MOTION PICTURE INDUSTRY
PENSION & HEALTH PLANS®

2011 ANNUAL FUNDING NOTICE
MOTION PICTURE INDUSTRY PENSION PLAN

Introduction

This notice includes important information about the Motion Picture Industry Pension Plan (the "Plan") and general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (the "PBGC"), a federal insurance agency. This notice is for the plan year beginning January 1, 2011 and ending December 31, 2011 (the "Plan Year").

How Well Funded Is The Plan

The Plan must report how well it is funded by using a measure called the "funded percentage." This percentage is determined by dividing the Plan's assets by its liabilities on the Valuation Date for the plan year. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the 2009 – 2011 Plan Years, along with a statement of the value of the Plan's assets and liabilities for the same period, is set forth in the chart below.

The Plan's Funded Percentage			
	2011	**2010**	**2009**
Valuation Date	January 1, 2011	January 1, 2010	January 1, 2009
Funded Percentage	83.2%	83.2%	74.6%
Value of Assets	$3,088,722,000	$2,921,643,000	$2,549,761,000
Value of Liabilities	$3,714,500,000	$3,512,133,000	$3,415,810,000

Year-End Fair Market Value of Assets

Asset values in the Funded Percentage chart above are actuarial values, which are estimates, not market values. While market values tend to show a clearer picture of a plan's funded status as of a given point, they fluctuate daily based on changes in the stock market and other factors. Pension law allows plans to use actuarial values that fluctuate less than market values.

The fair market value of the Plan's assets as of the last day of Plan Years 2009 - 2011 is shown in the following table:

	December 31, 2011	December 31, 2010	December 31, 2009
Fair Market Value of Assets	$2,759,666,000	$2,737,017,000	$2,467,239,000

Critical or Endangered Status

As of January 1, 2011, the Plan was not in endangered or critical status. Under federal pension law, a plan generally will be considered to be in "endangered" status if, at the beginning of the plan year, the funded percentage of the plan is less than 80 percent or in "critical" status if the percentage is less than 65 percent (other factors may also apply). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time.

Participant Information

The total number of Participants in the Plan as of January 1, 2011 was 71,742, which includes 44,902 Active Participants, 13,708 Participants who have Retired or separated from service and are receiving benefits, and 13,132 Participants who have Retired or separated from service and are entitled to future benefits.

Funding and Investment Policies

Every pension plan must have a procedure for establishing a funding policy to carry out plan objectives. A funding policy relates to the level of assets needed to pay for benefits promised under the plan currently and over the years. The funding policy of the Plan is to confirm that the minimum funding requirements of ERISA are being satisfied and to determine that anticipated employer contributions will not exceed the amounts deductible under the Internal Revenue Code. The policy for the 2011 Plan Year includes a target contribution amount sufficient to amortize the unfunded liability over an 18-year fixed amortization period (as of January 1, 2010) and meet the normal cost if all actuarial assumptions were met. Each employer makes contributions weekly pursuant to collective bargaining agreements.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries, who make specific investments in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning investment management decisions. The Plan's investment policy is to seek a total rate of return from the Plan's assets that provides, together with employer contributions, sufficient assets to fund participant benefits. In order to accomplish this goal, the Plan seeks well-managed investments and a competitive long-term return in a wide variety of asset classes.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	**Percentage**
1. Cash (interest bearing and non-interest bearing)	2.08%
2. U.S. Government securities	16.88%
3. Corporate debt instruments (other than employer securities):	
Preferred	---
All other	14.28%
4. Corporate stocks (other than employer securities):	
Preferred	---
Common	16.66%
5. Partnership/joint venture interests	---
6. Real estate (other than employer real property)	4.83%
7. Loans (other than to participants)	---
8. Participant loans	---
9. Value of interest in common/collective trusts	1.84%
10. Value of interest in pooled separate accounts	0.98%
11. Value of interest in master trust investment accounts	---
12. Value of interest in 103-12 investment entities	17.50%
13. Value of interest in registered investment companies (e.g., mutual funds)	21.26%
14. Value of funds held in insurance co. general account (unallocated contracts)	---
15. Employer-related investments:	
Employer Securities	---
Employer real property	---
16. Buildings and other property used in plan operation	0.72%
17. Other	2.97%

For information about the Plan's investment in any of the categories described in the chart above, please contact the Plan by calling toll-free at 1-855-ASK-4MPI or by mail at MPI Pension & Health Plans, P.O. Box 1999, Studio City, CA 91614-0999.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report called the Form 5500 that contains financial and other information about the plan. Copies of the Plan's annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling (202) 693-8673. For 2009 and subsequent plan years, you may obtain an electronic copy of the Plan's annual report by going to www.efast.dol.gov and using the Form 5500 search function. Or you may obtain a copy of the Plan's annual report for a nominal copying fee by making a written request to the Plan.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only vested benefits are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

> *Example 1*: If a participant with 10 years of credited service has an accrued monthly benefit of $500, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($500/10), which equals $50. The guaranteed amount for a $50 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).
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> *Example 2*: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee pre-retirement death benefits to a spouse or beneficiary (e.g., a qualified pre-retirement survivor annuity) if the participant dies after the plan terminates, benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans

The Department of Labor requires the Plan to include this section, but it does not pertain to the Plan because the Plan is not in reorganization or insolvent.

Federal law has a number of special rules that apply to financially troubled multiemployer plans. Under so-called “plan reorganization rules,” a plan with adverse financial experience may need to increase required contributions and may, under certain circumstances, reduce benefits that are not eligible for the PBGC’s guarantee (generally, benefits that have been in effect for less than 60 months). If a plan is in reorganization status, it must provide notification that the plan is in reorganization status and that, if contributions are not increased, accrued benefits under the plan may be reduced or an excise tax may be imposed (or both) to each contributing employer and the labor organization.

Despite these special plan reorganization rules, a plan in reorganization nevertheless could become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan’s available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, above), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan’s financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of a lump sum option. This information will be provided for each year the plan is insolvent.

Where to Get More Information

For more information about this Funding Notice, please contact the Plan toll-free at (855) ASK-4MPI (855-275-4674), or by mail at Motion Picture Industry Pension & Health Plans, P.O. Box 1999, Studio City, CA 91614-0999. For identification purposes, the official plan number is 001 and the plan sponsor’s employer identification number or “EIN” is 95-1810805. For more information about the PBGC, go to PBGC's website, www.pbgc.gov, or call the PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal Relay Service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).