

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

Complete all entries in accordance with the instructions to the Form 5500.

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 06/01/2024 and ending 05/31/2025

- A This return/report is for: [X] a multiemployer plan [] a multiple-employer plan... [] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan, check here... [X] D Check box if filing under: [X] Form 5558 [] automatic extension [] the DFVC program... E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here... []

Part II Basic Plan Information—enter all requested information

1a Name of plan: NEW YORK HOTEL TRADES COUNCIL & HOTEL ASSOCIATION OF NYC, INC. PREPAID LEGAL SERVICES FUND
1b Three-digit plan number (PN): 508
1c Effective date of plan: 11/01/1987
2a Plan sponsor's name (employer, if for a single-employer plan): NY HOTEL TRADES COUNCIL & HOTEL ASSOCIAT PREPAID LEGAL SERVICES FUND
2b Employer Identification Number (EIN): 13-3418414
2c Plan Sponsor's telephone number: 212-586-6400
2d Business code (see instructions): 813000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

Table with 4 columns: SIGN HERE, Signature, Date, and Name. Rows include Richard Maroko, Vijay Dandapani, and a blank row for DFE.

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024) v. 240311

| | | |
|---|--|-------|
| 3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor | 3b Administrator's EIN | |
| | 3c Administrator's telephone number | |
| 4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name | 4b EIN | |
| | 4d PN | |
| 5 Total number of participants at the beginning of the plan year | 5 | 27389 |
| 6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested..... | 6a(1) | 27389 |
| | 6a(2) | 30032 |
| | 6b | |
| | 6c | |
| | 6d | 30032 |
| | 6e | |
| | 6f | |
| | 6g(1) | |
| 6g(2) | | |
| 6h | | |
| 7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | 7 | 391 |

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
4G

| | |
|---|---|
| 9a Plan funding arrangement (check all that apply) | 9b Plan benefit arrangement (check all that apply) |
| (1) <input type="checkbox"/> Insurance | (1) <input type="checkbox"/> Insurance |
| (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts | (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts |
| (3) <input checked="" type="checkbox"/> Trust | (3) <input checked="" type="checkbox"/> Trust |
| (4) <input type="checkbox"/> General assets of the sponsor | (4) <input type="checkbox"/> General assets of the sponsor |

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

| | |
|--|---|
| a Pension Schedules | b General Schedules |
| (1) <input type="checkbox"/> R (Retirement Plan Information) | (1) <input checked="" type="checkbox"/> H (Financial Information) |
| (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary | (2) <input type="checkbox"/> I (Financial Information – Small Plan) |
| (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | (3) <input type="checkbox"/> A (Insurance Information) – Number Attached _____ |
| (4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____ | (4) <input checked="" type="checkbox"/> C (Service Provider Information) |
| (5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information) | (5) <input type="checkbox"/> D (DFE/Participating Plan Information) |
| | (6) <input type="checkbox"/> G (Financial Transaction Schedules) |

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

| | | |
|--|--|---|
| SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. | <small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection. |
|--|--|---|

For calendar plan year 2024 or fiscal plan year beginning **06/01/2024** and ending **05/31/2025**

| | | |
|---|---|-----|
| A Name of plan NEW YORK HOTEL TRADES COUNCIL & HOTEL ASSOCIATION OF NYC, INC. PREPAID LEGAL SERVICES FUND | B Three-digit plan number (PN) ▶ | 508 |
| C Plan sponsor's name as shown on line 2a of Form 5500 NY HOTEL TRADES COUNCIL & HOTEL ASSOCIAT PREPAID LEGAL SERVICES FUND | D Employer Identification Number (EIN) 13-3418414 | |

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

AMERICAN LEGAL SERVICE

42-1411337

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50 | ADMINISTRATOR | 688426 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

NYHTC - HEALTH CENTER, INC.

305 WEST 44TH STREET
NEW YORK, NY 10036

13-1595091

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 30 50 | RELATED ENTITY | 373363 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

NYHTC - HEALTH BENEFITS FUND

305 WEST 44TH STREET
NEW YORK, NY 10036

13-6126923

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 30 50 | RELATED ENTITY | 68596 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ELLENOFF GROSSMAN & SCHOLE LLP

1345 AVENUE OF AMERICAS
NEW YORK, NY 10105

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 29 50 | ATTORNEY | 63661 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

PITTA LLP

120 BROADWAY, 28TH FLOOR
NEW YORK, NY 10271

26-3852082

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 29 50 | ATTORNEY | 45566 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

HACELS LLC

709 EIGHTH AVENUE
NEW YORK, NY 10016

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 49 50 | LANDLORD | 33482 | Yes <input type="checkbox"/> No <input type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | 0 | Yes <input type="checkbox"/> No <input type="checkbox"/> |

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE SEGAL CO.

333 WEST 34TH STREET
NEW YORK, NY 10001

13-1835864

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 11 50 | ACTUARY | 11000 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

MORGAN STANLEY

1300 THAMES STREET WHARF
BALTIMORE, MD 21231-9907

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 28 51 | INV MGR | 10708 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

MSPC

340 NORTH AVE
CRANFORD, NJ 07016

22-2951202

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 10 50 | AUDITOR | 10000 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

NORTHERN TRUST

40 W 57TH STREET
NEW YORK, NY 10019

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 19 51 | INV MGR | 5941 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| | | | Yes <input type="checkbox"/> No <input type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| | | | Yes <input type="checkbox"/> No <input type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| | | |
|--|---|--|
| (a) Enter service provider name as it appears on line 2 | (b) Service Codes (see instructions) | (c) Enter amount of indirect compensation |
| | | |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |
| (a) Enter service provider name as it appears on line 2 | (b) Service Codes (see instructions) | (c) Enter amount of indirect compensation |
| | | |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |
| (a) Enter service provider name as it appears on line 2 | (b) Service Codes (see instructions) | (c) Enter amount of indirect compensation |
| | | |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
| | | |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
| | | |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
| | | |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
| | | |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
| | | |

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | | |
|--|--|--|
| SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500. | <small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection |
|--|--|--|

| | | | |
|--|--|--|------------|
| For calendar plan year 2024 or fiscal plan year beginning 06/01/2024 and ending 05/31/2025 | | | |
| A Name of plan NEW YORK HOTEL TRADES COUNCIL & HOTEL ASSOCIATION OF NYC, INC. PREPAID LEGAL SERVICES FUND | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">B Three-digit plan number (PN) ►</td> <td style="width:20%; text-align: center;">508</td> </tr> </table> | B Three-digit plan number (PN) ► | 508 |
| B Three-digit plan number (PN) ► | 508 | | |
| C Plan sponsor's name as shown on line 2a of Form 5500 NY HOTEL TRADES COUNCIL & HOTEL ASSOCIAT PREPAID LEGAL SERVICES FUND | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">D Employer Identification Number (EIN) 13-3418414</td> </tr> </table> | D Employer Identification Number (EIN) 13-3418414 | |
| D Employer Identification Number (EIN) 13-3418414 | | | |

| | |
|---------------|--------------------------------------|
| Part I | Asset and Liability Statement |
|---------------|--------------------------------------|

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| | | (a) Beginning of Year | (b) End of Year |
|---|-----------------|-----------------------|-----------------|
| Assets | | | |
| a Total noninterest-bearing cash | 1a | 357848 | 682703 |
| b Receivables (less allowance for doubtful accounts): | | | |
| (1) Employer contributions | 1b(1) | 501827 | 545101 |
| (2) Participant contributions | 1b(2) | | |
| (3) Other | 1b(3) | 100536 | 103272 |
| c General investments: | | | |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 1585364 | 1660132 |
| (2) U.S. Government securities | 1c(2) | | |
| (3) Corporate debt instruments (other than employer securities): | | | |
| (A) Preferred | 1c(3)(A) | | |
| (B) All other | 1c(3)(B) | | |
| (4) Corporate stocks (other than employer securities): | | | |
| (A) Preferred | 1c(4)(A) | | |
| (B) Common | 1c(4)(B) | | |
| (5) Partnership/joint venture interests | 1c(5) | | |
| (6) Real estate (other than employer real property) | 1c(6) | | |
| (7) Loans (other than to participants) | 1c(7) | | |
| (8) Participant loans | 1c(8) | | |
| (9) Value of interest in common/collective trusts | 1c(9) | | |
| (10) Value of interest in pooled separate accounts | 1c(10) | | |
| (11) Value of interest in master trust investment accounts | 1c(11) | | |
| (12) Value of interest in 103-12 investment entities | 1c(12) | | |
| (13) Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 19188401 | 21905646 |
| (14) Value of funds held in insurance company general account (unallocated contracts)..... | 1c(14) | | |
| (15) Other..... | 1c(15) | | |

| 1d Employer-related investments: | | (a) Beginning of Year | (b) End of Year |
|--|--------------|-----------------------|-----------------|
| (1) Employer securities..... | 1d(1) | | |
| (2) Employer real property..... | 1d(2) | | |
| e Buildings and other property used in plan operation..... | 1e | 3039 | 5841 |
| f Total assets (add all amounts in lines 1a through 1e)..... | 1f | 21737015 | 24902695 |
| Liabilities | | | |
| g Benefit claims payable..... | 1g | 99897 | 152357 |
| h Operating payables..... | 1h | 77625 | 97355 |
| i Acquisition indebtedness..... | 1i | | |
| j Other liabilities..... | 1j | 1433 | 5018 |
| k Total liabilities (add all amounts in lines 1g through 1j)..... | 1k | 178955 | 254730 |
| Net Assets | | | |
| l Net assets (subtract line 1k from line 1f)..... | 1l | 21558060 | 24647965 |

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|--|-----------------|------------|-----------|
| a Contributions: | | | |
| (1) Received or receivable in cash from: (A) Employers..... | 2a(1)(A) | 6203882 | |
| (B) Participants..... | 2a(1)(B) | | |
| (C) Others (including rollovers)..... | 2a(1)(C) | | |
| (2) Noncash contributions..... | 2a(2) | | |
| (3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2) | 2a(3) | | 6203882 |
| b Earnings on investments: | | | |
| (1) Interest: | | | |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit)..... | 2b(1)(A) | 1479 | |
| (B) U.S. Government securities..... | 2b(1)(B) | | |
| (C) Corporate debt instruments..... | 2b(1)(C) | | |
| (D) Loans (other than to participants)..... | 2b(1)(D) | | |
| (E) Participant loans..... | 2b(1)(E) | | |
| (F) Other..... | 2b(1)(F) | | |
| (G) Total interest. Add lines 2b(1)(A) through (F) | 2b(1)(G) | | 1479 |
| (2) Dividends: | | | |
| (A) Preferred stock..... | 2b(2)(A) | | |
| (B) Common stock..... | 2b(2)(B) | | |
| (C) Registered investment company shares (e.g. mutual funds)..... | 2b(2)(C) | 663815 | |
| (D) Total dividends. Add lines 2b(2)(A) , (B) , and (C) | 2b(2)(D) | | 663815 |
| (3) Rents..... | 2b(3) | | |
| (4) Net gain (loss) on sale of assets: | | | |
| (A) Aggregate proceeds..... | 2b(4)(A) | 1819558 | |
| (B) Aggregate carrying amount (see instructions)..... | 2b(4)(B) | 1356179 | |
| (C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result..... | 2b(4)(C) | | 463379 |
| (5) Unrealized appreciation (depreciation) of assets: | | | |
| (A) Real estate..... | 2b(5)(A) | | |
| (B) Other..... | 2b(5)(B) | 713420 | |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) | 2b(5)(C) | | 713420 |

| | | (a) Amount | (b) Total |
|---|---------------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| c Other income | 2c | | |
| d Total income. Add all income amounts in column (b) and enter total..... | 2d | | 8045975 |

Expenses

| | | | |
|--|---------------|---------|---------|
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers..... | 2e(1) | 3598652 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other..... | 2e(3) | | |
| (4) Total benefit payments. Add lines 2e(1) through (3) | 2e(4) | | 3598652 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions)..... | 2g | | |
| h Interest expense..... | 2h | | |
| i Administrative expenses: | | | |
| (1) Salaries and allowances | 2i(1) | 321822 | |
| (2) Contract administrator fees | 2i(2) | 688426 | |
| (3) Recordkeeping fees | 2i(3) | | |
| (4) IQPA audit fees | 2i(4) | 13807 | |
| (5) Investment advisory and investment management fees | 2i(5) | 10708 | |
| (6) Bank or trust company trustee/custodial fees | 2i(6) | 5941 | |
| (7) Actuarial fees | 2i(7) | 11000 | |
| (8) Legal fees | 2i(8) | 110921 | |
| (9) Valuation/appraisal fees | 2i(9) | | |
| (10) Other trustee fees and expenses | 2i(10) | | |
| (11) Other expenses..... | 2i(11) | 194793 | |
| (12) Total administrative expenses. Add lines 2i(1) through (11) | 2i(12) | | 1357418 |
| j Total expenses. Add all expense amounts in column (b) and enter total..... | 2j | | 4956070 |

Net Income and Reconciliation

| | | | |
|---|--------------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d | 2k | | 3089905 |
| l Transfers of assets: | | | |
| (1) To this plan..... | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **MSPC CERTIFIED PUBLIC ACCOUNTANTS &**

(2) EIN: **22-2951202**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

| | Yes | No | Amount |
|--|-----|----|---------|
| a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | | X | |
| b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | | X | |
| c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | | X | |
| d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | | X | |
| e Was this plan covered by a fidelity bond? | X | | 2000000 |
| f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | | X | |
| g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | | X | |
| h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | | X | |
| i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | X | | |
| j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | | X | |
| k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | | X | |
| l Has the plan failed to provide any benefit when due under the plan? | | X | |
| m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | | | |
| n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | | | |

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? Yes No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|------------------------------|---------------------|--------------------|
| | | |
| | | |
| | | |
| | | |

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The New York Hotel Trades Council and Hotel Association of
New York City, Inc. Prepaid Legal Fund
New York, New York

Opinion

We have audited the financial statements New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of May 31, 2025 and 2024, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of May 31, 2025 and 2024, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.



Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

MSPC

MSPC
Certified Public Accountants and Advisors,
A Professional Corporation

Cranford, New Jersey
February 2, 2026

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND
EIN #13-3418414
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2025**

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

| (a) | (b) <u>Identity of Issue, Borrower, Lessor, or Similar Party</u> | (c) <u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u> | (d) <u>Cost</u> | (e) <u>Current Value</u> |
|--------------------------------|---|--|------------------------|-------------------------------------|
| Short-Term Investments: | | | | |
| | MFB Northern Instl Fds Govt Portfolio Cl | 22,892 | \$ 22,892 | \$ 22,892 |
| | JPMorgan US Gov Mmkt Capital (OGVXX) | 1,637,240 | <u>1,637,240</u> | <u>1,637,240</u> |
| | Total Short-Term Investments | | <u>1,660,132</u> | <u>1,660,132</u> |
| Mutual Funds: | | | | |
| | MFO State Street Institutional Inv Test | 35,168 | 3,369,731 | 4,106,545 |
| | MFO Capitol Series Trust Fuller and | 18,133 | 916,871 | 797,485 |
| | MFO Fidelity Salem Street Trust Spartan | 24,940 | 873,301 | 850,950 |
| | MFO State Street Institutional Inv Tst | 12,675 | 3,951,041 | 5,620,311 |
| | MFO State Street Institutional Inv Test | 122,989 | <u>10,842,068</u> | <u>10,530,355</u> |
| | Total Mutual Funds | | <u>19,953,012</u> | <u>21,905,646</u> |
| | Total Assets | | <u>\$ 21,613,144</u> | <u>\$ 23,565,778</u> |

* Party-in-Interest, as defined by ERISA.

See Independent Auditors' Report.

**THE NEW YORK TRADES COUNCIL AND
HOTEL ASSOCIATION OF NEW YORK CITY, INC.
PREPAID LEGAL FUND**

FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
MAY 31, 2025 AND 2024**

MSPC
Certified Public
Accountants and Advisors, P.C.



An independent firm associated with
Moore Global Network Limited

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The New York Hotel Trades Council and Hotel Association of
New York City, Inc. Prepaid Legal Fund
New York, New York

Opinion

We have audited the financial statements New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of May 31, 2025 and 2024, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of May 31, 2025 and 2024, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.



Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

MSPC

MSPC
Certified Public Accountants and Advisors,
A Professional Corporation

Cranford, New Jersey
February 2, 2026

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Statements of Net Assets Available for Benefits

| | <u>2025</u> | <u>May 31,</u> <u>2024</u> |
|--|----------------------|-------------------------------|
| <i>Assets:</i> | | |
| Investments at Fair Value: | | |
| Short-Term Investments | \$ 1,660,132 | \$ 1,585,364 |
| Mutual Funds | <u>21,905,646</u> | <u>19,188,401</u> |
| Total Investments at Fair Value | <u>23,565,778</u> | <u>20,773,765</u> |
| Receivables: | | |
| Employers' Contributions | 545,101 | 501,827 |
| Accrued Interest | <u>80</u> | <u>--</u> |
| Total Receivables | <u>545,181</u> | <u>501,827</u> |
| Property and Equipment: | | |
| Computer Equipment | 37,395 | 37,395 |
| Furniture and Fixtures | <u>43,229</u> | <u>39,744</u> |
| Totals | 80,624 | 77,139 |
| Less: Accumulated Depreciation | <u>74,783</u> | <u>74,100</u> |
| Property and Equipment - Net | <u>5,841</u> | <u>3,039</u> |
| Cash | <u>682,703</u> | <u>357,848</u> |
| Other Assets: | | |
| Prepaid Expenses | 3,192 | 536 |
| Security Deposit | <u>100,000</u> | <u>100,000</u> |
| Total Other Assets | <u>103,192</u> | <u>100,536</u> |
| Total Assets | <u>24,902,695</u> | <u>21,737,015</u> |
| Liabilities: | | |
| Accrued Expenses | 97,355 | 77,625 |
| Due to Related Funds | <u>5,018</u> | <u>1,433</u> |
| Total Liabilities | <u>102,373</u> | <u>79,058</u> |
| Net Assets Available for Benefits | <u>\$ 24,800,322</u> | <u>\$ 21,657,957</u> |

See Accompanying Notes to Financial Statements.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Statements of Changes in Net Assets Available for Benefits

| | Years ended | |
|---|----------------------|----------------------|
| | May 31, | |
| | 2 0 2 5 | 2 0 2 4 |
| Additions to Net Assets Attributed to: | | |
| Investment Income: | | |
| Net Appreciation in Fair Value of Investments | \$ 1,176,799 | \$ 1,367,445 |
| Interest and Dividends | <u>665,294</u> | <u>548,181</u> |
| Totals | 1,842,093 | 1,915,626 |
| Less: Custodial and Advisory Fees | <u>16,649</u> | <u>14,542</u> |
| Net Investment Income | 1,825,444 | 1,901,084 |
| Employers Contributions | <u>6,203,882</u> | <u>5,866,774</u> |
| Total Additions | <u>8,029,326</u> | <u>7,767,858</u> |
| Deductions from Net Assets Attributed to: | | |
| Benefits Paid on Behalf of Participants: | | |
| Legal Claims | <u>3,546,192</u> | <u>3,264,844</u> |
| Administrative Expenses: | | |
| Claims Processing | 688,426 | 523,372 |
| Salaries | 321,822 | 252,900 |
| Employee Benefits | 106,143 | 81,132 |
| Legal | 110,921 | 94,124 |
| Lease | 33,482 | 33,228 |
| Payroll Taxes | 25,649 | 20,134 |
| Office | 13,722 | 56,576 |
| Actuarial | 11,000 | 11,000 |
| Audit | 10,000 | 10,000 |
| Computer and Other Consulting | 7,425 | 8,907 |
| Insurance | 6,414 | 6,548 |
| Payroll Audits | 3,807 | 2,698 |
| Telephone | 1,275 | 1,229 |
| Depreciation | <u>683</u> | <u>--</u> |
| Total Administrative Expenses | <u>1,340,769</u> | <u>1,101,848</u> |
| Total Deductions | <u>4,886,961</u> | <u>4,366,692</u> |
| Net Increase in Net Assets Available for Benefits | 3,142,365 | 3,401,166 |
| Net Assets Available for Benefits - Beginning of Years | <u>21,657,957</u> | <u>18,256,791</u> |
| Net Assets Available for Benefits - End of Years | <u>\$ 24,800,322</u> | <u>\$ 21,657,957</u> |

See Accompanying Notes to Financial Statements.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(1) Description of the Plan

The following description of The New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Fund (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General - The Plan is a multiemployer defined benefit health and welfare fund which was established in accordance with an agreement of trust dated November 1, 1987, pursuant to collective bargaining agreements between The New York Hotel Trades Council and Hotel Association of New York City, Inc. ("Union") and various employers operating in the hotel industry in the New York metropolitan area. The Plan is administered by a Board of Trustees, comprised of representatives of the Union and the Employers. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions - Contributions to the Plan are made by participating employers in accordance with their collective bargaining agreements. The collective bargaining agreements require contributions to the Plan at fixed rates based upon a percentage of gross wages. This Plan is non-contributory for employees and dependents, and it is funded primarily from contributions received from employers.

Benefits - The Plan provides personal legal assistance for eligible participants and their covered dependents. The Fund provides coverage for general telephone and office consultation, including negotiation and document preparation, for Social Security Disability Benefits and Veterans' benefits, consumer protection, defense of a lawsuit for the collection of a debt, real estate or landlord/tenant matters, purchase or sale of a primary residence, transfer of property, mortgage refinancing or home equity loans, wills and estate planning, probate and administration of estates, motor vehicle violations, personal injury and property damage, criminal misdemeanors, domestic relations matters, bankruptcy matters, and immigration matters.

Eligibility - All full-time employees who are covered by the collective bargaining agreement between a participating employer and the Union are eligible for legal benefits after the employee has been employed twelve (12) consecutive months by a contributing employer. Legally married spouses (opposite and same-sex spouses) and unmarried dependent children under age nineteen (19) are also eligible.

(2) Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements are prepared on the accrual basis of accounting.

Adoption of New Accounting Standard - Effective June 1, 2023, the Plan adopted ASC 326 which changed how entities will measure credit losses for certain financial assets that aren't measured at fair value through changes in net assets available for benefits. The most significant change in this standard is a shift from the uncured loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing the Plan's exposure to credit risk and the measurement of credit losses. The primary financial asset held by the plan this is subject to the guidance in ASC 326 is employers' contribution receivable. The impact of the adoption was not considered material to the financial statements and primarily resulted solely in enhanced disclosures.

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, claims payable, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(2) Summary of Significant Accounting Policies (Continued)

Investment Valuation and Income Recognition - Certain investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information principally provided by its investment advisor and custodian. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. Certain investment transactions related expenses are included in net appreciation (depreciation) of fair value of investments.

Employers' Contributions Receivable - The Plan's policy is to recognize contributions based on the latest executed collective bargaining agreement on an individual employer basis. Contributions from participating employers are based on a percentage of the participating employers' monthly payroll for covered employees and are payable to the Plan during the subsequent month. Contributions due but not paid prior to year-end are recorded as contributions receivable. The Plan evaluates participating employers' contributions receivable periodically for potential uncollectible amounts based on the likelihood of collection in the subsequent period. As of May 31, 2025 and 2024, the Plan did not record a credit loss allowance for employers' contributions receivable.

The Board of Trustees has established a program to review participating employer records in order to determine compliance with contribution provisions of the collective bargaining agreement. As a result of this program, previously unreported contributions are identified related to current and prior fiscal years. However, due to the collection efforts required by the Plan, including litigation, the ultimate realization of any additional contribution receivable cannot be reasonably estimated until the collection process is completed. Accordingly, the Plan primarily recognizes these previously unreported contributions in the fiscal year in which the settlement proceeds are received.

Property and Equipment and Depreciation and Amortization - The cost of property and equipment is depreciated over the estimated useful lives of the related assets. The estimated useful lives of depreciable assets range from three to ten years. Depreciation and amortization is computed using the straight-line method. Expenditures for repairs and maintenance, which do not materially extend the useful lives of the assets, are recognized as an expense.

Long-Lived Asset Impairment - The Plan reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends, and the effects of obsolescence and other economic factors. For the years ended May 31, 2025 and 2024, the Plan recorded no impairment charges against the carrying value of fixed assets.

Payments of Benefits - Benefit payments are recorded when submitted to the Plan by the third-party claims processor for reimbursement

Leases - Leases are categorized at their inception as either operating or financing leases. Operating right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. Leased assets represent the Plan's right to use an underlying asset for the lease term, and lease liabilities represent the Plan's obligation to make lease payments arising from the lease. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Plan will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Plan uses an interest-free borrowing rate as a discount rate for present value of the lease payments when the rate implicit in the contract is not readily determinable.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(2) Summary of Significant Accounting Policies (Continued)

Administrative Expenses - Expenses incurred in connection with the general administration of the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. The Plan shares certain administrative expenses with related ERISA plans. In computing these allocated costs, various factors were considered, including the time spent, space used, costs incurred, and volume of transactions relating to the Plan in relation to the other plans.

Certain investment-related expenses are included in net appreciation in fair value of investments presented in the accompanying statements of changes in net assets available for benefits.

Subsequent Events - The Plan has evaluated subsequent events through February 2, 2026, the date on which the financial statements were available to be issued.

(3) Postretirement and Postemployment Benefit Obligation

A postretirement benefit obligation has been recognized for future benefits expected to be paid to or for (1) currently retired participants and their beneficiaries and dependents, and (2) active participants and their beneficiaries and dependents after retirement from service with the participating employers. These benefit obligations represent the actuarial present value of the cost of those estimated future benefits that are attributed by the terms of the Plan to participant service rendered to the date of the financial statements, reduced by the actuarial present value of contributions expected to be received in the future from current retirees of the Plan. The obligations represent the amounts that are expected to be funded by contributions from the participating employers and from existing assets of the Plan. Prior to an active participant's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributable to that employee's service with a participating employer or employers rendered to the valuation date.

The actuarial present value of the expected postretirement benefit obligation is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

For measurement purposes, the annual percent rate increases and decreases in the per capita cost of covered benefits were assumed as follows:

The following were other significant assumptions used in the valuations as of May 31, 2025 and 2024:

| | <u>2025</u> | <u>2024</u> |
|---------------------------------|--|-------------|
| Weighted-average discount rate: | 5.75% | 5.50% |
| The legal expense trend rate: | 1.00% | 1.00% |
| Postretirement mortality rates: | | |
| Healthy | 2025 and 2024: 114% of the Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected generationally with ScaleMP-2014 from 2014 | |
| Disabled | 2025 and 2024: 79% of the Headcount-Weighted RP-2014 Disabled Retiree Mortality Table projected generationally with ScaleMP-2014 from 2014 | |

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(3) Postretirement and Postemployment Benefit Obligation (Continued)

The legal expense trend rate assumption has a significant effect on the amounts reported. If the assumed rate increased by 1% that would increase the obligation as of May 31, 2025 by \$4,203,306.

The foregoing assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the postretirement benefit obligation.

The following tables present the components of the Plan's benefit obligations and the related changes in the Plan's benefit obligations.

| | <u>2025</u> | <u>May 31,</u> <u>2024</u> |
|--|-----------------------------|---|
| Amounts Currently Payable: | | |
| Claims Payable and Claims Incurred But Not Reported | \$ 152,357 | \$ 99,897 |
| Postretirement Benefit Obligations: | | |
| Current Retirees | 18,804,766 | 17,598,169 |
| Other Participants Fully Eligible for Benefits | 7,655,728 | 6,938,790 |
| Other Participants Not Yet Fully Eligible for Benefits | <u>5,742,004</u> | <u>5,674,702</u> |
| Total Postretirement Benefit Obligations | <u>32,202,498</u> | <u>30,211,661</u> |
| <u>Total Benefit Obligations</u> | <u>\$ 32,354,855</u> | <u>\$ 30,311,558</u> |
| Changes in Benefit Obligations: | | |
| | <u>2025</u> | <u>Years ended</u> <u>May 31,</u> <u>2024</u> |
| Amounts Currently Payable: | | |
| Balance - Beginning of Years | \$ 99,897 | \$ 99,758 |
| Claims Reported and Approved for Payment | 3,598,652 | 3,264,983 |
| Claims Paid | <u>(3,546,192)</u> | <u>(3,264,844)</u> |
| Balance - End of Years | <u>152,357</u> | <u>99,897</u> |
| Postretirement Benefit Obligations: | | |
| Balance - Beginning of Years | 30,211,661 | 29,021,101 |
| Benefits Earned and Other Changes | 421,441 | 359,180 |
| Actuarial Experience Loss | 1,029,714 | 1,770,213 |
| Changes in Actuarial Assumptions | <u>539,682</u> | <u>(938,833)</u> |
| Balance - End of Years | <u>32,202,498</u> | <u>30,211,661</u> |
| <u>Total Benefit Obligations - End of Years</u> | <u>\$ 32,354,855</u> | <u>\$ 30,311,558</u> |

Changes in Actuarial Assumptions - A change in actuarial assumptions increased obligations by \$539,682 at May 31, 2025. This was the net result of an increase in obligations due to raising the valuation-year per capita legal cost, and a decrease in obligations due to the discount rate being revised from 5.50% to 5.75%. A change in actuarial assumptions decreased the plan's benefit obligation by \$938,833 at May 31, 2024. This was the result of the discount rate being revised from 5.25% to 5.50%.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(4) Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codifications ("ASC") 820, *Fair Value Measurements and Disclosures*, establishes framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1-Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2-Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3-Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at May 31, 2025 and 2024.

Short-Term Investments: Valued using amortized cost, which approximates fair value.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(4) Fair Value Measurements (Continued)

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of May 31, 2025 and 2024.

| | <u>Assets at Fair Value as of May 31, 2025</u> | | | <u>Total</u> |
|---------------------------------|--|---------------------|---------------------|-----------------------------|
| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | |
| Short-Term Investments | \$ 1,660,132 | \$ -- | \$ -- | \$ 1,660,132 |
| Mutual Funds | <u>21,905,646</u> | <u>--</u> | <u>--</u> | <u>21,905,646</u> |
| <u>Total Investments</u> | <u>\$ 23,565,778</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 23,565,778</u> |

| | <u>Assets at Fair Value as of May 31, 2024</u> | | | <u>Total</u> |
|---------------------------------|--|---------------------|---------------------|-----------------------------|
| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | |
| Short-Term Investments | \$ 1,585,364 | \$ -- | \$ -- | \$ 1,585,364 |
| Mutual Funds | <u>19,188,401</u> | <u>--</u> | <u>--</u> | <u>19,188,401</u> |
| <u>Total Investments</u> | <u>\$ 20,773,765</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 20,773,765</u> |

Transfers Between Levels - The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

The Plan evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits.

(5) Transactions with Related Parties

The Plan pays fees for several arrangements with services providers and affiliated entities. These transactions are considered exempt party interest transactions under ERISA.

The Plan shares employees and other administrative expenses with various related employee benefit funds related by common management. Administrative expenses paid to and received from these entities during the years ended May 31, 2025 and 2024 for these shared expenses, are summarized as follows:

| | <u>2025</u> | <u>2024</u> |
|--|--------------------------|--------------------------|
| Expenses from: | | |
| The New York Hotel Trades Council and Hotel Association of New York City, Inc.: | | |
| Health Benefit Fund | \$ 68,596 | \$ 94,536 |
| Health Center, Inc. | <u>373,363</u> | <u>290,190</u> |
| <u>Totals</u> | <u>\$ 441,959</u> | <u>\$ 384,726</u> |

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(5) Transactions with Related Parties (Continued)

These amounts receivable from (due to) related entities are the result of cash payment timing differences of the previously disclosed related party expense transactions. These balances have no formal repayment terms but are typically settled in the following fiscal year. At May 31, 2025 and 2024, amounts payable to these entities, is summarized as follows:

| | <u>2025</u> | <u>May 31,</u> <u>2024</u> |
|--|--------------------------|-------------------------------|
| The New York Hotel Trades Council and Hotel Association of New York City, Inc.: | | |
| Health Benefit Fund | \$ (4,855) | \$ (2,458) |
| Health Center, Inc. | (1,893) | (705) |
| Industry Training Program and Scholarship Fund | <u>1,730</u> | <u>1,730</u> |
| <u>Totals</u> | <u>\$ (5,018)</u> | <u>\$ (1,433)</u> |

(6) Security Deposit

The Plan is required to maintain a deposit with a third-party benefits administrator, American Legal Services. The reserve is nonforfeitable should the insurance contract terminate. At May 31, 2025 and 2024, the deposit balance totaled \$100,000 and \$100,000, respectively.

(7) Lease Commitment

The Plan pays their allocated portion of monthly rent payments plus real estate taxes, from the Health Benefit Fund of \$2,790 per month. The Plan leases office space at 305 West 44th Street, New York, NY 10036 on a month to month basis. Lease expense for the years ended May 31, 2025 and 2024 was \$33,482 and \$33,228, respectively.

(8) Tax Status

The Plan has received an exemption letter from the IRS dated October 25, 1996, stating that the trust is tax exempt under the provisions of 501 (c) (9) of the Internal Revenue Code (IRC). The Plan and trust are required to operate in conformity with the IRC to maintain the tax-exempt status of the trust. The Trustees believe that the Plan, as amended, is being operated in compliance with the applicable requirements of the IRC and, therefore, that the related trust continues to be tax exempt.

Accounting principles generally accepted in the United States of America require The Plan to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by tax authorities. The Plan is subject to routine examinations by taxing jurisdictions; however, management believes the Plan has no uncertain tax positions that would require recognition or disclosure in the financial statements.

(9) Plan Termination

The Trustees expect and intend to continue the Plan indefinitely but reserve the right to amend or terminate the Plan as provided for by the applicable Trust Agreement and Plan provisions. If the Plan is terminated, trust assets will be used to pay all expenses under the terms of the Plan in the order of priority specified by the Plan and as otherwise required by law.

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND**

Notes to Financial Statements

(10) Risks and Uncertainties

Investment Risk - The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investments securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Actuarial Assumptions - Plan benefit obligations are reported based on certain assumptions pertaining to interest rates, inflation rates, healthcare cost trend rate and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Concentration of Credit Risk - The Plan maintains its cash balances in high credit quality financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for each participant's non-contingent interest. At May 31, 2025 and 2024, the Plan's cash exceeded federally insured limits by approximately \$438,300 and \$108,000, respectively.

(11) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

| | <u>May 31,</u> <u>2 0 2 5</u> | <u>2 0 2 4</u> |
|---|----------------------------------|-----------------------------|
| Net Assets Available for Benefits per the Financial Statements | \$ 24,800,322 | \$ 21,657,957 |
| Less: Benefit Obligations Currently Payable | <u>(152,357)</u> | <u>(99,897)</u> |
| <u>Net Assets Available for Benefits per the Form 5500</u> | <u>\$ 24,647,965</u> | <u>\$ 21,558,060</u> |

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500:

| | <u>May 31,</u> <u>2 0 2 5</u> |
|---|----------------------------------|
| Benefits Paid to Participants per the Financial Statements | \$ 3,546,192 |
| Add: Amounts Currently Payable at May 31, 2025 | 152,357 |
| Less: Amounts Currently Payable at May 31, 2024 | <u>(99,897)</u> |
| <u>Benefits Paid to Participants per the Form 5500</u> | <u>\$ 3,598,652</u> |

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SUPPLEMENTARY INFORMATION

**THE NEW YORK TRADES COUNCIL AND HOTEL
ASSOCIATION OF NEW YORK CITY, INC. PREPAID LEGAL FUND
EIN #13-3418414
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2025**

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

| (a) | (b) | (c) | (d) | (e) |
|--------------------------------|--|---|----------------------|--------------------------|
| | <u>Identity of Issue, Borrower, Lessor, or Similar Party</u> | <u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u> | <u>Cost</u> | <u>Current Value</u> |
| Short-Term Investments: | | | | |
| | MFB Northern Instl Fds Govt Portfolio Cl | 22,892 | \$ 22,892 | \$ 22,892 |
| | JPMorgan US Gov Mmkt Capital (OGVXX) | 1,637,240 | <u>1,637,240</u> | <u>1,637,240</u> |
| | Total Short-Term Investments | | <u>1,660,132</u> | <u>1,660,132</u> |
| Mutual Funds: | | | | |
| | MFO State Street Institutional Inv Test | 35,168 | 3,369,731 | 4,106,545 |
| | MFO Capitol Series Trust Fuller and | 18,133 | 916,871 | 797,485 |
| | MFO Fidelity Salem Street Trust Spartan | 24,940 | 873,301 | 850,950 |
| | MFO State Street Institutional Inv Tst | 12,675 | 3,951,041 | 5,620,311 |
| | MFO State Street Institutional Inv Test | 122,989 | <u>10,842,068</u> | <u>10,530,355</u> |
| | Total Mutual Funds | | <u>19,953,012</u> | <u>21,905,646</u> |
| | Total Assets | | <u>\$ 21,613,144</u> | <u>\$ 23,565,778</u> |

* Party-in-Interest, as defined by ERISA.

See Independent Auditors' Report.

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210 - 0110
1210 - 0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning **06/01/2024** and ending **05/31/2025**

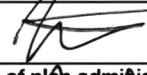

- A** This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)
- B** This return/report is: a single-employer plan a DFE (specify) _____
 the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here
- D** Check box if filing under: Form 5558 automatic extension the DFVC program
 special extension (enter description)
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here

Part II Basic Plan Information - enter all requested information

| | |
|--|---|
| 1a Name of plan NEW YORK HOTEL TRADES COUNCIL & HOTEL ASSOCIATION OF NYC, INC. PREPAID LEGAL SERVICES FUND | 1b Three-digit plan number (PN) ▶ 508 |
| | 1c Effective date of plan 11/01/1987 |
| 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) NY HOTEL TRADES COUNCIL & HOTEL ASSOCIAT PREPAID LE 305 WEST 44TH STREET NEW YORK NY 10036 | 2b Employer Identification Number (EIN) 13-3418414 |
| | 2c Plan Sponsor's telephone number 212-586-6400 |
| | 2d Business code (see instructions) 813000 |

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|------------------|---|-----------------|--|
| SIGN HERE |  | 02/18/26 | RICHARD MAROKO, CO-CHAIRMAN |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE |  | 02/18/26 | VIJAY DANDAPANI, CO-CHAIRMAN |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | | |
| | Signature of DFE | Date | Enter name of individual signing as DFE |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024)
v. 240311