

CAST & CREW ENTERTAINMENT SERVICES LAUNCHES INNOVATIVE HEALTH INSURANCE SOLUTION FOR INDUSTRY

Open Health Provides Coverage for Non-Union Employees; Simplifies Sign-Up, Budgeting and Ongoing Administrative Burden for Employers

BURBANK, Calif., November, 4, 2014 – Cast & Crew Entertainment Services, the premier provider of payroll and production accounting services to the entertainment industry, today announced the launch of Cast & Crew Open Health (the "Plan") (www.cc-openhealth.com), a unique Affordable Care Act-compliant health care insurance offering. The Plan brings to the industry several solutions – simplified signup, budgeting and administrative responsibility – not available from any other plan.

The Plan, which is eligible for most state tax-incentive programs, provides coverage for all non-union employees working in the entertainment industry. It is portable for the employer irrespective of payroll-service provider. It also is portable for employees who become covered under the Plan.

Under the employer responsibility requirements of the ACA, large employers must provide health insurance for their employees, or pay a penalty. The penalties are scheduled to go into effect on January 1, 2015.

"The ACA presents very specific challenges to our industry, given its transient workforce," said Eric Belcher, President and Chief Executive Officer. "To ensure we clearly understood employer concerns and objectives before rushing to market with a quick-fix product or one that doesn't work, we talked with numerous studios and production companies over the past several months so we could develop a comprehensive solution.

"Employers told us they want a simple solution that eliminates the administrative burden, so they can focus on their productions – not the ACA. Cast & Crew Open Health does that. They also told us they want it to address the very specific employee challenges we have as an industry. I am pleased to say Cast & Crew Open Health addresses their objectives: We've simplified the process. It's an industry solution. And employers can ensure they are compliant with the ACA."

To bring this type of coverage to the industry, Cast & Crew established the Plan as a multiple-employer health plan. The Plan is designed to provide medical coverage that satisfies ACA requirements to all non-union employees who are required to be offered coverage under the ACA. Accordingly, employers can ensure ACA compliance by participating in the Plan. This is the only plan of its kind offering the non-union



production employees a guild-like program.

This structure, developed with leading insurance brokers, attorneys and other insurance and entertainment human resources experts, enables Cast & Crew Open Health to provide employers with large-group pricing and benefits that are superior to market-based coverage that can be obtained elsewhere. The Plan's fee structure is based on a percentage of gross wages, a structure familiar to the industry.

"Cast & Crew Open Health simplifies budgeting and significantly lessens employers' administrative burdens," added Shardell Cavaliere, Senior Vice President, Client Relations at Cast & Crew Entertainment Services and a member of the Board of Trustees of the Plan. "It removes the need to track employee hiring status and terminations, and because it is billed as a fringe there is no need to allocate premiums down to productions. Cast & Crew Open Health provides the entertainment industry with a one-of-a-kind solution not available elsewhere."

The Plan complies with ERISA, the ACA and other applicable law and is funded through a trust established for the exclusive benefit of the participants. The trust will hold all the insurance contracts and be a conduit for payment of premiums.

Coverage is provided through Anthem Blue Cross and includes HMO/PPO options as well as optional dental, vision and life. Enrolled individuals will have access to the largest national network in the country, with more than 900,000 providers. Anthem members, moreover, have access to more than 90 percent of hospitals and 90 percent of physicians nationwide – more than any other insurer. Cast & Crew Open Health and Anthem Blue Cross provide employer and employee support through various communication methods, including email, a 24x7 phone center and online assistance.

The Plan is part of the company's Cast & Crew Complete benefits-management suite. Another component is Cast & Crew ACA SureTrack, which is a comprehensive online ACA management system.

The Plan was developed with The Henehan Company and The Miles Organization, which evaluate, design, implement and administer employee benefit plans.

About Cast & Crew

Cast & Crew Entertainment Services, LLC (www.castandcrew.com) is the premier provider of payroll and related services to the entertainment industry. It is owned by an investor group led by ZM Capital, ZelnickMedia's private equity fund. Cast & Crew is the leading provider of technology-enabled payroll and related business services to film and TV productions. Cast & Crew's services include payroll processing, residuals, workers' compensation, labor relations, production incentives, as well as financing production tax credits. Cast & Crew's PSL



production accounting software is the industry-leading accounting application to serve the needs of the film, television and digital media industries. The company, which was founded in 1976, owns and operates each of its offices – eight in the U.S., two in Canada and one in the U.K. Cast & Crew's corporate headquarters are in Burbank, California.

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