

# Glossary of Terms

**Active participant** – A performer who participates in the AFTRA Retirement Fund and has earned at least \$15,000 in AFTRA-covered earnings or has completed 1,000 hours of service<sup>2</sup> with a contributing employer during a 12-consecutive month period. The 12-month periods used to determine initial eligibility are the first 12-month period starting when you began AFTRA-covered employment and each subsequent base year (Dec. 1-Nov. 30).

**Actuarial adjustment** – An adjustment made to the value of a pension benefit based upon factors utilized by the AFTRA Retirement Plan that reflect assumptions regarding interest rates, life expectancy and benefits expected to be paid. Actuarial adjustments are made to the retirement benefits when an individual retires before or after normal retirement age.

**Actuarially equivalent** – The term used to describe two or more optional annuities under the AFTRA Retirement Plan when the total benefits expected to be paid over the duration of each option are of equal relative value. In determining actuarial equivalence, the AFTRA Retirement Fund uses factors that reflect assumptions regarding interest rates, life expectancy and benefits expected to be paid.

**AFTRA** – The American Federation of Television and Radio Artists, prior to its merger with the Screen Actors Guild to form SAG-AFTRA effective March 30, 2012.

**AFTRA-covered earnings** – Gross compensation paid to a performer by a contributing employer for AFTRA-covered employment as required under a collective bargaining agreement between the employer and SAG-AFTRA (or, prior to March 30, 2012, AFTRA) or a participation agreement between the employer and the AFTRA Retirement Fund to make contributions to the AFTRA Retirement Fund on the performer's behalf based upon those earnings.

**AFTRA-covered employment** – Services a performer provides to a contributing employer for which the employer is required under a collective bargaining agreement with SAG-AFTRA (or, prior to March 30, 2012, AFTRA) or a participation agreement with the AFTRA Retirement Fund to make contributions to the AFTRA Retirement Fund on the performer's behalf. AFTRA-covered employment also includes employment with the SAG-AFTRA union (or, for periods prior to March 30, 2012, the AFTRA union) or one of its locals if SAG-AFTRA (or AFTRA) or the local is required under a participation agreement with the AFTRA Retirement Fund to make contributions to the AFTRA Retirement Fund on the performer's behalf. Covered employment also includes employment with the AFTRA Retirement Fund (or prior to Jan. 1, 2017, the AFTRA Health and Retirement Funds/AFTRA H&R).

**Annuity** – A payment made at regular intervals for the lifetime of the participant that may or may not (depending on the type of annuity) also make payments to a spouse or other beneficiary after the participant's death.

**Base year** – The 12-month period from Dec. 1 through Nov. 30 each year that the AFTRA Retirement Plan uses to measure a performer's AFTRA-covered earnings and covered employer contributions made on the performer's behalf. This period is used to determine whether or not the performer is entitled to earn additional benefits and, in some cases, whether a performer earned vesting service (see the definition of "vesting service" in this glossary on page vii).

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<sup>2</sup> If a participant performs non-covered employment for a contributing employer after Nov. 30, 1976, and if such work immediately precedes or follows covered employment that the participant performs for the employer, this is considered contiguous non-covered employment. As long as it occurs during the same base year, such contiguous non-covered employment shall be counted in determining vesting service. In addition, in determining participation, the required 1,000 hours of service may also be performed in any other employment with a contributing employer that is contiguous (immediately before or after) or concurrent with the participant's covered employment with that employer.

**Beneficiary** – The person, as provided for in the AFTRA Retirement Plan, who may be entitled to benefits in the event a participant dies.

**Contributing employer** – Any employer who is required and permitted under the Trust Agreement to contribute to the AFTRA Retirement Fund under the terms of a collective bargaining agreement with SAG-AFTRA (or, prior to March 30, 2012, with AFTRA) or a written agreement with the AFTRA Retirement Fund.

**Covered employer contributions** – Employer contributions related to AFTRA-covered earnings and due to the AFTRA Retirement Fund and the SAG-AFTRA Health Plan (or, prior to Jan. 1, 2017, the AFTRA Health Fund) pursuant to a collective bargaining agreement on behalf of a performer with respect to AFTRA-covered employment. Covered contributions do not include roster artist payments to the SAG-AFTRA Health Plan made pursuant to the AFTRA National Code of Fair Practice for Sound Recordings, employer contributions due to the SAG-AFTRA Health Plan related to employment that does not require the employer to remit contributions due to the AFTRA Retirement Fund, contributions made to charitable trusts and contributions designated by the collective bargaining agreement as not benefit-bearing. Contributions made to the AFTRA Retirement Fund on behalf of a performer are not deposited in a separate account for the performer and they are not “owned” by the performer.

**Disability date** – The date that a participant becomes totally disabled, as determined by the Social Security Administration, for purposes of determining eligibility for a disability benefit.

**Effective date** – The date that a participant’s retirement officially becomes effective, for purposes of calculating the participant’s pension and commencement of the pension benefit.

**ERISA** – The Employee Retirement Income Security Act of 1974, including all subsequent amendments thereto.

**Normal retirement age** – The later of age 65 or the fifth anniversary of the date on which a participant became an active participant.<sup>3</sup>

**Participant** – An active participant, an individual who became an active participant but lost status as an active participant, or a retiree.

**Payment date** – The date the participant’s pension benefit is processed for issuance.

**Pension credits** – If a performer’s AFTRA-covered earnings during a base year meet the minimum required level for that year (see chart on page 13), then the performer earns a pension credit for that year. Pension credits are used to determine the base years in which performers are entitled to earn additional benefits and, in some cases, whether a performer earned vesting service.<sup>4</sup>

**Performer** – An individual who performs AFTRA-covered employment for a contributing employer and on whose behalf the contributing employer is required to make covered employer contributions to the AFTRA Retirement Fund.<sup>5</sup>

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<sup>3</sup> There are special rules regarding how to calculate whether you have reached the fifth anniversary of participation. For details, refer to pages 14-15.

<sup>4</sup> Special vesting rules may apply based upon the number of pension credits you accumulate and when you earned them. For details, refer to pages 13-16.

<sup>5</sup> A shareholder of a corporation that is a contributing employer may be considered a performer if the corporation is duly organized and operating under applicable U.S. and state laws and the shareholder is employed by the corporation to render services pursuant to a collective bargaining agreement. However, a sole proprietor or a partner of a partnership will not be considered a performer.

**Qualified Domestic Relations Order (QDRO)** – A domestic relations order, usually issued at the time of a divorce, that creates or recognizes the existence of an alternate payee’s right to receive, or assigns to an alternate payee the right to receive, all or a portion of the benefits payable to a participant under the AFTRA Retirement Plan, and that includes certain information and meets certain other requirements.

**Registered performer** – A performer who submits a completed Performer Registration Form to the AFTRA Retirement Fund and is assigned an AFTRA Retirement Fund No. Registering with the AFTRA Retirement Fund allows the AFTRA Retirement Fund to track a performer’s AFTRA-covered earnings and covered employer contributions to notify the performer if or when he or she qualifies for benefits.

**Regular annuity** – A calculation of a participant’s pension benefit from the AFTRA Retirement Plan (excluding any retirement account benefit as described on page 31) that is based on the participant’s AFTRA-covered earnings (prior to May 1, 2009) and covered employer contributions made on a performer’s behalf (May 1, 2009 and later) in each base year in which a pension credit was earned. The participant’s regular annuity is first calculated as a pension benefit payable at the normal retirement age (age 65, unless the participant became vested after age 65) in the form of the Five Year Certain and Life Annuity. Adjustments are made for the participant’s age on the date that pension payments begin and the form of payment selected.

**Retiree** – A vested participant who has begun receiving pension benefits under the AFTRA Retirement Plan.

**Trust Agreement** – The Restated Agreement and Declaration of Trust establishing the AFTRA Retirement Fund (as Amended and Restated Effective as of Jan. 1, 2017), and as thereafter amended.

**SAG-AFTRA** – The Screen Actors Guild – American Federation of Television and Radio Artists (the Union into which the Screen Actors Guild and AFTRA merged effective March 30, 2012).

**Vested participant** – A performer who has met established annual earnings requirements in a sufficient number of base years to earn a non-forfeitable right to an AFTRA Retirement Plan pension benefit.

**Vesting service** – A period of service (measured in years) used to determine when a participant’s pension benefit becomes non-forfeitable, or vested.