



Writers' Guild-Industry Health Fund

Terence L. Young, Chief Executive Officer

May 1, 2009

TO: ALL PARTICIPANTS

CHANGE IN QUALIFYING EARNINGS AMOUNT FOR ACTIVE (Earned) ELIGIBILITY

Eligibility for Health Fund coverage is based on earnings which equal the WGA minimum for a one hour, network prime time story and teleplay. Through the period ending June 30, 2009, you must earn \$31,748 in covered (reportable) compensation within four (4) consecutive calendar quarters to qualify for one year of employer paid eligibility. Under the Writers Guild of America 2008 Theatrical and Television Minimum Basic Agreement, that minimum increases to **\$32,700**, effective May 2, 2009 (\$33,681 effective July 1, 2010).

Consequently, starting **July 1, 2009**, the minimum of covered (reportable) earnings required for Health Fund eligibility will be **\$32,700, earned within four (4) consecutive calendar quarters**. This change will affect eligibility accrual periods beginning with the calendar quarter which commences July 1, 2009. Please note that some of your earnings may not be reportable to the Health Fund if you have reached the ceiling on a project or received compensation that is not subject to reporting.

Examples of non-reportable compensation include but are not limited to: royalties, clips, character creation fees, options, theatrical residuals, over ceiling TV residuals, separated rights fees, publication fees, and amounts over the weekly 14K and 14E2 minimums.

Note: Writers of thirteen (13) breakdowns during one thirteen-week cycle for a one-hour daytime serial program who have been paid a total of less than \$32,700, may still be eligible to receive one year's Health Fund eligibility. Please call the Administrative Office for details.

EXAMPLE OF BASIC INITIAL ELIGIBILITY (not currently on earned coverage)

If your covered (reportable) earnings total **\$32,700**, earned within four (4) or less consecutive calendar quarters, you will be eligible for twelve (12) consecutive months of earned coverage after a lag period of one (1) quarter.

Earnings Cycle Ends	Lag Quarter	Coverage Cycle
Dec. 31, 2008 - (\$31,748)	Jan. 1, 2009 – March 31, 2009	April 1, 2009 – March 31, 2010
March 31, 2009 - (\$31,748)	April 1, 2009 – June 30, 2009	July 1, 2009 – June 30, 2010
June 30, 2009 – (\$31,748)	July 1, 2009 – Sept. 30, 2009	Oct. 1, 2009 – Sept. 30, 2010
Sept. 30, 2009 – (\$32,700)	Oct. 1, 2009 – Dec. 31, 2009	Jan. 1, 2010 – Dec. 31, 2010
Dec. 31, 2009 – (\$32,700)	Jan. 1, 2010 – March 31, 2010	April 1, 2010 – March 31, 2011
March 31, 2010 – (\$32,700)	April 1, 2010 – June 30, 2010	July 1, 2010 – June 30, 2011
June 30, 2010 – (\$32,700)	July 1, 2010 – Sept. 30, 2010	Oct. 1, 2010 – Sept. 30, 2011
Sept. 30, 2010 – (\$33,681)	Oct. 1, 2010 – Dec. 31, 2010	Jan. 1, 2011 – Dec. 31, 2011

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Writers' Guild-Industry Health Fund

EXAMPLE OF CONTINUATION OF ELIGIBILITY

If your earnings cycle is January 1, 2008 through December 31, 2008 or April 1, 2008 through March 31, 2009 or July 1, 2008 through June 30, 2009, and you earned at least \$31,748 in reportable earnings by the end of your earnings cycle, you can qualify for an additional twelve (12) months of earned coverage.

However:

If your earnings cycle is October 1, 2008 through September 30, 2009, or January 1, 2009 through December 31, 2009, and you did not earn \$31,748 by June 30, 2009, but earned at least \$32,700 by the end of your earnings cycle, you can qualify for another twelve (12) months of earned coverage.

Earnings Cycle	Minimum for Eligibility	Coverage Cycle
Jan. 1, 2008 – Dec. 31, 2008	\$30, 823 by March 31, 2008, \$31,748 thereafter	April 1, 2009 – March 31, 2010
April 1, 2008 – March 31, 2009	\$31,748	July 1, 2009 – June 30, 2010
July 1, 2008 – June 30, 2009	\$31,748	Oct. 1, 2009 – Sept. 30, 2010
Oct. 1, 2008 – Sept. 30, 2009	\$31,748 by June 30, 2009, \$32,700 thereafter	Jan. 1, 2010 – Dec. 31, 2010
Jan. 1, 2009 – Dec. 31, 2009	\$31,748 by June 30, 2009, \$32,700 thereafter	April 1, 2010 – March 31, 2011
April 1, 2009 – March 31, 2010	\$31,748 by June 30, 2009, \$32,700 thereafter	July 1, 2010 – June 30, 2011
July 1, 2009 – June 30, 2010	\$32,700	Oct. 1, 2010 – Sept. 30, 2011
Oct. 1, 2009 – Sept. 30, 2010	\$32,700 by June 30, 2010, \$33,681 thereafter	Jan. 1, 2011 – Dec. 31, 2011
Jan. 1, 2010 – Dec. 31, 2010	\$32,700 by June 30, 2010, \$33,681 thereafter	April 1, 2011 – March 31, 2012
April 1, 2010 – March 31, 2011	\$32,700 by June 30, 2010, \$33,681 thereafter	July 1, 2011 – June 30, 2012

EXTENDED COVERAGE PROGRAM- HOW POINTS ARE EARNED

The Fund's Extended Coverage Program provides an extension of Health Fund coverage should a Writer not have the required amount of covered (reportable) earnings to qualify for regular, employer-paid coverage by awarding points as indicated below. Once a Writer accumulates a sufficient number of points, the points are applied to

Producer-Writers Guild of America Pension Plan
Writers' Guild-Industry Health Fund

provide Health Fund coverage without cost to the Writer and precede any COBRA coverage which the Writer will eventually be able to purchase. For each earnings cycle (the four quarters during which a Writer's reportable earnings are calculated for employer-paid Health Fund Coverage), up to three (3) points may be earned as follows:

One (1) point for each 4-quarter eligibility cycle which resulted in Health Fund eligibility.

One (1) additional or *second point* for each four-quarter earnings cycle during which the writer earned covered compensation as reported to the Health Fund* for the indicated earnings cycles listed below.

Earnings Minimum For Second Point	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date
\$100,000		04/01/00	07/01/00	10/01/00
103,252	01/01/01	04/01/01	07/01/01	10/01/01
106,089	01/01/02	04/01/02	07/01/02	10/01/02
108,741	01/01/03	04/01/03	07/01/03	10/01/03
111,460	01/01/04	04/01/04	07/01/04	10/01/04
113,968	01/01/05	04/01/05	07/01/05	10/01/05
116,534	01/01/06	04/01/06	07/01/06	10/01/06
119,156	01/01/07	04/01/07	07/01/07	10/01/07, 01/01/08
122,731	04/01/08	07/01/08	10/01/08	01/01/09
126,413	07/01/09	10/01/09	01/01/10	04/01/10
130,205	07/01/10	10/01/10	01/01/11	04/01/11

*Under the rules of the Extended Coverage Program, on January 1, 2001, and the first day of each calendar year thereafter, the initial \$100,000 eligible earnings level for which a *second point* is awarded will be increased by an amount proportionally equivalent to the increase (if any) in the Guild minimum for a ½ hour network prime time story and teleplay.

Accordingly, the new amount for which an additional or *second point* may be awarded is **\$126,413** for earnings cycles beginning July 1, 2009, October 1, 2009, January 1, 2010 and April 1, 2010. For earnings cycles beginning July 1, 2010, October 1, 2010, January 1, 2011 and April 1, 2011 the *second point* is awarded at **\$130,205**.

Producer-Writers Guild of America Pension Plan
Writers' Guild-Industry Health Fund

Extended Coverage Program- Adjustment to Point Award Continued:

One (1) additional or <i>third point</i> for each four-quarter earnings cycle during which the writer earned covered compensation as reported to the Health Fund** for the indicated earnings cycles listed below.				
Earnings Minimum For Second Point	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date
\$200,000		04/01/00	07/01/00	10/01/00
200,000	01/01/01	04/01/01	07/01/01	10/01/01
200,000	01/01/02	04/01/02	07/01/02	10/01/02
200,000	01/01/03	04/01/03	07/01/03	10/01/03
200,000	01/01/04	04/01/04	07/01/04	10/01/04
204,500	01/01/05	04/01/05	07/01/05	10/01/05
209,101	01/01/06	04/01/06	07/01/06	10/01/06
213,806	01/01/07	04/01/07	07/01/07	10/01/07, 01/01/08
220,220	04/01/08	07/01/08	10/01/08	01/01/09
226,827	07/01/09	10/01/09	01/01/10	04/01/10
233,631	07/01/10	10/01/10	01/01/11	04/01/11

**In 2004, the Board of Trustees evaluated how a *third point* is awarded. The decision was made to amend the program as follows: Effective January 1, 2005, and the first day of each calendar year thereafter, the eligible earnings level for which an additional or *third point* is awarded will be increased by an amount proportionally equivalent to the increase (if any) in the Guild minimum for a ½ hour network prime time story and teleplay.

Accordingly, the new amount for which a *third point* may be awarded is \$226,827 for earnings cycles beginning July 1, 2009, October 1, 2009, January 1, 2010, and April 1, 2010. For earnings cycles beginning July 1, 2010, October 1, 2010, January 1, 2011, and April 1, 2011 the *third point* is awarded at \$233,631.

If you should have any questions regarding the changes or their impact on your individual situation, please contact the Eligibility Department at the telephone number on page 1 by selecting “3” at the menu prompt.

Sincerely,

BOARD OF TRUSTEES