

BUSINESS RULES FOR CONTRIBUTION PROCESSING

The following rules will be enforced by the Administrative Office of the Trusts to insure compliance with the requirements for contribution processing.

1. **Payment must be made in US dollars only.**
2. Employers reporting initial compensation must be signatory to the appropriate collective bargaining agreement or Assumption Agreement. **Contributions will not be accepted until the Trusts have received the appropriate documentation.** Successor-In-Interest employers, please provide a copy of your Assumption Agreement to the Trusts.
3. Employers making residual payments, who are not signatory employers, must provide a copy of their agreement to assume the residual obligation of the project. **A copy of the appropriate agreement must be on file at the Trusts before contributions will be accepted.**
4. Initial compensation and residual payments may not be combined on the same Report of Contributions or electronic file.
5. Contributions are due on all writers performing covered services, regardless of their membership status with the Writers Guild.
6. **Only one period of activity may be submitted on a weekly or monthly Report of Contributions or electronic file.** For example, only activity in June of 2008 may be reported on the June 2008 monthly report. Any other period of activity must be submitted on a separate report.
7. Reports of Contributions and electronic files must be identified by the collective bargaining agreement under which they are submitted. Only one collective bargaining agreement may be submitted per report. For example, contributions paid under the 2004 and 2008 MBA's must be on separate reports.
8. All compensation must be submitted on a per writer/per project/per payment/per period basis (**no lump sum reporting**). For example, if Writer A receives six payments in June 2008, each payment must be reported on a separate line and identified by the applicable fields. For information on the applicable fields, please see the section on preparing the Report of Contributions (ROC).

9. Employers, Payroll Services and Paying Agents who are reporting must include a Control Total Sheet that shows Subject Earnings and Contributions Due per employer. **Reports of Contributions and electronic files covering multiple employers will not be processed without a Control Total Sheet.**
10. Credits may not be taken on a current report if they are for a period prior to the current reporting period. For example, a credit for earnings originally reported in January 2009 may not be taken on the June 2009 report. Credits must be submitted separately with a valid explanation and the check numbers on which the original reporting was made. **Credits without valid explanations will be disallowed and the employer billed for the contributions withheld from the current payment as well as interest, if applicable.**
11. **Refund requests must be made in writing** and accompanied by the appropriate documentation (contract, payroll register, etc.) to be considered.
12. **Data submitted electronically will be entered as reported on the electronic file.** No changes will be made to the electronic files. Corrections to the paper Reports of Contributions must be submitted in writing (email is acceptable).
13. **Quarter Switch**—If a company reported earnings in an incorrect quarter, submit a written request to transfer the earnings along with the back-up to support the change (delivery schedule, payroll register, etc.). Please note that earnings may not be moved for the sole purpose of obtaining eligibility for benefits.

10% Owner Reporting Requirements

14. If the signatory company is reporting on a **writer, his/her spouse, his/her parents, his/her spouses' parents, his/her siblings or his/her lineal descendants**, who own 10% or more of the reporting entity, the following requirements must be met:
 - A. The project must have unrelated third party financing.
 - B. If the Writers' contract does not separate writing compensation from compensation for other services, contributions must be made on the lower of: 100% of the Writers' total compensation under the project or \$121,500 (the amount necessary to pay the cost of the annual Health Fund coverage; figure may be adjusted yearly).

- C. If the Writers' contract specifically states the amount allocated for such writers' covered services, contributions shall be due on the greater of the amount so specified or the Basic Agreement's minimum compensation for such services. If the contract with the unrelated third party does not specifically state the amount allocated for the writing services, contributions are based on the lower of one of the following:
- i. 5% of the total compensation the contributing employer received from the unrelated third party for producing non-dramatic programming or 10% of the total compensation the contributing employer received from the unrelated third party for producing dramatic programming, or
 - ii. At least \$121,500 (the amount necessary to pay the cost of the annual Health Fund coverage; this figure may be adjusted yearly).

Please call the Employer Compliance Department for more information on 10% Owners at 818-526-3147 or visit our website at www.wgaplans.org and select the 10% Owners tab under Contributions.

Please be advised that reports may be rejected and returned if insufficient information or improper transactions are included.

If you have any questions about the rules stated here, please contact the Contribution Processing Department at 818-526-3176.