

ARTICLE 11. Health Plan

(a) Producers, the IATSE, and the respective Basic Crafts Unions are parties to the "Agreement and Declaration of Trust establishing the Health Plan for the Employees of the Motion Picture Industry" (hereinafter referred to as the "Health Plan") made as of October 20, 1952. Such Health Plan was established in accordance with the provisions of the "Producer-I.A.T.S.E. and M.P.M.O. Supplemental Agreement of October 25, 1951."

(b) In accordance with Article V, Sections 1 and 2 of such Health Plan, and subject to the provisions for changes hereinafter set forth, the Producer shall make contributions to the Health Plan as follows:²

(1) Basic Rate. A Producer which qualifies as a "\$15 Million Contributor" (as defined below) shall contribute to the Health Plan:

(i) four dollars ninety-one and three-tenths cents (\$4.913) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 to and including July 30, 2022 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked;

(ii) five dollars thirty-one and three-tenths cents (\$5.313) for each hour worked by or guaranteed an employee by such Producer on or after July 31, 2022 to and including July 29, 2023 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked; and

(iii) five dollars seventy-one and three-tenths cents (\$5.713) for each hour worked by or guaranteed an employee by such Producer on or after July 30, 2022 to and including July 31, 2024 under

² The Health Plan contribution rate set forth in subparagraph (b) above includes the thirty and one-half cents (\$0.305) hourly contribution that the bargaining parties agreed during the 2012 negotiations would be paid to the Health Plan, rather than to the Individual Account Plan as had been required under prior Agreements.

the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

It is understood that any Producer which has been recognized or is hereafter recognized by the Motion Picture Industry Pension and Health Plans as a "\$15 Million Contributor," and any entity related to or affiliated with such Producer that exists now or may exist in the future, qualifies as a "\$15 Million Contributor."

(2) Premium Rate. A Producer which does not qualify as a "\$15 Million Contributor" (other than an Employer covered under Article 11(b)(3) below) shall contribute to the Health Plan:

(i) seven dollars fifty-six and three-tenths cents (\$7.563) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 to and including July 30, 2022 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked;

(ii) eight dollars seventy-six and three-tenths cents (\$8.763) for each hour worked by or guaranteed an employee by such Producer on or after July 31, 2022 to and including July 29, 2023 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked; and

(iii) nine dollars ninety-six and three-tenths cents (\$9.963) for each hour worked by or guaranteed an employee by such Producer on or after July 30, 2023 to and including July 31, 2024 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

(3) During the 2021 negotiations, the bargaining parties agreed to recommend to the Directors of the Motion Picture Industry Health Plan that, effective August 1, 2021, an Employer (as defined below) which is a "shop" or "facility" shall make contributions to the Plans on behalf of an employee at the same rate as Rate Group 48, which shall remain at least \$2.00 above the Basic Rate in Article 11(b)(1) of the Agreement. The Employer must be signatory to a Basic Crafts Agreement and within the multi-employer bargaining unit represented by the AMPTP in the Basic Crafts negotiations.

The Directors of the Plan shall establish a definition of "shop" or "facility" for purposes of this provision. Any dispute whether an Employer qualifies as a "shop" or "facility" signatory to a Basic Crafts Agreement and within the multi-employer bargaining unit represented by the AMPTP in the Basic Crafts negotiations shall be resolved by the Directors of the Plan.

(4) Commencing with the quarter ending September 30, 2021 and at the end of every subsequent calendar quarter during the term of this Agreement, the consultants for the Health and Pension Plans shall project the level of reserves in the Active Employees Fund for the term of the Agreement.

If, at any time during the term of the Agreement, the consultants project that the level of reserves in the Active Employees Fund will fall below six (6) months, or that the level of reserves in the Retired Employees Fund will fall below eight (8) months, then the Basic Crafts Unions will reallocate up to one percent (1%) from wages and/or the Individual Account Plan, or any combination thereof, until such time as the reserves are restored to the six (6) or eight (8) month level, as applicable. It is understood that this may occur more than once during the term of the Agreement.

(c) In the event additional crafts and classifications of work shall, as herein provided, become subject to this Agreement subsequent to July 31, 2021, then and in such event, this Article 11 shall only be effective and applicable to employees thereafter employed hereunder by Producer in such crafts and classifications of work, commencing as of a date thereafter upon which the Producer and the Union shall mutually agree.

(d) When a minimum call is applicable and the employee works less than the minimum call, then the minimum call shall constitute time worked. Employees subject to this Agreement employed for full weeks under guaranteed weekly salary schedules shall be credited with not less than the hours guaranteed the employees under such guaranteed weekly salary schedule. In the event such employee works in excess of such applicable number of hours guaranteed in such weekly schedule, then additional contributions shall be made on such excess hours worked.

(e) For purposes of this provision, studio, nearby and distant location employment under "on call" weekly schedules shall be considered as follows:

(1) Partial week - twelve (12) hours per day (thirteen (13) hours per day effective July 31, 2022; fourteen (14) hours per day effective July 30, 2023);

(2) Five day week - sixty (60) hours per week (sixty-five (65) hours per week effective July 31, 2022; seventy (70) hours per week effective July 30, 2023);

(3) Six day week - seventy-two (72) hours per week (seventy-seven (77) hours per week effective July 31, 2022; eighty-two (82) hours per week effective July 30, 2023); and

(4) Seven day week - eighty-four (84) hours per week (eighty-nine (89) hours per week effective July 31, 2022; ninety-four (94) hours per week effective July 30, 2023).

For the sixth day not worked on distant location, health contributions for "on call" employees shall be based on eight (8) hours. For the seventh day not worked on distant location, health contributions for "on call" employees shall be based on eight (8) hours.

(f) During the period August 1, 2021 to and including July 31, 2024:

Except for (i) eligibility standards, which shall be maintained at the level in effect on August 1, 2011, and (ii) the usual, customary and reasonable (UCR) schedules, which shall be maintained at the level in effect immediately following the replacement of INGENIX schedules in effect on August 1, 2009, all other benefits (including the bank of hours provision and dental and vision benefits) under the Active Employees Fund shall be maintained at the level in effect on August 1, 2009 in the following manner:

If, at any time during the term of this Agreement, the level of reserves in the Active Employees Fund drops below eight (8) months, the Trustees, in conjunction with the Plan consultants, shall review the projections as to future reserve levels. If the consultants project, taking into account a reasonable amount of Supplemental Markets income, that the level of reserves in the Active Employees Fund will fall below six (6) months during the term of this Agreement, the following steps shall be taken:

(1) First, monies received from Post '60s payments in excess of the amount needed to fund the additional check(s) for retired employees, as provided in Article 12(f)(2) of the 2001 Producer-Utility Employees, Local 724 Agreement, in Article 12(f)(1)(ii) of the 2004 and 2007 Producer-Utility Employees, Local 724 Agreement, and in Article 12(f) of the 2010 Producer-Studio Utility Employees, Local 724 Agreement, and in excess of the amount needed for an eight (8) month level of reserves in the Retired Employees Fund, shall be allocated to the Active Employees Fund;

(2) Thereafter, if the consultants project, taking into account a reasonable amount of Supplemental Markets income, that:
(i) the reallocation of wages and/or contributions from the Individual Account Plan above will not restore the level of reserves in the Active Employees Fund to six (6) months during the term of the Agreement;
and (ii) the level of reserves will drop below four (4) months during the term of this Agreement, then employer contributions will be increased to

the amount and for such time as is necessary to create a four (4) month reserve level for the maintained benefits.

(g) The Affordable Care Act added a provision to the Internal Revenue Code to require a non-deductible excise tax (also known as the "Cadillac" tax) on certain employer-sponsored health coverage beginning in 2022. Although this provision was later repealed, as a matter of mutual concern, the parties agree in principle that the funds of the Health Plan should be used for the Plan's participants and their dependents and not diverted to the payment of an excise tax that is of no benefit to the Plan's participants and their dependents. In light of the foregoing, the bargaining parties agree to recommend to the Directors of the Health Plan that the Health Plan shall be operated in a manner such that no excise tax shall be owed at any time.

(h) It is understood and agreed that with respect to the employees subject to this Agreement who are employed by Metro-Goldwyn-Mayer, Inc., the following provisions shall also apply:

For the purposes of the following provisions of this Article, the above-mentioned Health Plan will be referred to as the "Health Plan" and the Retirement Plan for Employees of Metro-Goldwyn-Mayer, Inc. will be referred to as the "Retirement Plan."

Notwithstanding the extension of said termination date as aforesaid and notwithstanding any of the preceding provisions of this Article or of any provisions of the Health Plan, Producer shall not be obligated to establish a reserve for or to make payments into the Health Plan with respect to any employee of Producer who is or becomes a member of the Retirement Plan on or before March 1, 1961 while he is a member of the Retirement Plan, nor shall such employee be subject to the Health Plan during such period (except pursuant to the provisions of the last paragraph of this subparagraph (h)).

An employee who became a member of the Retirement Plan on or before March 1, 1961 shall not be considered to be subject to a "union welfare contract" effective as to such employee, within the meaning of Paragraph 36 of the Retirement Plan, during such time as he is a member of the Retirement Plan. An employee who withdrew from the Retirement Plan on or before March 1, 1961 shall be considered to be subject to a "union welfare contract" effective as to such employee, within the meaning of Paragraph 36 of the Retirement Plan.

Nothing herein set forth shall preclude an employee who elected to remain or become a member of the Retirement Plan on or before March 1, 1961, also to become or remain, independently and at his own expense, subject to the Health Plan. Any employee who, pursuant to this Article, independently and at his own expense becomes

or remains subject to the Health Plan during any period when he is also a member of the Retirement Plan shall not be deemed to be an employee subject to a "union welfare contract" within the meaning of Paragraph 36 of the Retirement Plan. Any such employee shall pay the same amount into the Health Plan as would be paid or set up as a reserve with respect to such employee by Producer had such employee not been a member of the Retirement Plan.

Any person subject to this Agreement who continues in the employment of Metro-Goldwyn-Mayer, Inc. after his normal retirement date under the Retirement Plan, shall, during the period of such employment after such normal retirement date, be subject to the Health Plan.

(i) On an annual basis during the term of this Agreement, the AMPTP, the IATSE and the Chair of the Basic Crafts (on behalf of the Basic Crafts Group) shall jointly review the allocation to the Health Plan from the Supplemental Markets in conjunction with the allocation to the Pension Plan of Post-'60s monies. Any agreement mutually agreed upon by them shall become a part of this Agreement.

(j) Effective August 1, 2021, for a dental plan, the Producer shall contribute to the Health Plan eighteen and seven-tenths cents (18.7¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 under the terms of this Agreement, including "straight time" or "overtime" hours on any day worked. The provisions of subsections (c), (d) and (e) shall apply to the provisions of this subsection.

(k) Effective August 1, 2021, for a vision care plan, the Producer shall pay into the Health Plan five cents (5¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 under the terms of this Agreement, including "straight time" and "overtime" hours for any day worked. The provisions of subsections (c), (d) and (e) shall apply to this subsection.

(l) At least sixty (60) days prior to the expiration of this Agreement, the parties will meet to determine the impact of national/state health care reform and will negotiate new health care provisions accordingly.

(m) Allocation of Directors

Five (5) Director positions shall be appointed by the Basic Crafts Unions to the Health Plan, which will be filled by a maximum of eight (8) different persons. The Basic Crafts Unions shall appoint common Directors for each Plan, unless the Directors decide otherwise.

(n) The Basic Crafts Unions will be entitled to have three (3) representatives designated by the Chair of the Basic Crafts Unions on the committee that the AMPTP and the IATSE have established as part of their 2021 negotiations to conduct a study of the Motion Picture Industry Pension and Health Plans.