

Introducing A New Look For The Millennium

We're pleased to introduce a new look for *Now Playing*. As you can probably guess by the millennium theme of this issue, we think it's a perfect time to unveil our updated design.

Some other communications also getting a facelift are *Your Health Plan Of Benefits* and *Your Pension Plan Summary Plan Description (SPD)* booklets. These SPDs will also be updated to reflect benefit changes made since their last printing and will be even easier to read. You'll receive copies of these communications later this year.

Opening Act Of The Millennium: An Overview Of The Pension And Health Funds

As the Pension and Health Funds enter the new millennium, their progress in the last 50 years (give or take a few) deserves applause.

Pension Fund Progress

The Pension Fund grew to over \$830 million in 1999. From initial old-timer pension awards of \$50 a month earned by 100 recipients, the Fund has increased its pension payroll...over 3,000 pensioners and beneficiaries now receive benefits totaling more than \$22 million annually.

In the beginning, there were different benefit formulas for different Equity venues. The Pension Plan now has one benefit formula for all actors and stage managers working in covered employment. Pension Plan provisions have changed to meet specific participant needs such as early retirement, disability and premature death.

Health Fund Progress

The Health Fund has expanded its Plan benefits — from hospitalization and medical and surgical benefits at its opening in the 1960's — to major medical, prescription drug, dental, and vision care benefits today. The Health Fund also provides a

number of other benefits such as physical therapy, mental illness, catastrophic illness and loss of your salary because of an on-the-job accident.

Under the Health Plan, you continue to have a choice between a traditional "indemnity" option or a Health Maintenance Organization (HMO) option (if you qualify). About 13% of eligible members have opted for the HMO option coverage with the other 87% covered by the traditional option.

Did You Know?

- Over its 40-year history, the Pension Fund has paid out in excess of \$200 million in retirement benefits.
- Pensions paid by the Pension Fund for retiring employees have increased each year. As covered employment earnings increase and/or the Trustees increase the benefit formula, ultimate pension benefits payable are higher.
- The Fund has benefited from the healthy stock market in recent years, allowing for several increases for pensioners and higher benefits for future retirees.

Did You Know?

- The Health Fund provides approximately \$25 million a year in benefits to over 10,000 participants.
- Despite rising health care costs, the Trustees reduced the annual major medical deductible from \$300 to \$250.
- When you lose your health coverage under the Health Plan, you generally can continue your coverage under a federal law called the Consolidated Omnibus Budget Reconciliation Act (COBRA) for 18 months at your own expense. And, if you are vested and you have 10 years of credit, additional "self-pay" coverage is available at your expense.

Fund assets have grown over recent years despite the dramatic rise in the cost of health care in the late 1980s and early 1990s. The Fund had over \$85 million in reserves at the end of 1999. The reserves enable the Trustees to prudently plan for the future of the Fund. Since health care costs are again rising; the Trustees will need to determine how to keep the lid on costs so benefit expenses can continue to be covered by Fund income. External factors such as legislated benefits, health care needs, and even negotiations between the Union and the producers will also influence future decisions the Trustees will need to make about health care coverage.

With the rising cost of health care, eligibility for coverage is an important issue to many actors. The Trustees have responded to this concern over the years. Currently, if you work for a total of ten weeks in covered employment

over a specific 12-month period, you are eligible for at least 12 months of health insurance.

Why Health Fund Costs Are Increasing

Health Fund benefit costs are projected to increase at a rate of over 12% for the next several years. One of the driving factors is the prescription drug benefit program. The cost of this program is increasing at a rate of between 16% and 20% a year. It is used by more participants than any other single benefit and accounts for over 17% of the Health Fund's expenditures. Last year, almost 80,000 prescriptions were paid for by the Health Plan.

How The Newer Health Fund Programs Are Doing

The dental and vision care benefits introduced in the last several years have had minimal problems and very positive reviews from participants. The dental benefit program is costing even less than our experts predicted.

Summary Annual Report For The Equity-League Pension Plan

This is a summary of the annual report for the Equity-League Pension Plan, EIN 13-6696817, Plan No. 001, for the period June 1, 1998 through May 31, 1999.

The Annual Report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the Plan are provided through a trust fund and insurance. Plan expenses for the year ended May 31, 1999 were \$26,798,612.

These expenses included \$5,090,057 in administrative expenses and \$21,708,555 in benefits paid to participants and beneficiaries. A total of 30,804 persons were participants in or beneficiaries of the Plan at the end of the Plan

year, although not all of these people had yet earned the right to receive benefits.

The value of Plan assets, after subtracting liabilities of the Plan, was \$818,605,098 as of May 31, 1999, compared to \$743,436,861, as of June 1, 1998. During the Plan year, the Plan experienced an increase in its net assets of \$75,168,237. This increase includes unrealized appreciation and 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. The Plan had total income of \$101,966,849 including employer contributions of \$24,015,526, realized gains of \$34,544,771 from the sale of assets, and earnings from investments of \$43,406,552.

THE PLAN

EXPERIENCED

AN INCREASE IN ITS

NET ASSETS

OF \$75,168,237.



YOU HAVE THE
RIGHT TO RECEIVE A
COPY OF THE FULL
ANNUAL REPORT, OR
ANY PART THEREOF,
ON REQUEST.

Minimum 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.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items marked below are included in that report:

1. An accountant's report;
2. Assets held for investment;
3. Insurance information, including sales commissions paid by insurance carriers; and
4. 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 Stephen Roderick, who is the Fund's Manager, at 165 West 46th Street, New York, New York, 10036-2582, (212) 869-9380. The charge to cover copying costs is \$4.50 for the full report or 25¢ per page for any part thereof.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan Administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs does not include a charge for the copying of these portions of each report because they are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the Plan (165 West 46th Street, New York, New York, 10036-2582) and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure, Room N-5638, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Ave., N.W., Washington, D.C. 20210.

Summary Annual Report For The Equity-League Health Trust Fund

The following is a summary of the annual report of the Equity-League Health Trust Fund, EIN 13-6695487, Plan No. 501, for the period June 1, 1998 through May 31, 1999. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The Plan has contracts with Empire Blue Cross Blue Shield, Union Labor Life Insurance

Company, Aetna US Healthcare, Mutual of Omaha, Health Insurance Plan (HIP) of Greater New York, Pennsylvania and Florida, Kaiser Permanente of Northern California, Southern California, Texas, Colorado, Washington and Georgia, Pacificare of Washington and Oregon, Maxicare of Illinois and California, Medica, and NYLCARE of New York, New Jersey, Connecticut and Houston to pay all health claims incurred under the terms of the Plan. The total



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THE FUND DURING
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premiums paid for the Plan year ending May 31, 1999 were \$24,244,485.

Because the Empire Blue Cross Blue Shield and Union Labor Life Insurance Company contracts are so called “experience-rated” contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the Plan year ending May 31, 1999, the premiums paid under such “experience-rated” contracts were \$15,949,892 and the total of all benefit claims paid under these experience-rated contracts during the Plan year were \$13,504,718.

Basic Financial Statement

The value of Plan assets, after subtracting liabilities of the Plan, was \$85,909,771 as of May 31, 1999, compared to \$78,978,718 as of June 1, 1998. During the Plan year, the Plan experienced an increase in its net assets of \$6,931,053. This increase includes unrealized appreciation and 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 \$34,062,040 including employer contributions of \$26,016,277, contributions of \$2,885,386, realized gains of \$890,909 from the sale of assets, and earnings from investments of \$4,269,468.

Plan expenses were \$27,130,987. These expenses included \$2,886,502 in administrative expenses and \$24,244,485 in benefits paid to participants and beneficiaries.

Your Rights To Additional Information

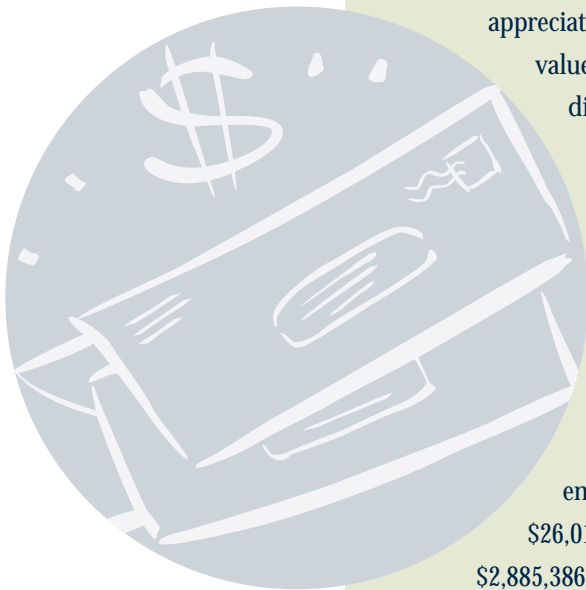
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Trustees Update

The growth of the Funds continues to increase Trustee responsibilities. Among their many tasks, the Trustees are:

- Supervising the activities of an administrative staff of over 30;
- Evaluating the performance of over ten investment managers of Funds' assets;
- Directing the Funds' actuaries, consultants, lawyers and other advisers to be responsive to any Fund and participant problems; and
- Planning for the Funds' future given the current economy, the uncertainties of the theatre industry and participants' needs.

It's a lot of responsibility, but the Trustees believe that the rewards for participants make it worth it. Current income to the Funds is meeting expenses. And, participants are enjoying the highest benefits in the Funds' history! Reserves are at an all time high and are adequate to meet unexpected expenses and insure the Funds' financial soundness.

A Note From The Board Of Trustees

We wish to thank all participants and people who are involved with the Pension and Health Funds — and wish you a healthy and prosperous new millennium. We think that the changes we've made to the Pension and Health Plans in the past and changes that will be made in the future will continue to meet participants' retirement and health insurance needs.

WOMEN'S HEALTH AND CANCER RIGHTS ACT

The Women's Health and Cancer Rights Act is a federal law that provides protection for breast cancer patients who elect breast reconstruction in connection with a mastectomy.

All group health plans, insurers, and HMOs that provide medical and surgical benefits in connection with a mastectomy must also provide coverage for reconstructive surgery, in a manner determined in consultation with the patient and attending physician.

If you are a breast cancer patient, your coverage includes the following:

- Reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prosthesis and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

This coverage is subject to any Health Plan copayments, referral requirements, annual deductibles and coinsurance provisions. If you have any questions about this coverage, please contact the Fund Office.



NOW PLAYING

Current News About Your Health And Pension Benefits

This newsletter is a publication of the Board of Trustees of the Equity-League Pension and Health Funds. It is published for the participants of the Funds. Additional copies are available upon request. For any questions about the newsletter or your benefits, contact The Fund Office, Equity-League Pension and Health Funds, 165 West 46th Street, 14th Floor, New York, NY 10036-2582, or phone (212) 869-9380 or (800) 344-5220.

This newsletter does not change or otherwise interpret the official Plan documents. To the extent that any of the information contained in this newsletter is inconsistent with the official Plan documents (which, of course, includes the Trustees' rights to amend or modify the Plans at any time), the Plan documents will govern in all cases. No official (other than the Trustees) has any authority to interpret the Plans, or other official Plan documents, or to make any promises to you about them.

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