



November 4, 2013

Same-Sex Domestic Partner Coverage Ending in Certain States (After a Grace Period)

On June 26, 2013, the U.S. Supreme Court held that the portion of the federal Defense of Marriage Act (DOMA) that, for federal tax purposes, limited marriage to a legal union between one man and one woman was unconstitutional. On the same day, the U.S. Supreme Court issued another decision that ended the legal challenge to California's recognition of same sex marriage. As a result, the State of California now recognizes same-sex marriage. Given that federal law now recognizes same-sex marriages, the Health Fund has decided to eliminate Same-Sex Domestic Partner coverage for domestic partners who live in a state or jurisdiction (such as California) that permits same-sex marriage. To provide for a transitional period, elimination of Same-Sex Domestic Partner coverage will not take effect until January 1, 2015.

As a result, by December 31, 2014, all Health Fund participants currently covering a Same-Sex Domestic Partner as a dependent under the Health Fund that lives in a state that allows same-sex marriage will need to be married in order to for the Same-Sex Domestic Partner to continue coverage under the Health Fund. In order to avoid a disruption in coverage for the Same-Sex Domestic Partner, a copy of the certified marriage certificate must be provided to the Health Fund. If no marriage certificate is timely received by the Health Fund, the Same-Sex Domestic Partner's coverage will be terminated effective December 31, 2014. When coverage is terminated, COBRA continuation coverage will not offered. Please remember that new dependents must be added within 30 days of a "life event" except during open enrollment.

Information and Instructions on How to Add Your Same-Sex Domestic Partner as a Dependent Under the Health Fund

During the transitional period when coverage is still offered to Same Sex Domestic Partners, if your Same Sex Domestic Partner does not qualify as a dependent for health coverage purposes under the Internal Revenue Code of 1986, as amended (the Code), the Fund will be required to collect from you and pay state and federal tax withholdings based on the value of the coverage being provided to your Same Sex Domestic Partner. The Code defines a dependent for this purpose as an individual who, for the taxable year of the taxpayer, receives over half of his or her support from the taxpayer, has as his or her principal abode is the home of the taxpayer (with certain exceptions for temporary reasons), is a member of the taxpayer's household (and the relationship does not violate local law), is not a qualifying child under Code Section 152(c) and is a U.S. citizen, U.S. national or a resident of the U.S., Canada or Mexico. If your Same Sex Domestic Partner does qualify as a dependent for health coverage purposes under the Code, such fact must be evidenced by submission of a completed and notarized Affidavit of "Dependency" for Tax Purposes. (The Affidavit is enclosed.)

If your Same Sex Domestic Partner does not qualify as a dependent for tax purposes, you must pay all such taxes, in advance, on a quarterly basis. The value of Indemnity Plan coverage for three months has been determined to be \$1,998.75 and the tax payment to the Fund for your Same Sex Domestic Partner will be 50.10% of this amount, or an advance quarterly payment of \$1,137.28*.

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In order for you to cover your Same Sex Domestic Partner, the Health Fund will require proof that a Declaration of Domestic Partnership has been filed with the California Secretary of State. If you include a copy of this filing in your packet, we will provide you with the new quarterly tax payment amount for this benefit.

In order to address many of the questions that might arise as you consider applying for this coverage please refer to the enclosed **Same Sex Domestic Partner Benefits: Questions and Answers** brochure, which we trust you will find helpful.

If you have questions or need assistance in completing your application, please contact us directly at (818) 846-1015, option 1, then option 2 from the menu prompt.

Sincerely,

Eligibility Department

AFFIDAVIT OF DOMESTIC PARTNERSHIP
PRODUCER-WRITERS GUILD OF AMERICA PENSION PLAN
WRITERS' GUILD-INDUSTRY HEALTH FUND

<u>Check all that apply. Note: if no box is checked, then this Affidavit shall apply to the Producer-Writers Guild Of America Pension Plan AND the Writers' Guild-Industry Health Fund.</u>	
<input type="checkbox"/>	<u>Check the box on the left to designate your same sex domestic partner for the PRODUCER-WRITERS GUILD OF AMERICA PENSION PLAN only</u>
<input type="checkbox"/>	<u>Check the box on the left designate your same sex domestic partner for the WRITERS' GUILD-INDUSTRY HEALTH FUND only</u>
<input type="checkbox"/>	<u>Check the box on the left designate your same sex domestic partner for both the PRODUCER-WRITERS GUILD OF AMERICA PENSION PLAN and the WRITERS' GUILD-INDUSTRY HEALTH FUND only</u>

1. We are the sole domestic partner of each other and have no other domestic partners;
- a) We are of the same sex, and are aware that if we reside in a state where we can legally marry, then we acknowledge that we must marry by December 31, 2014 or the same-sex domestic partner's coverage will be terminated on December 31, 2014 without the option to purchase COBRA Continuation Coverage;
2. We reside together and intend to do so indefinitely;
3. DECLARATION AND EVIDENCE OF DOMESTIC PARTNERSHIP

Please initial: _____ (if applicable)

We DO reside in a jurisdiction that allows registration of a same sex domestic partnership, we have registered our domestic partnership and a copy of the certificate is attached.

4. We have undertaken a relationship of mutual financial support, which shall continue as long as we are domestic partners. This relationship imposes upon us the same financial commitments (including, in some cases, liability for each other's debts) that would exist if we were married as husband and wife in the state and county in which we reside. In proof of this relationship of mutual financial support, we agree that OUR ACT OF SIGNING THIS DOCUMENT CREATES THE SAME RELATIONSHIP OF MUTUAL FINANCIAL SUPPORT BETWEEN US AS IF WE WERE MARRIED AS HUSBAND AND WIFE IN THE STATE AND COUNTY IN WHICH WE RESIDE. The relationship created by our signature to this document shall supersede the terms of any previous financial arrangements between us, to the extent they are inconsistent with the relationship described above.

We understand that if we reside in a jurisdiction that allows registration of a same sex domestic partnership, the Same Sex Domestic Partner is not eligible for coverage as a Qualified Domestic

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Partner unless the box in Paragraph 3 above is initialed and the requirements of Paragraph 3 are satisfied.

We understand that if we **do not** reside in a jurisdiction that allows registration of a same sex domestic partnership, we will provide the Producer-Writers Guild of America Pension Plan (the "Pension Plan") and/or the Writers' Guild-Industry Health Fund ("Health Fund") with evidence of at least three of the items listed below (circle the applicable items):

- a) joint mortgage or lease;
- b) designation of domestic partners as each other's life insurance or retirement plan beneficiaries;
- c) designation of domestic partners as each other's primary beneficiary in will;
- d) joint ownership of motor vehicle or of primary checking account or primary joint credit account;
- e) other documentation, satisfactory to the Pension Plan and/or Health Fund, confirming our mutual financial support.

5. We further agree to submit immediately to the Pension Plan and/or Health Fund any modifications to the arrangement described above, and understand that the domestic partner's status as a Qualified Domestic Partner under the Pension Plan and/or the extension of coverage to the domestic partner of the participant under the Health Fund will cease if such modification causes the relationship of mutual financial support to be altered.

6. We are aware that we are subject to the rules governing participants and beneficiaries under the Pension Plan and/or eligibility rules governing all other employees and dependents covered by, or applying for benefit plan coverage under the Health Fund, in addition to certain special rules relating to domestic partners;

7. We understand that, in addition to the requirements of the Pension Plan and/or Health Fund for a Qualified Domestic Partner, there are terms and conditions set forth in the Pension Plan and/or Health Fund to which we agree to be bound, as would any other individual in the Pension Plan and/or Health Fund;

8. We are aware that, we are incurring various tax liabilities by receiving domestic partner coverage from the Health Fund unless the domestic partner is a "dependent" under applicable laws. We agree to prepay to the Health Fund the taxes the Health Fund determines are due. We further acknowledge that such prepayments are computed to include the employer's portions of such taxes, which, if overpaid, we may not be able to completely recover. In any case, we shall indemnify and hold the Health Fund harmless for any taxes, tax-related penalties, or interest imposed upon the Health Fund as a result of providing domestic partner coverage to us;

9. We acknowledge that if we are prepaying taxes, the Health Fund is collecting taxes as a convenience to us and it is submitting the taxes on our behalf to the appropriate taxing authorities; but we agree that except for the purpose of collecting and remitting taxes, the Health Fund is not our employer for any purpose;

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10. We will provide the Pension Plan and/or Health Fund **notice within 30 days of a life changing event such as marriage or dissolution of the Domestic Partnership.** We agree that each of us shall be jointly and individually liable for any reimbursement of benefits or expenses, including attorneys fees and costs, incurred by the Pension Plan and/or Health Fund in providing or collecting the cost of benefits to the non-participant domestic partner following the dissolution of the domestic partnership or as a result of any false or misleading statement contained in this Affidavit or substantiating documents;
11. We are at least 18 years old and of sufficient mental capacity to enter into contract;
12. We are not related by blood to a degree that would prohibit marriage in the state of our residence;
13. If we reside in a jurisdiction, which issues a certificate of domestic partnership, we have obtained such a certificate and shall furnish a copy to the Pension Plan and/or Health Fund;
14. The state we list in the address below is our state of residence. We agree to notify the Pension Plan and/or Health Fund in writing within 10 days of any change in our state of residence;
15. If we are not California residents, we declare that domestic partner coverage under the Health Fund does not represent California source income because we do not work in California.
16. Each of us affirms under penalty of perjury that the statements in this affidavit are true to the best of his or her knowledge.
17. We understand that the Pension Plan and the Health Fund do not provide tax advice and we are not relying on them for such advice. We have consulted with our own tax or financial advisor to the extent we require such advice.

Domestic Partner's Signature

Participant's Signature

Print Domestic Partner's Name

Print Participant's Name

Domestic Partner's Social Security #

Participant's Social Security #

Dated: _____

WRITERS' GUILD-INDUSTRY HEALTH FUND

AFFIDAVIT OF "DEPENDENCY"

STATE OF _____]

ss.

COUNTY OF _____]

EXPLANATION: For health coverage purposes under the Code, the term "dependent" means, in relevant part, an individual who, for the taxable year of the taxpayer, (i) is a U.S. citizen, U.S. national or a resident of the U.S., Canada or Mexico, (ii) has as his or her principal place of abode the home of the taxpayer, (iii) is a member of the taxpayer's household, (iv) receives over half of his or her support from the taxpayer, and (v) is not a qualifying child under Code Section 152(c).

We, _____ (the "**Participant**") and

_____ (the "**Same Sex Domestic Partner**"), being duly sworn,
say:

1. For the current taxable year of the Participant, the Same Sex Domestic Partner is a U.S. citizen, U.S. national or a resident of the U.S., Canada or Mexico;
2. For the current taxable year of the Participant, the Same Sex Domestic Partner has as his or her principle place of abode the home of the Participant;
3. For the current taxable year of the Participant, the Same Sex Domestic Partner is a member of the Participant's household;
4. For the current taxable year of the Participant, over half the Same Sex Domestic Partner's support is received from the Participant; and
5. For the current taxable year of the Participant, the Same Sex Domestic Partner is not a qualifying child under Code Section 152(c).

EXPLANATION: Under Code Section 152(b)(3), a "dependent" must be either (1) a citizen or national of the United States or (2) a "resident" of the United States or of a country contiguous to the United States. Under Code Section 7701(b)(3), an alien is treated as a "resident" of the United States if and only if such individual is (1) lawfully admitted for permanent residence in the United States or (2) meets a "substantial presence" test. The following individuals are not "residents" of the United States for tax purposes and, thus, can never be "dependents" for tax purposes.

- A) a foreign government-related individual temporarily present in the United States on a diplomatic or consular visa, a full time employee of an international organization, or a family member of either such person.

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- B) a teacher or trainee temporarily present in the United States on a type "J" or "Q" visa.
- C) a student temporarily present in the United States on a type "F", "M", "J" or "Q" visa.
- D) a professional athlete temporarily in the United States to compete in a charitable sports event.

4. The Same Sex Domestic Partner is a citizen of :

_____ (Country)

LA3-673791.V2

02/03/95

If the answer above was United States, skip to Part 5. If not, answer the following questions:

The Same Sex Domestic Partner is currently a "resident" of:

_____ (Country)

The Same Sex Domestic Partner is currently lawfully present in the United States under the following type of visa:

_____ (Type of Visa)

If the type of visa is "permanent resident," skip to Part 5. If not, answer the following questions:

The actual number of days the Same Sex Domestic Partner has been lawfully present in the United States during the current year and the 2 preceding years are:

_____ (Number of days in USA, current year)

_____ (Number of days in USA, 1st preceding year)

_____ (Number of days in USA, 2nd preceding year)

EXPLANATION: As provided above, in order for a Same Sex Domestic Partner to be the tax dependent of the Participant, the Same Sex Domestic Partner must be a member of the Participant's household. Under Code Section 152(f)(3), the Same Sex Domestic Partner will not be considered a member of the Participant's household if, at any time during the taxable year of the Participant, the relationship between the Participant and Same Sex Domestic Partner is in violation of local law.

5. Our state of permanent residence for purposes of the test required by Code Section 152(f)(3) is: _____ (State)

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6. We are aware that if the Same Sex Domestic Partner is not a "dependent" of the Participant, it is the Writers' Guild-Industry Health Fund's interpretation of current tax law that we are incurring various tax liabilities in connection with obtaining health care coverage for the Same Sex Domestic Partner. We therefore agree to notify the Writers' Guild-Industry Health Fund within 10 days if there is any change in the Same Sex Domestic Partner's status as a "dependent" of the Participant. In addition, we shall indemnify and hold the Writers' Guild-Industry Health Fund harmless for any taxes, tax related penalties or interest imposed upon the Writers' Guild-Industry Health Fund as a result of providing Same Sex Domestic Partner coverage to us, including any taxes, tax related penalties or interest imposed as a result of our taking the position the Same Sex Domestic Partner is a "dependent" of the Participant.

7. We agree that each of us is jointly and individually responsible for reimbursement of Benefits and expenses, including attorney's fees and cost incurred by the Writers' Guild-Industry Health Fund as the result of any false or misleading statement contained in this affidavit.

Each of us affirms under penalty of perjury of the laws of the State of California that the statements in this affidavit are true to the best of his or her knowledge.

Signature of Participant

Signature of Same Sex Domestic Partner

Print Name

____/____/____
Date

Print Name

____/____/____
Date

Common Address: _____

SUBSCRIBED AND SWORN to before

me on _____.

Notary Public

WRITERS' GUILD-INDUSTRY HEALTH FUND

SAME-SEX DOMESTIC PARTNER ENROLLMENT FORM

Name of Participant: _____

Date of Birth: ____/____/____ Social Security: ____ - ____ - ____

Name of Same Sex Domestic Partner: _____

Date of Birth: ____/____/____ Social Security: ____ - ____ - ____

Please complete the enclosed Coordination of Benefits form to ensure your claims are processed correctly.

Common Address: _____

Common Telephone: (____) _____ - _____

Participant Cell Phone: (____) _____ - _____ / Email: _____

Same Sex Domestic Partner Cell Phone: (____) _____ - _____ / Email: _____

Signature of Participant

Signature of Same Sex Domestic Partner