness or disability is greater than six (6) months, the member is treated as a new employee upon returning to work and must again meet the twelve-month eligibility requirement for legal benefits.

Are Retirees and Their Spouses Eligible?

Retirees living in the US and Puerto Rico are eligible for legal benefits. By retirees we mean those employees who leave covered employment at a hotel, concession or club, and become immediately eligible to receive a pension benefit from the New York Hotel Trades Council and Hotel Association of New York City, Inc. Pension Fund. Spouses of these retirees are also eligible. Spouses of deceased retirees who are collecting a surviving spouse pension remain eligible for legal benefits.

How Do Members Contact an Attorney?

Members must either visit the Legal Fund Office located at 305 West 44th St., 2nd Floor, NY, NY 10036, or call its Office at (212) 586-6400, ext 4258 or 4262. Members may also phone 1-800-HOTEL LAW during Office hours. The Pre-Paid Legal Fund Office is open between 9:00 a.m. and 5:00 p.m., Monday through Friday. The Fund Office staff will arrange for an attorney to be assigned to handle the member's legal concerns in full confidence. They will also assist members in setting up an appointment with the attorney. Members should be prepared to describe their legal problems and provide any documents that may be relevant to their cases.

Is There a Charge for Legal Services?

There is no charge to talk to or consult a Plan attorney regarding a legal matter that is covered by the Plan. There is no limit on the number of times a member may consult a Plan attorney regarding a legal matter that is covered by the Plan. Members are required to pay out-of-pocket costs related to their cases, such as court filing fees, transcript fees, travel expenses, miscellaneous disbursements, etc., when applicable.

- Up to \$1,000 of coverage per year (following a \$100 annual deductible payable by the employee) for miscellaneous costs incurred in connection with a covered matter. Miscellaneous costs include: expert witness fees, translation, filing fees, reporter's fees, and court costs.

What Legal Services Are Covered?

The Pre-Paid Legal Fund provides coverage for general telephone and office consultation, including negotiation and document preparation, in the following areas of law:

- Social Security benefits and Veterans' benefits application disputes, reconsideration, appeals and other related administrative proceedings.
- Consumer protection, that is, representation in a legal action required for the enforcement of written or implied warranties or promises relating to the lease or purchase of goods or services for amounts greater than \$3,000.
- Defense of a lawsuit for the collection of a debt based on a contract or written instrument for amounts greater than \$3,000.
- Real estate or landlord/tenant matters, including lease negotiations and renewals, and representation in housing court (coverage applies to members who are tenants).
- Purchase or sale of a primary residence, transfer of property, mortgage refinancing or home equity loans.
- Wills and estate planning, including medical and other powers of attorney, living wills and contested will litigation.
- Probate and administration of estates, covering the member's estate or the estates of others, for which the member is appointed administrator or executor.
- Motor vehicle violations, including driving while intoxicated, reckless driving, or license revocation hearings.
- Personal injury and property damage, such as, due to automobile accidents or medical malpractice. (Note: Members may request reduced contingency fees for personal injury suits.)
- Criminal misdemeanors.
- Domestic relations matters, such as, divorce, separation or annulment (eligible employee or retiree only), adoptions, guardianships, or name changes. Mediation services are available. Coverage also includes support and child custody matters which are not part of an ongoing domestic relations case and orders of protection.
- Bankruptcy matters, individual or joint (employee/retiree and spouse).
- Immigration matters.

What Legal Services Are Not Covered?

- Matters pertaining to a member's trade or business, or involving property held to produce income.
- Disputes involving a member's employer, local union, the New York Hotel Trades Council, the Hotel Association of New York City, Inc. or any of the New York Hotel Trades Council and Hotel Association of NYC Inc. Employee Benefit Funds.
- Criminal felony matters.
- Title search, title abstracting, filing fees, reporter's fees, court costs, and other miscellaneous costs.
- Parking and speeding tickets and moving violations, unless covered as motor vehicle violations. (See above.)
- Patent or copyright matters.
- Family court proceedings, except otherwise specifically covered under domestic relations matters.
- Administrative agency appeals, except specific Social Security and Veterans' benefits matters.
- Any matter not expressly covered.

Important Reminders

- Plan attorneys represent members confidentially, privately, and without the knowledge of their union, employer or former employers.
- Many legal problems can be avoided by early attention. Members should call for a Plan attorney before a minor situation becomes a major legal problem, for example, at the first sign of a credit problem, or unfair treatment by a landlord.
- Members should call a Plan attorney before they sign any legal papers. Even if they are not completely certain whether a situation requires the services of a Plan attorney, they should call to inquire. Using Plan attorneys will help members reduce/avoid lost time from work and personal expense.

RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA)

Members of the Pre-Paid Legal Fund are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all members shall be entitled to:

Receive Information About the Plan and Benefits

- Examine without charge, at the Fund Office and at all other specified locations, such as worksites and Union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the US Department of Labor, and available at the Public Disclosure Room of the Pension and Welfare Benefits Administration.
- Obtain copies of all Plan documents and other Plan information upon written request to the Fund Office. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each member with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan members, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of Plan members and beneficiaries. No one, including a member's employer, union, or any other person, may fire a member or otherwise discriminate against a member in any way to prevent members from obtaining a welfare benefit or exercising their rights under ERISA.

Enforce Members' Rights

If a member's claim for a legal benefit is denied in whole or in part, the member has a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules, and must receive a written explanation of the reason for the denial.

Under ERISA, there are steps that can be taken to enforce the above rights. For instance, if a member requests a copy of Plan documents or the latest annual report materials from the Plan and does not receive them within 30 days, the member may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay the member up to \$110 a day until the materials are received, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If a member has a claim for benefits that is denied or ignored, in whole or in part, the member may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if the member is discriminated against for asserting his/her rights, the member may seek assistance from the US Department of Labor, or may file suit in a federal court. The court will decide who should pay court costs and legal fees. If the member is successful, the court may order the person sued to pay these costs and fees. If the member loses, the court may order the member to pay these costs and fees if, for example, it finds the member's claim is frivolous.

Assistance with Members' Questions

Members should contact the Plan Administrator with any questions regarding the Plan. If members have any questions about this statement or about their rights under ERISA, or if they need assistance in obtaining documents from the Plan Administrator, they should contact the nearest Office of the Pension and Welfare Benefits Administration, US Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, US Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210. Members may obtain certain publications about their rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

OTHER IMPORTANT INFORMATION

The following will help members properly identify the Plan if they have any questions about their benefits:

Official Name of Plan	The New York Hotel Trades Council and Hotel Association of New York City, Inc. Pre-Paid Legal Fund
Sponsor Name and Address	Board of Trustees The New York Hotel Trades Council and Hotel Association of New York City, Inc. Pre-Paid Legal Fund 305 West 44 th Street, 2 nd Floor New York, NY 10036
Employer Identification Number (EIN) Assigned by the Internal Revenue Service	13-3418414
Plan Number	508
Type of Plan	Group Legal Services Plan
Plan Administrator	Board of Trustees The New York Hotel Trades Council and Hotel Association of New York City, Inc. Pre-Paid Legal Fund 305 West 44 th Street, 2 nd Floor New York, NY 10036
Plan Administration	Jointly trustee administration by Union and Employer representatives. Legal services are provided under a contract between the Fund and American Legal Services, Inc.
Agent for service of legal process	Linda McDowell, Chief Executive Officer The New York Hotel Trades Council and Hotel Association of New York City, Inc. Pre-Paid Legal Fund 305 West 44 th Street, 2 nd Floor New York, NY 10036 (Service of legal process may also be made upon any of the Plan Trustees.)
Source of Contributions	Employers in accordance with collective bargaining agreements with the Union, or a participation agreement.

We hope this booklet describing the Pre-Paid Legal Fund has been helpful. All members may request a listing of all employers contributing to the Pre-Paid Legal Fund or request information on whether a specific employer makes contributions to the Fund. For any additional information, or to ask any questions, members should feel free to contact the Fund Office for assistance.

This booklet is a summary and is not intended to have any legal effect. Nothing in this booklet is meant to interpret or extend or change in any way the provisions expressed in the Plan. To the extent that any of the information contained in this booklet conflicts with the official Plan documents, the Plan documents will govern in all cases. The Trustees reserve the right to amend, modify or discontinue all or part of this Plan whenever, in their judgment, conditions so warrant.

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