

**Summary of Material Modification to
SAG-AFTRA Health Plan Senior Performers Health Reimbursement Account Plan**

We are pleased to provide the following Summary of Material Modifications of Amendment Number 3 to the SAG-AFTRA Health Plan Senior Performers Health Reimbursement Account Plan (the HRA Plan) regarding the new allocations being made as a result of the Class Action Settlement Agreement in *Asner v. The SAG-AFTRA Health Fund*, 2:20-cv-10914-CAS-JEM, which was finally approved by the federal district court and became effective on December 21, 2023. The Amendment can be found on the Health Plan’s website under the Senior Performers HRA Plan Tab following the Summary Plan Description (“SPD”) that is posted there.

New Definitions

The following new defined terms were added to the SPD:

Qualifying Senior Performer	A Senior Performer with an HRA Account who is ineligible for coverage under the Active Plan in a given year between 2023 and 2030 solely as a result of the elimination of the dollar sessional rule (as defined in the Settlement Agreement) ¹ as part of the 2020 Amendments to the SAG-AFTRA Health Plan.
Settlement Agreement	The Class Action Settlement Agreement in the case of <i>Asner v. The SAG-AFTRA Health Fund</i> , 2:20-cv-10914-CAS-JEM, approved by the United States District Court for the Central District of California.
2020 Amendments	The eligibility and coverage amendments adopted by the Trustees of the SAG-AFTRA Health Plan in July 2020 effective January 1, 2021.

One-Time *Asner* Settlement Allocations from Balance of \$15 Million Settlement Payment After Payment of Attorney’s Fees and Expenses

Pursuant to the Settlement Agreement, the following amounts will be allocated to Senior Performers with HRA Accounts established as of November 21, 2023, or who by August 1, 2023 indicated an intent to become a Participant in the HRA Plan and do so by May 1, 2024, and to the age-65-and-over Spouses of such Senior Performers, who did not qualify for active or secondary health coverage from the Active Plan in 2021 or 2022 solely due to the 2020 Amendments:

- \$4,400 -- For Senior Performers and their age 65+ Spouses who received active health coverage under the Active Plan in December 2020 but did not qualify for coverage under the Active Plan in 2021 due to the elimination of the dollar sessional rule in the 2020 Amendments.
- \$2,200 -- For Senior Performers and their age 65+ Spouses who received active health coverage under the Active Plan in December 2020 but did not qualify for active coverage in 2021 solely due to the elimination of the age and service rules and/or raising of the earnings eligibility thresholds to qualify for health coverage as part of the 2020 Amendments.
- \$1,100 -- For Senior Performers and their age 65+ Spouses who received active health coverage under the Active Plan in December 2020 and who qualified for active health coverage in 2021 but did not qualify for active coverage in 2022 solely due to the 2020 Amendments.

¹ The Dollar Sessional Rule is defined in the Settlement Agreement as the SAG-AFTRA Health Plan’s rule in effect between January 1, 2017 and December 31, 2020 that allowed a participant to satisfy the qualifying earnings threshold with residual earnings reported to the Plan as long as the participant had at least one dollar of sessional earnings reported to the Plan, which, for Retirees (including Senior Performers), was eliminated by the 2020 Amendments.

- \$400 -- For Senior Performers and their age 65+ Spouses who received secondary health coverage under the Active Plan in December 2020 but did not receive secondary coverage in 2021 solely due to the 2020 Amendments.

Additional Allocations for Qualifying Senior Performers for Up to Eight Years

The Trustees of the HRA Plan have also amended the HRA Plan to provide for additional allocations, as described below, to Qualifying Senior Performers with respect to each year from 2023 through 2030 (each, an Applicable Year). The additional allocations will be made only to those Qualifying Senior Performers who have established HRA Accounts as of the date the allocations are made. The additional allocations will be calculated using the following methodology and will be made as soon as practicable following the determinations; provided, however, that the first allocation for 2023 will be made as soon as practicable following January 7, 2024 and not until the amount of the allocations from the \$15 million are determined.

1. In or around December of each year (or as soon as practicable following January 7, 2024 for the 2023 and 2024 allocations), the Active Plan will calculate the aggregate amount of such additional allocations, which will be based on half of the Employer Contributions generated by the residual earnings reported to the Active Plan on behalf of Qualifying Senior Performers, up to a maximum of \$125,000 in such residual earnings for each Performer during the October through September 30 of the preceding Applicable Year. This aggregate amount shall not exceed \$700,000. The Active Plan will then determine the amount to be allocated to each Qualifying Senior Performer using the methodology set forth in Paragraph 3(c) of Amendment No. 3 to Plan.
2. Notwithstanding the foregoing, if the projections of the Active Plan's "continuation value," as defined in Article I, Section 14 of the 2021 Amended Restated Agreement and Declaration of Trust Establishing the SAG-AFTRA Health Fund, and any future amendments thereto or restatements thereof ("Trust Agreement"), require modifications to the Active Plan under Article XIII, Section 3 of the Trust Agreement, the additional allocations specified above shall permanently cease as of the date it is determined that such modifications are required.

Please contact the Plan at 1(800) 777-4013, if you have any questions about these changes.

The SPD can be found at the Plan's website at www.sagaftraplans.org/hra, or if you need a hard copy, please let us know. You should take the time to read this notice carefully and share it with your family. It is very important that you retain this notice, which is intended to serve as a Summary of Material Modification (SMM) to the HRA Plan, with the 2021 SPD. While every effort has been made to make the SMM as complete and as accurate as possible, it does not restate the existing terms and provisions of the HRA Plan, 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 applicable SPD will govern in all cases. The Board of Trustees or its fully authorized designee reserves the right, in its sole and absolute discretion, to interpret and decide all matters under the HRA Plan. The Board also reserves the right, in its sole and absolute discretion, to amend, modify or terminate the HRA Plan or any benefits provided under the HRA Plan (or qualification for such benefits), in whole or in part, at any time and for any reason (including, but not limited to with