Market Timing/Excessive Trading Guidelines

Market timing/excessive trading is the frequent trading of shares in an investment option, typically in response to short-term fluctuations in the market. Market timing/excessive trading in large amounts can result in temporary financial advantages to the market timer/excessive trader. However, it can also have a disruptive effect on the portfolio management of the investment option, resulting in increased costs and reduced returns to a plan as well as the participants invested in that investment option.

As described in mutual fund prospectuses, mutual fund managers reserve the right to refuse purchase orders and transfers into their funds by any person, group or commonly controlled account if the managers believe the trading would have a disruptive effect on portfolio management.

Therefore, the Trustees' have instituted a Market Timing/Excessive Trading policy which is effective March 15, 2019.

Definition of Market Timing/Excessive Trading
Market Timing/Excessive Trading is:
- One or more participant-directed trades into AND out of (or out of AND into) the same investment option;
- Within a rolling 30-day period; and
- Each trade is more than $25,000

Example of Market Timing/Excessive Trading
01/10 Move from fund ABC to XYZ $25,000.01
02/05 Move from fund XYZ to fund ABC $25,000.01

Transactions that are not examples of Market Timing/Excessive Trading
01/10 Move from fund ABC to XYZ $25,000.01
01/30 Move from fund XYZ to fund DEF $25,000.01
02/09 Move from fund DEF to fund GHI $25,000.01

WARNING PROCESS
You will receive a warning letter the first time market timing/excessive trading takes place. There will be no penalties or trade restrictions imposed at that time. The second time market timing/excessive trading activity takes place; trade restrictions will be imposed.

TRADE RESTRICTION PROCESS
If the second instance of market timing/excessive trading takes place within 6 months, you will be placed on restriction for 3 months (“Restriction Period”). If during the 6 months immediately following the initial restriction, you have another instance of market timing/excessive trading; trade restrictions may be extended in 3-month increments.

During the Restriction Period, you are prohibited from transferring existing balances through the website, via fax or over the phone. Your requests to transfer existing balances to other funds must be in writing, with an original signature, may only be sent through the US Postal Service (no overnight mail) to Entertainment Industry 401(k) Plan, PO Box 17928, Los Angeles, CA 90017-0928. These paper transaction requests will be reviewed as soon as practicable, to ensure they are in good order and will be subject to approval by the Plan before they are processed. If an investment-related transaction is received via fax or overnight mail, it will not be processed, and you will be notified.

During the Restriction Period, you will be able to process non-investment related transactions. Examples of non-investment related transactions are distribution requests (if applicable), changing allocations of future contributions or voluntary withholding percentages.