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NOTICE TO CONTRIBUTING EMPLOYER OF AMENDMENT TO PARTICIPATION AGREEMENT (herein “Amendment”) between the Contributing Employer identified below and the Producers’ Health Benefits Plan (the “Plan”)

Introduction

The terms and conditions of the 2019 or most recent executed Participation Agreement (the “PA”) between the Plan and the Contributing Employer are amended by this Amendment as follows effective February 1, 2020.

As provided in the PA and the Plan Board of Trustees resolutions with respect to the 2020 renewal of the Plan of Benefits effective after January 1, 2020, these amendments shall automatically be effective on February 1, 2020 (unless a different effective date is stated in this Amendment) unless written notice to the Plan is received not later than Midnight Pacific Standard Time on January 31, 2019 of the Contributing Employer’s decision to reject such amendments in total in which event the Contributing Employer’s participation in the Plan, the PA (except those provisions identified therein as surviving its termination) and all coverage provided under the Plan of Benefits shall terminate effective 12:01 AM Pacific Standard Time on February 1, 2020.

Under the foregoing termination, Group Health Plan Continuation coverage (also known as COBRA) is not available to any staff participants of the Contributing Employer. References herein are to the Participation Agreement revised as of April 19, 2019 or November 9, 2018 or the most recently executed or operative PA, as applicable, and the terms used herein shall have the same meaning as used in the PA.

Amendment

1. Effective January 1, 2020, Associate Member Requirements and References to Associates and Associate Members contained in Paragraphs 1 (a) (b) and (c) (ii), Paragraph 7 (b) of the PA are deleted and all other references to Associates and Associate Members are deleted throughout the PA.

2. Effective January 1, 2020, Working Owners Paragraph 1 d. of the PA is deleted.

3. Paragraph 7 (a) (i) of the PA, “Covered Freelance Employees;” is amended by adding after the end of the first sentence, the following:

“Notwithstanding the preceding sentence, required contributions on behalf of freelance employees shall not be less than \$25 per day on which any amount of freelance work in Covered Categories on Covered Productions is performed.”

4. Paragraph 7 (b) of the PA “General application of Paragraph 7 (b);” is amended to read:

“7 (b) Requirements for Election of Staff Coverage effective January 1, 2020: A contributing Employer that produces Covered Productions and contributes to the Plan for freelance Covered Categories in accordance with Paragraph 7 (a) (i), may elect to provide coverage of staff employees (as defined in Paragraph 7 (b)(i)) for the Plan Year 2020) provided: (A) the Contributing Employer employs and covers at least one full time common law staff employee as defined in Paragraph 7 (b) (i) of this PA (other than through a loan-out company and other than the spouse of an owner or partner of the Contributing Employer) during all months that coverage for staff is being provided by the Plan and, in addition, (B)meets (in the determination of the Plan) applicable state law insurance requirements and/or is exempt under the Plan’s carrier’s rules or statements of policy.. A Contributing Employer shall not be deemed to produce “Covered Productions” and is not eligible to become or remain a Contributing Employer with Staff Coverage unless it can demonstrate to the satisfaction of the Plan that it has produced, and continues to produce, at least one Covered Production annually employing freelance common law employees in Covered Categories in each year during which this PA is in effect.

Post-production (including Audio-post) and Digital Contributing Employers may elect staff coverage without also covering freelance commercial production work provided they comply with all other requirements of Paragraph 7 (b). Post-production and Digital Production Contributing Employers are required to make freelance contributions under Paragraph 7(a) (i) if they produce, or perform work on, Covered Productions.”

Contributing Employers Not Employing Any Full-Time Staff Employees. Effective January 1, 2020, if the Contributing Employer’s trade or business does not meet the requirements to elect Staff Coverage as set forth in the preceding Paragraph, then the trade or business may be a Contributing Employer with respect to freelance employment under Paragraph 7(a) (i). Owners, partners and their spouses who work in the trade or business they own may be covered by the Plan only as a freelance employee working in a freelance covered job category on Covered Productions under Paragraph 7(a)(i) of the PA for his/her own trade or business as part of the production crew consisting of other covered freelance employees working under Paragraph 7 (a) (i). The owners, partners and their spouses may also work for other Contributing Employers to the Plan who make contributions on their behalf as freelance employees together with other freelance employees working under Paragraph 7(a) (i).

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Contributions to the Plan under the preceding Paragraph for owners, partners and their spouses working on Covered Productions for his/her own trade or business as a Contributing Employer under Paragraph 7 (a) (i) shall be made to the Plan which shall be the product of 9% of the individual’s presumed annual freelance earnings, as determined by the Plan, which percentage equals the cost of coverage chosen by the owner, partner or spouse and shall be payable in equal monthly installments by the 15th calendar day of each month for the following month of coverage. The Plan will credit toward the monthly amount of contributions due from the owner’s, partner’s or spouse’s trade or business under the preceding sentence contributions that the Plan receives from other Contributing Employers based on the owner’s, partner’s and their spouse’s employment on Covered Productions in freelance Covered Categories under Paragraph 7 (a) (i) of this PA.

Staff coverage election requires completion and timely submission of the Plan’s Participating Employer Data Election Form as provided by the Plan and timely completion of the Plan’s designated initial and annual enrollment processes.”

5. Paragraph 7 (b) (iii) third sentence of the PA is amended by changing the maximum percentage of monthly contribution paid/reimbursed by any staff employee from fifty percent

(50%) to forty-nine percent (49%) of the Contributing Employer's total monthly contribution rate for the level of coverage that the Contributing Employer has elected.

6. Effective January 1, 2020, the 2020 Amended Plan of Benefits and 2020 Staff Contribution Rates as adopted by the Plan and disseminated to Contributing Employers are incorporated herein by reference. Paragraph 7 (b) (vii) Staff Coverage Rates is amended by changing 2019 to 2020.

Except as amended herein or as otherwise provided in the PA and except for year/ date conforming adjustments, the terms of the PA shall continue unless sooner terminated as provided therein.

Producers' Health Benefits Plan

By: Sean Cooley, Executive Director

Dated: Los Angeles, California

December 5, 2019