

Inside this issue

Health Plan Premiums to Increase January 1, 2010 1

New Retirement Plan Payment Option..... 2

Michelle’s Law 4

Is Your Child in College? Keep Us Informed 3

Life Events? 3

Coverage under both AFTRA Health Plan and SAG-Producer’s Plan 4

In Memoriam – Norman Samnick.....5

Women’s Health and Cancer Rights Act..... 5

AFTRA H&R Trustees 6

Summary Annual Report for the AFTRA Health and Retirement Funds..... 7

Health Plan Premiums to Increase January 2010

In January 2007, the Board of Trustees approved annual 5% increases in Health Plan premiums. The 2008 increase was postponed several times and was not implemented until April 2009 (see January 2009 *Benefits Update* at www.aftrahr.com), when a 5% annual increase to quarterly premiums took effect.

Beginning January 1, 2010, the current quarterly premiums will be increased 5%. The following chart provides the current and new premium amounts if you are qualified to enroll or are already an enrolled participant in the AFTRA Health Plan as of January 1, 2010.

Covered Participants	Current Quarterly Premiums	Quarterly Premiums Effective January 1, 2010
Participant only	\$330	\$346
Participant and spouse/ domestic partner only	\$578	\$606
Participant and child(ren) only (no spouse/domestic partner)	\$578	\$606
Full family	\$633	\$664
Senior Citizen retiree only	\$132	\$138
Senior Citizen retiree and spouse/domestic partner	\$380	\$399
Senior Citizen retiree and child(ren) only (no spouse/ domestic partner)	\$380	\$399
Senior Citizen full family	\$434	\$455

Paying Your Premiums

- **Online Payment** — Don’t forget that you now have the option of paying quarterly premiums online at www.aftrahr.com provided you do so **by the due date on the invoice**. It’s fast and convenient. Visa, MasterCard and Discover credit cards are accepted in addition to Visa and MasterCard branded debit cards. Late premium payments cannot be made online. They can be made by mail or your bank’s automatic bill payment.
- **Bank Automatic Bill Payment** — If you previously chose to pay the Health Plan premium through your bank’s automatic bill payment option, be sure to inform your bank of the change in premium amount in advance of the due date for the first quarter payment in 2010.

continued on next page

- **By Mail** — Finally, if you pay your quarterly premium by mail, be sure to enclose your invoice with your payment, which must be received by the New York AFTRA H&R office no later than the 15th of the month preceding the start of each calendar quarter for coverage to remain in place.

Reminder: The January 2010 premium due date is December 15th. That is the last day credit card payments will be accepted.

Online Premium Payments
Secure...Easy...Convenient
www.aftrahr.com

New Payment Option Added to Retirement Plan

When you are ready to retire, you have many decisions to make, and some of the most important ones are financial. What sources of income will you have during retirement and what will your expenses be? Will Social Security, a 401(k) plan, private investments, and/or a retirement plan pension be available to you?

For qualified performers, the AFTRA Retirement Fund can provide a steady stream of income through a variety of annuity payment options.

Currently the Retirement Plan provides the following annuity options*:

- Husband and Wife Annuity
- Five Year Certain and Life Annuity
- Pop-Up Option
- Life Benefit Only
- 50% or 100% Joint and Survivor (J&S) Annuity

* A Lump Sum option (which is not considered an annuity) is available only for performers who had a Retirement Account before these accounts were discontinued.

More detailed information about these options can be found in the 2006 AFTRA Retirement Plan summary plan description (SPD) and the Retirement Plan links at www.aftrahr.com.

Effective December 1, 2009, a new option — a 75% Joint and Survivor Annuity — will be available for those who retire on or after December 1, 2009. The 75% J&S option will be in addition to the existing 50% and 100% J&S options. (It's important that you understand that if you are presently receiving a benefit from the Retirement Plan, you cannot change your payment election.)

Under these three Joint and Survivor Annuity options, a monthly benefit is payable to you as long as you live, and after your death, the designated percentage — 50%, 75% or 100% — will be paid to your legally married spouse or designated beneficiary for as long as he/she lives.

As an example, the following chart illustrates the benefit you would receive under each of the J&S Annuity options and the benefit your spouse or beneficiary would receive for his/her lifetime after your death based on:

- the assumption that you retire at age 65, with a yearly pension valued at \$12,000, or \$1,000 per month, before any adjustments;
- your spouse is age 65; and
- you choose either the 50%, 75% or 100% J&S Annuity.

Joint and Survivor Options	Retiree's Monthly Pension Benefit	Beneficiary's Monthly Pension Benefit After Retiree's Death
50% J&S Annuity	\$928	\$464
75% J&S Annuity **NEW**	\$891	\$668
100% J&S Annuity	\$856	\$856

The addition of the new 75% J&S Annuity offers you another payment choice to help you tailor your AFTRA Retirement Fund benefit to best suit your needs and financial situation. Of course, we encourage you to speak with your financial advisor before making these important decisions. Refer to the SPD for additional information concerning your payment options and procedures for designating a beneficiary for your Retirement Fund benefits.

Is Your Child in College? Keep AFTRA H&R Informed

If you have a college-age child who is covered under the AFTRA Health Plan, be sure to keep AFTRA H&R informed of your child's student status. You can access the *Full-Time Student Verification Form* by clicking "Forms", then "Health Forms" on our website www.aftrahr.com. The Health Plan covers unmarried dependent children who qualify to the end of the calendar year in which they reach the age of 21. To continue to qualify as a dependent under the Health Plan past this point, your adult child must be a full-time student at a school or college. If you claim full-time student status for a dependent age 21 or older, each semester AFTRA H&R must receive (at the address highlighted to the right) proof that the dependent is enrolled as a full-time student and attending classes. Acceptable forms of proof of full-time student status include:

- written verification of full-time enrollment from the school Bursar's office or appropriate school official; or
- printed receipt from the institution showing full-time enrollment and tuition paid in full; or
- paid in full registration course schedule that shows enrollment for a sufficient number of credits to be considered a full-time student by the school.

Full-time students remain eligible for dependent status until they are no longer full-time students or until the end of the calendar year in which they reach the age of 23, whichever is earlier. However, in the event of a medically necessary leave of absence, Health Plan coverage may be extended (see "Michelle's Law" on page 4).

If your child is over age 21 and covered as a full-time student, you must notify AFTRA H&R promptly when your child graduates or no longer qualifies as a full-time student. While covered dependents over age 21 no longer qualify for AFTRA Health Plan coverage when they lose full-time student status (unless they are otherwise eligible due to incapacity as de-

scribed on page 20 of the January 2005 Health Plan SPD), this loss of coverage is a "qualifying event" that allows your child the opportunity to elect continued coverage on a self-pay basis under the terms of the Consolidated Omnibus Budget Reconciliation Act (COBRA). You must notify AFTRA H&R in writing of the loss of full-time student status within 60 days after the qualifying event occurs in order for your child to be eligible to elect COBRA continuation coverage. For additional information concerning COBRA continuation coverage, please refer to pages 23-28 of the 2005 AFTRA Health Plan SPD.

For this or any life event (see below "Life Events? Let AFTRA H&R Know") that could affect your Health Plan coverage, you must notify AFTRA H&R in writing within certain specified time frames. Please send notification, along with any required supporting documentation, to the address below:

AFTRA Health & Retirement Funds
Attention: Eligibility Department
261 Madison Avenue, New York, NY 10016

If you have questions related to your AFTRA Health Plan coverage, the different life events that could affect your coverage and the notification requirements that apply, refer to the 2005 AFTRA Health Plan SPD or click on "Life Events" at www.aftrahr.com.

Life Events? Let AFTRA H&R Know

When your life changes, make sure that your benefits change with you. It's important that you update AFTRA H&R when changes in your life and business affairs happen – to keep your benefits current and to ensure that you and your dependents receive all the benefits to which you are entitled. Please note that there are different time frames during which you must notify AFTRA H&R and procedures that may apply depending upon what the life event is.

However, when life events occur that require you to add or remove Health Plan dependents, you or your business manager must notify AFTRA H&R no later than 30 days after the date of the life

continued on next page

event. If you fail to do so you will not be allowed to make changes until your next coverage period.

If you don't send written notice and any required documentation within the appropriate time frame, your benefits could be impacted or you could miss opportunities, such as the chance to immediately add a dependent to your health coverage. In any case, you must notify AFTRA H&R after life events occur. Some, but not all of them, are listed below.

- When a child is born or you adopt a child
- When you marry
- When you move
- When you hire or change agents / managers
- When a dependent child turns 21
- When a dependent child's student status changes

To learn more about what you must do to update and protect your benefits when your life changes, refer to the 2005 AFTRA Health Plan summary plan description (SPD) or visit www.aftrahr.com and click the link to "Life Events". And remember, if you are unsure about a change in your personal situation, you can contact Participant Services at 1-800-562-4690 to discuss it with a counselor.

“Michelle’s Law” May Extend Health Plan Coverage for Covered College Age Dependents

A federal law was passed in 2008 called “Michelle’s Law” that provides extended Health Plan coverage if a covered dependent who is age 21 or older loses full-time student status due to a medically necessary leave of absence. The dependent must have been enrolled in the Health Plan based on his or her full-time student status immediately before the first day of the medically necessary leave of absence. The dependent’s treating physician must submit a written certification to the Health Plan stating that the child is suffering from a serious illness or injury and that the leave of absence (or other change of school

enrollment) is medically necessary. Under the AFTRA Health Plan, for **medically necessary leaves of absence effective on and after December 1, 2009**, dependents will continue to be covered until the earlier of:

- one year from the date of the commencement of the leave;
- the end of the calendar year in which the dependent turns 23 years old; or
- the date coverage for the dependent child would otherwise terminate under the terms of the Health Plan.

For more information, contact Participant Services at 1-800-562-4690.

Coverage Under Both the AFTRA Health Plan and the SAG-Producers Health Plan

AFTRA H&R understands that coordination of benefits (COB) rules can seem confusing to many performers who qualify for coverage under the AFTRA Health Plan and may also qualify for other health coverage. The other coverage can include:

- Coverage through other entertainment unions;
- Coverage under a spouse’s or partner’s health plan; and
- Coverage from Medicare.

If you qualify for coverage under more than one health plan, you should know that there are special rules that govern coordination of benefits among the plans. Depending on your situation, it may benefit you and your family members to have coverage under multiple health plans.

If you qualify for both the AFTRA Health Plan and the SAG-Producers Health Plan, your primary plan is the plan for which you have the longest period of continuous qualification — without regard to gaps in coverage due solely to non-payment of premium.

continued on next page

- If you have a longer period of continuous qualification with the AFTRA Health Plan, then the AFTRA Health Plan is primary.
- If you have a longer period of continuous qualification with the SAG-Producers Health Plan, then the AFTRA Health Plan will be the secondary plan. This is the case even if you don't pay the premium and don't enroll in the SAG-Producers plan; the AFTRA Health Plan will pay secondary as if the SAG-Producers coverage was active and primary.
- If you qualify for both the AFTRA Health Plan and the SAG-Producers Health Plan on the exact same date, then you may choose either plan to be your primary plan. At the beginning of each annual enrollment period, you may also choose to switch which plan is primary — or keep the plans as they are — without any consequences.

Other entertainment fund plans may also have provisions which coordinate their benefits with the AFTRA Health Plan. It is important that you understand how coordination of benefit rules work. If you are eligible for coverage under more than one health plan, please refer to pages 66-70 in the 2005 AFTRA Health Plan summary plan description (SPD) and call Participant Services at 1-800-562-4690 and your other health plan for more information.

Women's Health and Cancer Rights Act of 1998 (WHCRA) Annual Notice

As required by the Women's Health and Cancer Rights Act of 1998, the Health Plan provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve a symmetrical appearance between the breasts, prostheses, and treatment of complications resulting from a mastectomy (including lymphedemas).

This coverage is subject to all AFTRA H&R's rules regarding benefits, including but not limited to the annual deductibles and coinsurance applicable to other medical and surgical benefits provided by the AFTRA Health Plan, as well as the Plan's definitions, limitations and exclusions. If you would like more information on WHCRA benefits, call Participant Services at 1-800-562-4690.

In Memoriam

Norman Samnick, AFTRA H&R Trustee

Norman Samnick, Trustee of the AFTRA Health & Retirement Funds for two decades, died of a heart attack on July 30 at his home in Old Brookville, NY. He was 68.

In 2001, Norm joined the law firm Bryan Cave LLP as a senior partner of its Labor Employment Group until his death. As the lead representative of the recording industry in its bargaining with AFTRA and the AFM, Norm was a formidable negotiator. Everyone who worked with him was impressed by his fearless honesty. There was never any doubt where he stood on any issue — and when difficult discussions took place, Norm was never afraid to make a funny comment and make us laugh. But he was also a dedicated Trustee, mindful of the fact that, irrespective of their job descriptions, all Trustees are legally required to work together to safeguard the Funds, while providing health and retirement benefits to qualified performers.

He is survived by his wife of 43 years, Jacquelyn, of Old Brookville, NY, and his children Jonathan Samnick of Los Angeles and Karen Samnick of New York, NY, and his brother, Robert Samnick of Henderson, NV. The Samnick family asks that donations be directed either to the charity of one's choice or to the Chemotherapy Foundation, 183 Madison Avenue, #403, New York, NY, 10016.

AFTRA Health Fund Board of Trustees

PRODUCER TRUSTEES

Dean Ferris, Co-Chairperson
AFTRA Board of Trustees
Executive Vice President
Labor Relations
Fox Group
10201 West Pico Boulevard
Los Angeles, CA 90035

Ted Bird
AFTRA Health & Retirement Funds
261 Madison Avenue
New York, NY 10016

Jean Bonini
Executive Vice President
Labor Relations
Sony Pictures Entertainment
10202 W. Washington Boulevard
Culver City, CA 90232

J. Keith Gorham
Senior Vice President, Labor Relations
NBC Universal
100 Universal City Plaza, 1280-3
Universal City, CA 91608

Harry Isaacs
Vice President, Industrial Relations
CBS, Inc.
7800 Beverly Boulevard
Los Angeles, CA 90036

Hank Lachmund
Senior Vice President, Labor Relations
Warner Bros.
300 Television Plaza, Bldg. 137, Rm. 1009
Burbank, CA 91505

Marion Preston
AFTRA Health & Retirement Funds
261 Madison Avenue
New York, NY 10016

Marc Sandman
Senior Vice President, Labor Relations
ABC, Inc.
500 South Buena Vista Street
Burbank, CA 91521

James Sirmons
AFTRA Health & Retirement Funds
261 Madison Avenue
New York, NY 10016

UNION TRUSTEES

Shelby Scott, Chairperson
AFTRA Board of Trustees
AFTRA
260 Madison Avenue
New York, NY 10016

David Browde
AFTRA
260 Madison Avenue
New York, NY 10016

Stephen Burrow
Executive Director
AFTRA New York Local
260 Madison Avenue
New York, NY 10016

Denny Delk
AFTRA
260 Madison Avenue
New York, NY 10016

John FitzGerald
AFTRA
260 Madison Avenue
New York, NY 10016

Kim Roberts Hedgpeh
National Executive Director
AFTRA
5757 Wilshire Boulevard
Los Angeles, CA 90036

Matt Kimbrough
AFTRA
260 Madison Avenue
New York, NY 10016

Lynne Lambert
AFTRA
260 Madison Avenue
New York, NY 10016

David Hartley-Margolin
AFTRA
260 Madison Avenue
New York, NY 10016

Joyce Reehling
AFTRA
260 Madison Avenue
New York, NY 10016

Sally Stevens
AFTRA
260 Madison Avenue
New York, NY 10016

EXECUTIVE OFFICE CHIEF EXECUTIVE OFFICER

Christine Dubois
AFTRA Health & Retirement Funds
261 Madison Avenue
New York, NY 10016

You should take the time to read this *Benefits Update* carefully and share it with your family. It is very important that you retain this notice with the Health Plan and Retirement Plan SPD booklets. While every effort has been made to make this Summary of Material Modifications (SMM) as complete and as accurate as possible, it does not restate the existing terms and provisions of the Plans other than the specific terms and provisions it is modifying. If any conflict should arise between this summary and the terms of the SPD (other than with respect to the specific terms and provisions this summary is modifying), or if any point is not discussed in this summary or is only partially discussed, the terms of the SPD will govern in all cases. The Board of Trustees of the AFTRA Health and Retirement Funds or its duly authorized designee reserves the right, in its sole and absolute discretion, to interpret and decide all matters under the Plans. The Board also reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plans or any benefits provided under the Plans (or eligibility for such benefits), in whole or in part, at any time and for any reason (including with respect to retirees and with respect to benefits already earned).

SUMMARY ANNUAL REPORT
FOR THE AFTRA HEALTH & RETIREMENT FUNDS
(For the year ended November 30, 2008)

The Trustees are pleased to present the Summary Annual Report of the AFTRA Health & Retirement Funds for the fiscal year ended November 30, 2008. The annual reports have been filed with the Department of Labor, as required by the Employee Retirement Income Security Act of 1974 (ERISA).

AFTRA HEALTH FUND

(Federal Employer Identification Number 13-3467049)

General

The Board of Trustees of the AFTRA Health Fund has committed itself to pay hospital, major medical, prescription drug, mental health and chemical dependency, wellness, dental, and loss of voice claims incurred under the terms of the plan.

Insurance Information

The plan has contracts with Aetna to pay life insurance and accidental death and dismemberment claims incurred under the terms of the plan. The total premiums paid for the plan year ended November 30, 2008 were \$491,517.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$118,915,839 as of November 30, 2008, compared to \$126,142,840 as of December 1, 2007. During the plan year the plan experienced a decrease in its net assets of (\$7,227,001). This decrease includes unrealized depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$77,560,920, including employer contributions of \$81,965,343, employee contributions of \$19,304,169, investment losses of (\$27,211,135) and earnings from investments of \$4,067,637.

Plan expenses were \$85,353,015. These expenses included \$11,881,000 in administrative expenses and \$72,906,921 in benefits paid to participants and beneficiaries.

AFTRA RETIREMENT FUND

(Federal Employer Identification Number 13-6414972)

Basic Financial Statement

Benefits under the plan are provided in whole from the trust fund. Plan expenses were \$121,813,838. These expenses included \$19,430,300 in administrative expenses and \$102,383,538 in benefits paid to participants and beneficiaries. A total of 40,889 persons were participants in or beneficiaries of the plan at the end of the year, although not all of these persons had yet earned the right to receive benefits.

The value of the plan assets, after subtracting liabilities of the plan was \$1,507,328,496 as of November 30, 2008, compared to \$2,070,949,867 as of December 1, 2007. During the plan year the plan experienced a decrease in its net assets of (\$563,621,371). This decrease includes unrealized appreciation in the value of the plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had a total loss of (\$441,807,533) including employer contributions of \$47,365,465, investment losses of (\$551,415,633) and earnings from investments of \$62,242,635.

Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

continued on next page

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, or any part thereof, upon request. The items listed below are included in the AFTRA HEALTH FUND's annual report: 1) an accountant's report; 2) financial information and information on payments to service providers; 3) assets held for investment; 4) fiduciary information; 5) loans or other obligations in default or classified as uncollectible; 6) transactions in excess of 5% of Plan assets; and 7) insurance information. The items listed below are included in the AFTRA RETIREMENT FUND's annual report: 1) an accountant's report; 2) financial information and information on payments to service providers; 3) assets held for investment; 4) fiduciary information; 5) loans or other obligations in default or classified as uncollectible; 6) transactions in excess of 5% of plan assets; 7) insurance information; 8) information regarding any common or collective trusts, pooled separate accounts or 103-12 investment entities in which the plan participates; and 9) actuarial information regarding the funding of the Plan.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Ms. Christine Dubois, who is the Funds' Chief Executive Officer, AFTRA Health & Retirement Funds, 261 Madison Avenue, New York, N.Y. 10016, telephone 212 499-4800. The charge to cover copying costs will be \$11.50 for the full annual report of the AFTRA Health Fund and \$20.20 for the AFTRA Retirement Fund, \$0.10 for any page thereof. You also have the right to receive from the Chief Executive Officer, on request and at no charge, a statement of the assets and liabilities of each plan and accompanying notes, or a statement of income and expenses of each plan and accompanying notes, or both. If you request a copy of the full annual report from the Chief Executive Officer, these two statements and accompanying notes will be included as part of the report. The charge to cover copying costs given does not include a charge for the copying of these portions of the report because these portions are furnished without a charge.

You also have the legally protected right to examine the annual reports at the main office of the Funds at 261 Madison Avenue, New York, NY 10016, or if you prefer, you can arrange to examine the reports, during business hours, at your office or at your employer's establishment if at least 50 Plan participants are employed there. To make such arrangements, call or write the Chief Executive Officer at the above address. You may also examine the annual reports at the U.S. Department of Labor in Washington, DC or obtain copies of them from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, 5638, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210.

Sincerely,

The Board of Trustees

Shelby Scott, *Co-Chairperson*

Dean Ferris, *Co-Chairperson*

Christine Dubois, *Chief Executive Officer*

IMPORTANT CONTACT INFORMATION

CIGNA HealthCare 1-800-768-4695 www.cignasharedadministration.com

AFTRA H&R Participant Services
1-800-562-4690

AFTRA H&R Website www.aftrahr.com