

**SCHWARTZ, STEINSAPIR, DOHRMANN & SOMMERS LLP**

RICHARD D. SOMMERS  
STUART LIBICKI  
MICHAEL R. FEINBERG  
MARGO A. FEINBERG  
HENRY M. WILLIS\*  
D. WILLIAM HEINE  
ZOE S. MOSKOWITZ  
AMY M. CU  
RICHARD M. SWARTZ  
DANIEL E. CURRY\*\*  
JUDY H. LEE  
MELANIE LUTHERN  
MICHAEL E. PLANK  
KIRILL PENTESHIN  
OCTAVIO VELARDE

\*MEMBER OF CA AND NV BARS  
\*\* MEMBER OF CA AND NY BARS

**LAWYERS**  
**SUITE 2000**  
**6300 WILSHIRE BOULEVARD**  
**LOS ANGELES, CALIFORNIA 90048-5268**  
**(323) 655-4700**  
**FAX (323) 655-4488**  
**WEBSITE: WWW.LALABORLAW.COM**

KENNETH M. SCHWARTZ  
(1916 – 2008)  
LAURENCE D. STEINSAPIR  
OF COUNSEL  
ROBERT M. DOHRMANN  
OF COUNSEL  
NORTHERN CALIFORNIA OFFICE  
MARGO A. FEINBERG  
(323) 655-4700  
  
WRITER'S DIRECT  
E-MAIL ADDRESS:  
RMS@SSDSLAW.COM

November 19, 2020

**VIA E-MAIL & U.S. MAIL**

Tina Sandoval  
LAX Accounting Specialist  
HMS Host Corporation  
345 S. Douglas St.  
El Segundo, California 90245

Re: **Demand for Delinquent Contributions - Santa Monica UNITE HERE Health Benefit Fund**

Dear Ms. Sandoval:

This office represents the Santa Monica UNITE HERE Health Benefit Trust Fund (the "Fund"). As you know, the Fund provides health coverage to certain HMS Host employees covered under a collective bargaining agreement with UNITE HERE Local 11.

This letter is a demand for payment of HMS Host's delinquent contributions to the Fund estimated to total \$2,391,387.65, as explained below.

HMS Host is a sub-concessionaire under a letter amendment between Los Angeles World Airports (LAWA) and URW Airports LLC, dated September 30, 2020 (the "Second Letter"). As a sub-concessionaire under the Second Letter, HMS Host is obligated to make contributions for health coverage to the Fund. Specifically, with respect to employees under the collective bargaining agreement with Local 11, HMS Host must make four months of contributions to the Fund with respect to each employee who was laid off, furloughed, or experienced reduced hours since March 1, 2020 and before June 30, 2020, in partial consideration for temporary rental relief from LAWA.

Contributions required under the Letter Agreement are to be made in the same amount and for the same number of hours as the contributions that HMS Host made for each such employee in February 2020, for each of the four consecutive calendar months immediately subsequent to the employee's layoff, furlough, or reduction in hours, during which such employee remained laid off, furloughed, or experienced reduced hours. The Fund is a third-party

Tina Sandoval, HMS Host Corporation  
November 19, 2020  
Page 2

beneficiary of the Second Letter and has the right to enforce contributions required under it pursuant to the terms of the Fund's own Trust Agreement.

According to Fund records, HMS Host employees covered by the Fund worked 120,171 hours in the month of February 2020, 86,554.84 hours in April 2020, 16,693.24 hours in May 2020, 16,688.73 hours in June 2020, 19,323.06 hours in July 2020, and 21,790.88 hours in August 2020.

As a result, under the Second Letter, we estimate that HMS Host is obligated to contribute on approximately 406,008.09 hours (February hours, multiplied by 4, less reported hours for May through August). At HMS Host's hourly contribution rate of \$5.89 per hour, the Fund estimates the amount due under the Second Letter at \$2,391,387.65.

Under the terms of the Second Letter, payment in full from HMS Host was due to the Fund on October 31, 2020. HMS Host has made no payment to the Fund with respect to its obligations under the Second Letter. HMS Host has therefore incurred a delinquency to the Fund in an estimated amount of \$2,391,387.65.

**We demand that HMS Host pay the full amount of its obligation to the Fund by November 30, 2020. If you believe that the Fund's estimate of HMS Host's obligation under the Second Letter is inaccurate, you may remit an initial contribution of at least \$2,000,000.00, on or before November 30, 2020, and provide a detailed explanation of the amount you believe is owed under the Second Letter, including calculations and substantiation of all data forming the basis of such calculations, no later than December 10, 2020. We will then work with you to finalize the determination of the total amount due to the Fund from HMS Host under the Second Letter.**

The Trustees of the Fund are required promptly to collect all contributions due to the Fund. If you do not tender payment to the Fund in the minimum amount of \$2,000,000.00 by November 30, 2020, and provide an initial accounting to the Fund's Board of Trustees of the amount HMS Host contends to be payable under the Second Letter by December 10, 2020, the Fund's Trustees may enforce HMS Host's contribution obligation under the terms of the Fund's Trust Agreement.

Sincerely yours,

SCHWARTZ, STEINSAPIR, DOHRMANN  
& SOMMERS LLP

*Richard M. Swartz*

Richard M. Swartz

Tina Sandoval, HMS Host Corporation  
November 19, 2020  
Page 3

cc: Lance Phillips, Administrator *(via e-mail)*  
Board of Trustees *(via e-mail)*  
Michelle D. Schwartz, L.A. World Airports *(via e-mail)*  
Mike Salzman, URW Airports, LLC *(via U.S. Mail)*