AGREEMENT OF AUGUST 1, 2021
BETWEEN PRODUCER AND
INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, LOCAL 40

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AGREEMENT OF AUGUST 1, 2021
BETWEEN PRODUCER AND
INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, LOCAL 40

THIS AGREEMENT, executed as of August 1, 2021 between **INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 40** of the International Brotherhood of Electrical Workers (hereinafter referred to as the "Local Union" or the "Union"), on the one hand, and **THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS ON BEHALF OF THE COMPANIES LISTED ON EXHIBIT "A" ATTACHED HERETO, ALL OF WHICH CONSTITUTE A SINGLE MULTI-EMPLOYER BARGAINING UNIT** (each hereinafter respectively referred to as the "Producer" and collectively referred to as the "Producers"), on the other hand.

In consideration of the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE 1. Scope of Agreement

This Agreement shall be applicable to the classifications of employees listed in the **"Wage Scales, Hours of Employment and Working Conditions"** set forth herein, employed by Producer to perform services in the County of Los Angeles, or hired by the Producer in the County of Los Angeles to perform services outside the said County, but within the limits of the United States, its territories and Canada. It shall also be applicable to all such employees who are employed at the Los Angeles County studio of a subsidiary company of Producer, in which subsidiary Producer has a fifty percent (50%) or more financial interest and which subsidiary is engaged in the production of motion pictures in Los Angeles County.

In the event the Producer elects to and does employ a person in the County of Los Angeles, California to perform work outside the limits of the United States, its territories and Canada in any of the job classifications covered hereunder, then the provisions of this Agreement shall apply to such person. However, such person and Producer may make any other agreement to apply to such employment, such as a "flat deal" contract, in the place and stead of the provisions of this Agreement, provided such other agreement is negotiated and approved by the Union.

The term "employee," as hereinafter used, shall be deemed to mean an employee subject to the terms and conditions of this Agreement.

The parties confirm that this Agreement covers productions made for new media to the extent provided in Sideletter No. 15 of this Agreement.

ARTICLE 2. Recognition

The Producer recognizes the Union as the exclusive collective bargaining representative of all employees employed by Producer in the classifications listed in this Agreement. The Union makes this Agreement on behalf of such employees, the majority of whom the Union warrants are members of the Union in good standing.

The Union represents that the terms of this Agreement have been submitted to its membership and have been duly approved thereby.

ARTICLE 3. Union Security

(a) All employees of the Producer(s) subject to the provisions of this Agreement, except Apprentices, shall, as a condition of employment, be or become members of the Union on and after the thirtieth day following the first day of employment or the effective date of this Agreement, whichever is later.

Each Apprentice employee subject to the provisions of this Agreement shall, as a condition of employment, be or become a member of the Union on or after the three hundred sixty-fifth day following the beginning of such employment, or within thirty (30) days of the effective date of this Agreement, whichever is later.

Completion of Apprenticeship hereunder is to be certified by the Motion Picture Joint Apprenticeship Committee, as provided in the agreement between the parties hereto dated June 19, 1962 and entitled "Apprenticeship Standards for Motion Picture Employers and International Brotherhood of Electrical Workers, Local Union 40, Los Angeles County," as amended, hereinafter referred to as the "Apprenticeship Agreement."

(b) The parties hereto agree that the above union security provision shall be interpreted and enforced in accordance with and subject to the provisions of the National Labor Relations Act, as amended in 1947, or subsequent amendments thereto, or any other applicable law. In case of repeal or amendment of the Labor Management Relations Act of 1947 or in case of new legislation rendering permissible any union security to the Union greater than those specified in this Article of this Agreement, then and in such event, such provisions shall automatically be deemed substituted in lieu hereof. In

such event, and if permissible under law, the Union agrees to supply adequate, competent and qualified employees for the job requirements of the Producers in the crafts and classifications covered by this Agreement and, if the Union fails to do so, the Producer may secure such employees from any source.

(c) The Producer may employ or continue to employ any such employee who does not become or is not a member of the Union as above required under subparagraph (a) above, until: (1) the Union first gives the Producer a written notice that such employee has not become or is not then a member of the Union as above required, because of such employee's failure to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining such membership, as the case may be; and (2) such employee fails to tender to the Union such required periodic dues or initiation fees, as the case may be, within three (3) days after Producer receives such notice, in which event Producer, upon receipt of written notice by the Union requesting the discharge of such employee for non-membership, as herein provided, shall discharge said employee at the close of the shift on which such employee is working at the time Producer receives this notice.

(d) Producer agrees to inform the Union, in writing, within seven (7) days (Saturdays, Sundays and holidays excluded) from the date of employment hereafter, of the name and first date of employment of any employee subject to this Agreement. Producer shall not be deemed to be in default under this subparagraph (d) until the Union has notified the Producer in writing of a violation hereof, and the Producer has not, within three (3) days, complied with such notice.

ARTICLE 4. Wage Scales, Hours of Employment and Working Conditions

Wage scales, hours of employment and working conditions shall be as set forth in the **"Wage Scales, Hours of Employment and Working Conditions"** herein.

ARTICLE 5. Better Conditions - Deal Memos - Personal Service Contracts

Nothing in this Agreement shall prevent any individual from negotiating and obtaining from the Producer better conditions and terms of employment than those herein provided. Provided also, that the Producer, at its discretion, with or without Union consultation, may give any individual better conditions and terms than those herein provided.

The following, when individually negotiated pursuant to this Article, are subject to grievance and arbitration: the guaranteed period of employment, wage rate or salaries, the number of guaranteed hours, equipment rental and travel. If such items are included in a deal memo or personal service contract, a copy thereof shall, upon request, be furnished to the Local Union. Such deal memo or personal service contract shall conform, as a minimum, to the terms and conditions of this Agreement.

The following language shall be included in all deal memos or personal service contracts: "All provisions of this deal memo (or personal service contract) are subject to and must provide no less than the terms and conditions of the International Brotherhood of Electrical Workers, Local 40 Agreement."

Producer will notify the Union of the fact that it has executed any written personal service contract or deal memo with any person subject to this Agreement, and will certify that such personal service contract or deal memo conforms, at least, to the terms and conditions of this Agreement and that an extra copy of such contract has been furnished to the employee.

No such granting to any individual of better conditions and terms, if any, shall in any manner affect the conditions and terms herein provided, nor shall it be considered, in any manner, as a precedent for granting better conditions and terms than those herein provided to any other individuals or job.

ARTICLE 6. Authority of Union and Producer

The Union and the Producer each agrees that it will not maintain nor adopt any Articles or By-laws or any rules or orders which will prevent compliance with this Agreement. The Union and the Producer agree that the terms of this Agreement prevail in the event of conflict with any terms of such Articles or By-laws.

ARTICLE 7. Grievance and Arbitration Procedure

In the event of any dispute between the Local Union or any of the persons subject to this Agreement and the Producer with regard to wage scales, hours of employment or working conditions or with regard to the interpretation of this Agreement concerning such provisions,[1] the

[1] Any such disputes that give rise to an alleged violation of Sections 8(a)(1) and/or 8(a)(3) of the National Labor Relations Act, or in which the facts alleged would constitute such a violation, are also subject to the grievance and arbitration procedure in this Article 7.

procedure, unless otherwise specifically provided herein, shall be as follows:

Step One - The aggrieved party shall mail or deliver to the other party a written notice of the essential facts of the claim and concurrently furnish a copy of such notice to the designated Representative of the Local Union and Contract Services Administration Trust Fund (hereinafter "CSATF"). The representative of the Local Union and the designated representative of Producer shall immediately discuss the matter and the grievance shall be settled if at all possible. The decision, if any, of these representatives shall be final and binding upon the parties and any employees concerned.

Step Two - If the grievance is not settled within five (5) working days following the invocation of Step One, the aggrieved party may proceed to Step Two, by delivering or mailing, within five (5) days thereafter, a written demand, which shall include a statement of the particulars of the claim, upon the other party and upon the designated Representative of the Local Union and CSATF. Failure of the aggrieved party to so serve such demand shall constitute a waiver of the claim, unless the parties mutually stipulate otherwise in Step Two. Such stipulation shall be made a part of the record.

If the grievance is not settled within five (5) working days after the invocation of Step One and if the aggrieved party objects to submission of the dispute to Step Two, then it may proceed immediately to expedited or regular arbitration, as provided below, by delivering or mailing, within five (5) days thereafter, a written request for expedited arbitration or a written demand for regular arbitration, as provided below. If the responding party objects to submission of the dispute to Step Two, it shall so notify the other party at least three (3) days prior to the Step Two hearing. The aggrieved party shall thereupon have the right to proceed to expedited or regular arbitration, as provided below, within ten (10) working days after receipt of such notice from the responding party.

If such demand for Step Two proceedings is so served, the grievance shall be brought before the Grievance Committee as soon as possible, but not later than twenty (20) working days following the receipt of such notice, unless either party objects to submission of the dispute to Step Two as provided above. The Grievance Committee shall consist of a designated Representative of the Local Union and a representative of CSATF.

The parties to the grievance shall be present and shall be responsible for the presentation of their own position at such time and place. Failure of either party to the grievance to comply with the

foregoing requirements shall be deemed a waiver of the claim or waiver of any defense to the claim, as the case may be.

The Grievance Committee shall schedule the order of the grievances to be heard. Prior to beginning the hearing, the Committee shall attempt to assist the parties in mutually resolving the grievance. If the parties fail to resolve the grievance with the assistance of the Committee, either party shall have the right to opt out of the Step Two hearing before it begins and the aggrieved party may instead proceed to arbitration.

If neither party opts out of the Step Two hearing, the Grievance Committee will afford the parties an oral hearing on the merits of such grievance and render a written decision thereon within five (5) working days from the close of the hearing, but in no event later than twenty (20) working days after the hearing commenced. The Second Step shall be an informal one and for the purpose of resolving the grievance. The Committee shall determine its own rules and procedures. The decision of the Grievance Committee, if any, shall be final and binding upon the parties and any employees concerned.

Step Three - If no decision is rendered by the Grievance Committee within the above-mentioned period, by failing to agree or otherwise, then the parties may proceed to expedited or regular arbitration as provided below. In addition, if either party has elected to bypass Step Two as provided in the second paragraph under "Step Two" above, or has decided to opt out of Step Two as provided in the fifth paragraph under "Step Two" above, the parties may proceed to expedited or regular arbitration as provided below. In either case, the time limits for doing so shall be as provided under "Step Two" above, except when a party has elected to opt out of Step Two in accordance with the fifth paragraph under "Step Two" above, in which case the aggrieved party may proceed to regular or expedited arbitration, as provided below, by delivering or mailing to the other party and to CSATF, within ten (10) days after the date of the Step Two meeting, a written demand for expedited or regular arbitration.

(a) Expedited Arbitration

The aggrieved party may elect to proceed to expedited arbitration within five (5) working days following receipt of the Step Two decision in cases involving the discharge for cause of an employee subject to Paragraph 68 or within ten (10) working days following the completion of Step Two if no unanimous written decision resolving the dispute has been issued by the Grievance Committee. The aggrieved party may also elect to proceed to expedited arbitration following Step Two when the claim for wages does not exceed fifteen thousand dollars ($15,000). The aggrieved party may also proceed to expedited

arbitration following Step Two over disputes with regard to only the "Wage Scales, Hours of Employment and Working Conditions" provisions of this Agreement, subject to this Article and provided the claim for damages does not exceed fifteen thousand dollars ($15,000). Any other case may be submitted to expedited arbitration only by the mutual agreement of the parties.

If an aggrieved party decides to so proceed to expedited arbitration, that party must, within five (5) working days after the close of Step Two as above mentioned, proceed by delivering or mailing to the other party a written request for such expedited arbitration. When mutual agreement to proceed to expedited arbitration is required, such party may, at the same time, request an invocation of the regular arbitration procedure provided for below and, in the event no such mutual agreement to proceed to expedited arbitration, when required, is received by the aggrieved party within five (5) working days after service of such request, the aggrieved party may proceed to the regular arbitration procedure provided below.

In the alternative, the aggrieved party may proceed to regular arbitration by delivering or mailing to the other party a written demand for regular arbitration within ten (10) calendar days following the close of Step Two, as above mentioned.

Failure of the aggrieved party to so serve such a request and/or demand within the respective prescribed periods shall constitute a waiver of the claim. Cases that are submitted to expedited arbitration shall be heard within ten (10) working days after the other party receives the demand for expedited arbitration or within ten (10) working days after the other party gives notice of its agreement to proceed to expedited arbitration when the mutual agreement of the parties is required.

The Alliance of Motion Picture and Television Producers (hereinafter "the AMPTP") and the Chair of the Basic Crafts Unions shall forthwith appoint four (4) individuals and four (4) alternates with recognized experience as professional labor arbitrators as members of the standing panel of neutral arbitrators.

The parties agree to meet, following the conclusion of negotiations, for the purpose of modifying the expedited panel. During the term of this Agreement, the parties may mutually add the names of additional persons to the panel of neutral arbitrators to either supplement the panel or replace persons no longer available to serve.

From the panel of names of the neutral arbitrators set forth above, the arbitrators shall be assigned, depending upon their availability, in rotation, to the cases as they arise. The parties may, by

mutual consent, select an arbitrator out of rotation provided that notice of their selection is given to CSATF prior to the appointment of the arbitrator next in rotation.

The expedited arbitration hearing shall be presided over by a neutral arbitrator assigned from the panel of neutral arbitrators. The Local Union and CSATF shall schedule the grievances to be heard as soon as reasonably practical after the selection of the neutral arbitrator, unless the parties and the neutral arbitrator mutually agree otherwise. If such person selected as the arbitrator is not available, another arbitrator shall be selected by the same process as above described.

The parties will not file post-hearing briefs and a stenographic record will not be made, but the parties may present a written statement of the facts. The neutral arbitrator shall have sole authority to rule on all motions and decide the case. The decision of the arbitrator shall be final and binding upon the parties and any employees concerned.

The neutral arbitrator shall render a written decision within five (5) working days from the conclusion of the hearing. The writing of an opinion will be at the discretion of the neutral arbitrator. The neutral arbitrator shall have the power to determine only the specific grievance or dispute as described in the first paragraph of this Article 7 and, when appropriate, award wage adjustments or damages consistent with the contract, in an amount not to exceed fifteen thousand dollars ($15,000), but shall not have the power to amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional disputes between the Union and any other labor organization. Except for disputes described in footnote 1 to the first paragraph of this Article 7, the arbitrator shall not have the power to determine any other disputes arising under Paragraph 67.2 (**"Non-Discrimination")** of this Agreement; such disputes are instead subject to non-binding mediation. The decision of the neutral arbitrator shall be non-precedential and his decision and/or opinion, if any, shall not be offered or admitted into evidence in any other proceeding other than: (1) a judicial action seeking confirmation, correction or vacation of said decision; or (2) a grievance or arbitration proceeding involving the same Producer and Local Union.

Fees and expenses of the arbitrator shall be borne equally by the parties to the dispute. All other costs shall be borne by the party incurring the same.

The bills of the arbitrator, together with a completed information form, shall be sent by the arbitrator to the Local Union and the Producer involved in the expedited arbitration, with copies to

CSATF. The information form shall be jointly prepared by the Chair of the Basic Crafts and CSATF.

(b) Regular Arbitration - The aggrieved party may elect to proceed to regular arbitration within ten (10) working days following the completion of Step Two, if no agreement has been reached by the parties.

If such demand is served for regular arbitration, then the parties shall select a sole arbitrator to hear and determine the grievance by: (1) mutual agreement of the parties; or (2) by lot, from the list of arbitrators, under the following procedure: the name of the arbitrator shall be selected from the list of arbitrators obtained from the Federal Mediation and Conciliation Service (which the parties shall endeavor to maintain currently), within five (5) days of the receipt of such demand.

Such hearing shall be held within fourteen (14) days after the arbitrator is selected, at such time and place as the arbitrator shall determine. If the arbitrator so selected is unable or unwilling to undertake the arbitration within the time limit herein provided, another arbitrator shall be selected from such list. The decision of the arbitrator shall be rendered in writing, stating his reasons for the award, within thirty (30) days after the submission of the grievance for decision. The arbitrator's decision shall be final and binding upon the parties thereto and upon any employees concerned. The arbitrator shall have the power to determine the specific grievance or dispute as described in the first paragraph of this Article 7, but shall not have the power to amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional disputes between the Union and any other labor organization. Except for disputes described in footnote 1 to the first paragraph of this Article 7, the arbitrator shall not have the power to determine disputes arising under Paragraph 67.2 of this Agreement, "Non-Discrimination;" such disputes are instead subject to non-binding mediation.

Fees and expenses of the arbitrator and cost of a court reporter and original transcript, when jointly requested, shall be borne equally by the parties to the dispute; otherwise, the party making such request shall pay for it. All other costs shall be borne by the party incurring the same.

(c) Claims - Any claims for the payment of wages or severance pay, not presented under Step One within three hundred sixty-five (365) consecutive days after the employee is entitled to such wages or severance pay, shall be deemed to be waived. Any dispute as to the correct amount of payment of holiday or vacation pay, not presented under Step One within three hundred sixty-five (365) consecutive days after March 15 of the calendar year next following the calendar year in

which such holiday or vacation pay, as the case may be, was earned, shall be deemed to be waived.

Any other claim or grievance not presented under Step One, within (1) sixty (60) calendar days after the occurrence of the subject matter of the grievance or (2) sixty (60) calendar days after the employee or the Union has had a reasonable opportunity to become aware of the occurrence, whichever of (1) or (2) is the later (but in any event not to exceed three hundred sixty-five (365) calendar days after the occurrence), shall be deemed to be waived. Time on distant location shall not be included in this period.

For the purpose of this Article, "aggrieved party" shall mean the Producer or the Union acting on its own behalf or on the behalf of an employee covered by this Agreement.

(d) In General - The time periods provided for herein may be extended by mutual written consent of the parties.

(e) Scheduling - In scheduling any grievance in Step Two or Step Three, preference shall be given to any grievance involving the discharge of an employee or a grievance involving the Studio Seniority Roster.

(f) An arbitration award issued in either expedited or regular arbitration proceedings or a final and binding award rendered in Step Two of the grievance procedure which requires the payment of a specific sum of money shall be paid within thirty (30) days of the date of the award. If payment is not made within said period, interest shall accrue on the sum(s) due from the date of the award at the rate of one percent (1%) per month.

If a calculation is required to determine the specific amount(s) due under the award, the Producer shall calculate such amount(s) and shall notify the other party of the specific sum(s) due within sixty (60) days of the date of the award. If such calculation is not made or if notice is not given as required, interest shall accrue on the sum(s) due from the date of the award at a rate of one percent (1%) per month. If, after calculation, the parties disagree on the sum(s) due, or if the amount(s) due and owing under the award cannot be calculated within the sixty-day period as a result of factors beyond the control of the Producer, then no interest shall accrue upon the sum(s) due.

ARTICLE 8. Conflict With Laws

In the event that any provisions of this Agreement relating to the amounts and payment of wages or other financial benefits are affected

by any legislation, decision of a court of competent jurisdiction or governmental regulation in such manner so that such wages or other financial benefits would be increased over, or decreased under, the amount intended to be paid by the parties hereto at the time of the execution of this Agreement, then each of the parties hereto agrees that upon written notice from the other party setting forth the provisions to be negotiated, they will renegotiate for modification of such provisions so that such provisions will conform to such legislation, decision of a court of competent jurisdiction or governmental regulation, as the case may be, and will provide, as nearly as possible, for payment of wages or other financial benefits in the amount intended to be paid by the parties hereto at the time of the execution hereof.

If the parties are unable to arrive at an agreement within thirty (30) days after delivery of such notice, then such provisions in question shall be immediately submitted to an Arbitration Committee composed of one member designated by the Producer, one member by the Union and an Impartial Chairman, to be selected by such other two (2) members within ten (10) days following such thirty (30) day period provided above. This Arbitration Committee shall promptly proceed to hear and settle such matter. The authority of this Arbitration Committee to decide shall be limited solely to determining the appropriate modifications of such provisions so that such provisions will conform to such legislation, decision of a court of competent jurisdiction or governmental regulation, as the case may be, and will provide, as nearly as possible, for the payment of wages and other financial benefits in the amount intended to be paid by the parties at the time of execution of this Agreement.

The terms and conditions of such appropriate modifications, if any, by the said Arbitration Committee, shall be effective and operative as of the date on which the provisions, so modified accordingly, were so affected by any such legislation, decision of a court of competent jurisdiction or governmental regulation, as the case may be, in such manner and to the extent as above described and provided. The amounts and payments of wages or other financial benefits contained in such appropriate modifications, if any, made by such Arbitration Committee, shall be computed and paid thereunder retroactive to the effective date of such modifications. In the event that no such modifications can be made, as above provided, because of any legislation, decision of a court of competent jurisdiction or governmental regulation, Producer shall not be liable for any retroactive back pay adjustments, or any other penalty, if any such modification is thereafter permissible. The decision of the said Arbitration Committee shall be final and shall not be subject to the Grievance and Arbitration Procedure in Article 7 above, but its authority to decide shall be limited to the issue and remedy herein provided. The above procedure and conditions shall be the exclusive remedy for determining any dispute arising under this Article 8.

Upon written notice by such Arbitration Committee to the respective parties hereto, the modification of such provisions as determined by said Committee, as above provided, shall automatically become a part of this Agreement. Fees and expenses of the Impartial Chairman shall be borne equally by the Union and the Producer.

ARTICLE 9. Term of Agreement

The term of this Agreement shall be for a period commencing with August 1, 2021 and extending to and including July 31, 2024.

Either party may, by written notice (certified mail) to the other served on or before May 1, 2024, request renegotiation of the **"Wage Scales, Hours of Employment and Working Conditions"** of this Agreement. Such notice shall set forth in detail the proposals or recommendations of the party serving said notice of request for renegotiation. If such notice is served, the parties agree to commence negotiations within thirty (30) days after May 1, 2024 concerning the proposals or recommendations set forth in such notice and to continue negotiations diligently and in good faith on such proposals or recommendations which are submitted in such negotiations.

ARTICLE 10. Interpretation

Unless otherwise specifically defined herein, terms shall be given common meaning in the motion picture industry.

This Agreement hereby terminates and replaces the previous Agreement between the parties hereto entitled "Agreement of August 1, 2018 between Producer and International Brotherhood of Electrical Workers and Local 40 thereof."

ARTICLE 11. Health Plan

(a) Producers, the IATSE, and the respective Basic Crafts Unions are parties to the "Agreement and Declaration of Trust establishing the Health Plan for the Employees of the Motion Picture Industry" (hereinafter referred to as the "Health Plan") made as of October 20, 1952. Such Health Plan was established in accordance with the provisions of the "Producer-I.A.T.S.E. and M.P.M.O. Supplemental Agreement of October 25, 1951."

(b) In accordance with Article V, Sections 1 and 2 of such Health Plan, and subject to the provisions for changes hereinafter set

forth, the Producer shall make contributions to the Health Plan as follows:[2]

(1) Basic Rate. A Producer which qualifies as a "$15 Million Contributor" (as defined below) shall contribute to the Health Plan:

(i) four dollars ninety-one and three-tenths cents ($4.913) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 to and including July 30, 2022 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked;

(ii) five dollars thirty-one and three-tenths cents ($5.313) for each hour worked by or guaranteed an employee by such Producer on or after July 31, 2022 to and including July 29, 2023 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked; and

(iii) five dollars seventy-one and three-tenths cents ($5.713) for each hour worked by or guaranteed an employee by such Producer on or after July 30, 2023 to and including July 31, 2024 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

It is understood that any Producer which has been recognized or is hereafter recognized by the Motion Picture Industry Pension and Health Plans as a "$15 Million Contributor," and any entity related to or affiliated with such Producer that exists now or may exist in the future, qualifies as a "$15 Million Contributor."

(2) Premium Rate. A Producer which does not qualify as a "$15 Million Contributor" (other than an Employer covered under Article 11(b)(3) below) shall contribute to the Health Plan:

(i) seven dollars fifty-six and three-tenths cents ($7.563) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 to and including July 30, 2022 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked;

(ii) eight dollars seventy-six and three-tenths cents ($8.763) for each hour worked by or guaranteed an employee by such Producer on or after July 31, 2022 to and including July 29, 2023 under

[2] The Health Plan contribution rate set forth in subparagraph (b) above includes the thirty and one-half cents ($0.305) hourly contribution that the bargaining parties agreed during the 2012 negotiations would be paid to the Health Plan, rather than to the Individual Account Plan as had been required under prior Agreements.

the terms of this Agreement, including "straight time" and "overtime" hours on any day worked; and

(iii) nine dollars ninety-six and three-tenths cents ($9.963) for each hour worked by or guaranteed an employee by such Producer on or after July 30, 2023 to and including July 31, 2024 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

(3) During the 2021 negotiations, the bargaining parties agreed to recommend to the Directors of the Motion Picture Industry Health Plan that, effective August 1, 2021, an Employer (as defined below) which is a “shop” or “facility” shall make contributions to the Plans on behalf of an employee at the same rate as Rate Group 48, which shall remain at least $2.00 above the Basic Rate in Article 11(b)(1) of the Agreement. The Employer must be signatory to a Basic Crafts Agreement and within the multi-employer bargaining unit represented by the AMPTP in the Basic Crafts negotiations. The Directors of the Plan shall establish a definition of “shop” or “facility” for purposes of this provision. Any dispute whether an Employer qualifies as a “shop” or “facility” signatory to a Basic Crafts Agreement and within the multi-employer bargaining unit represented by the AMPTP in the Basic Crafts negotiations shall be resolved by the Directors of the Plan.

(4) Commencing with the quarter ending September 30, 2021 and at the end of every subsequent calendar quarter during the term of this Agreement, the consultants for the Health and Pension Plans shall project the level of reserves in the Active Employees Fund for the term of the Agreement.

If, at any time during the term of this Agreement, the consultants project that the level of reserves in the Active Employees Fund will fall below six (6) months, or that the level of reserves in the Retired Employees Fund will fall below eight (8) months, then the Basic Crafts Unions will each reallocate up to one percent (1%) from wages and/or the Individual Account Plan, or any combination thereof, until such time as the reserves are restored to the six (6) or eight (8) month level, as applicable. It is understood that this may occur more than once during the term of this Agreement.

(c) In the event additional crafts and classifications of work shall, as herein provided, become subject to this Agreement subsequent to July 31, 2021, then and in such event, this Article 11 shall only be effective and applicable to employees thereafter employed hereunder by Producer in such crafts and classifications of work, commencing as of a date thereafter upon which the Producer and the Union shall mutually agree.

(d) When a minimum call is applicable and the employee works less than the minimum call, then the minimum call shall constitute time worked. Employees subject to this Agreement employed for full weeks under guaranteed weekly salary schedules shall be credited with not less than the hours guaranteed the employees under such guaranteed weekly salary schedule. In the event such employee works in excess of such applicable number of hours guaranteed in such weekly schedule, then additional contributions shall be made on such excess hours worked.

(e) For purposes of this provision, studio, nearby and distant location employment under "on call" weekly schedules shall be considered as follows:

(1) Partial week - twelve (12) hours per day (thirteen (13) hours per day effective July 31, 2022; fourteen (14) hours per day effective July 30, 2023);

(2) Five day week - sixty (60) hours per week (sixty-five (65) hours per week effective July 31, 2022; seventy (70) hours per week effective July 30, 2023);

(3) Six day week - seventy-two (72) hours per week (seventy-seven (77) hours per week effective July 31, 2022; eighty-two (82) hours per week effective July 30, 2023); and

(4) Seven day week - eighty-four (84) hours per week (eighty-nine (89) hours per week effective July 31, 2022; ninety-four (94) hours per week effective July 30, 2023).

For the sixth day not worked on distant location, health contributions for "on call" employees shall be based on seven (7) hours. For the seventh day not worked on distant location, health contributions for "on call" employees shall be based on eight (8) hours.

(f) During the period August 1, 2021 to and including July 31, 2024:

Except for (i) eligibility standards, which shall be maintained at the level in effect on August 1, 2011, and (ii) the usual, customary and reasonable (UCR) schedules, which shall be maintained at the level in effect immediately following the replacement of INGENIX schedules in effect on August 1, 2009, all other benefits (including the bank of hours provision and dental and vision benefits) under the Active Employees Fund shall be maintained at the level in effect on August 1, 2009 in the following manner:

If, at any time during the term of this Agreement, the level of reserves in the Active Employees Fund drops below eight (8) months,

the Trustees, in conjunction with the Plan consultants, shall review the projections as to future reserve levels. If the consultants project, taking into account a reasonable amount of Supplemental Markets income, that the level of reserves in the Active Employees Fund will fall below six (6) months during the term of this Agreement, the following steps shall be taken:

(1) First, monies received from Post '60s payments in excess of the amount needed to fund the additional check(s) for retired employees, as provided in Article 12(f)(2) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2001, in Article 12(f)(1)(ii) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreements of 2004 and 2007 and in Article 12(f) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2010, and in excess of the amount needed for an eight (8) month level of reserves in the Retired Employees Fund, shall be allocated to the Active Employees Fund;

(2) Thereafter, if the consultants project, taking into account a reasonable amount of Supplemental Markets income, that: (i) the reallocation of wages and/or contributions from the Individual Account Plan above will not restore the level of reserves in the Active Employees Fund to six (6) months during the term of the Agreement; and (ii) the level of reserves will drop below four (4) months during the term of this Agreement, then employer contributions will be increased to the amount and for such time as is necessary to create a four (4) month reserve level for the maintained benefits.

(g) The Affordable Care Act added a provision to the Internal Revenue Code to require a non-deductible excise tax (also known as the "Cadillac" tax) on certain employer-sponsored health coverage beginning in 2022. Although this provision was later repealed, as a matter of mutual concern, the parties agree in principle that the funds of the Health Plan should be used for the Plan's participants and their dependents and not diverted to the payment of an excise tax that is of no benefit to the Plan's participants and their dependents. In light of the foregoing, the bargaining parties agree to recommend to the Directors of the Health Plan that the Health Plan shall be operated in a manner such that no excise tax shall be owed at any time.

(h) It is understood and agreed that with respect to the employees subject to this Agreement who are employed by Metro-Goldwyn-Mayer, Inc., the following provisions shall also apply:

For the purposes of the following provisions of this Article, the above-mentioned Health Plan will be referred to as the "Health Plan" and the Retirement Plan for Employees of Metro-Goldwyn-Mayer, Inc. will be referred to as the "Retirement Plan."

Notwithstanding the extension of said termination date as aforesaid and notwithstanding any of the preceding provisions of this Article or of any provisions of the Health Plan, Producer shall not be obligated to establish a reserve for or to make payments into the Health Plan with respect to any employee of Producer who is or becomes a member of the Retirement Plan on or before March 1, 1961 while he is a member of the Retirement Plan, nor shall such employee be subject to the Health Plan during such period (except pursuant to the provisions of the last paragraph of this subparagraph (h)).

An employee who became a member of the Retirement Plan on or before March 1, 1961 shall not be considered to be subject to a "union welfare contract" effective as to such employee, within the meaning of Paragraph 36 of the Retirement Plan, during such time as he is a member of the Retirement Plan. An employee who withdrew from the Retirement Plan on or before March 1, 1961 shall be considered to be subject to a "union welfare contract" effective as to such employee, within the meaning of Paragraph 36 of the Retirement Plan.

Nothing herein set forth shall preclude an employee who elected to remain or become a member of the Retirement Plan on or before March 1, 1961, also to become or remain, independently and at his own expense, subject to the Health Plan. Any employee who, pursuant to this Article, independently and at his own expense becomes or remains subject to the Health Plan during any period when he is also a member of the Retirement Plan shall not be deemed to be an employee subject to a "union welfare contract" within the meaning of Paragraph 36 of the Retirement Plan. Any such employee shall pay the same amount into the Health Plan as would be paid or set up as a reserve with respect to such employee by Producer had such employee not been a member of the Retirement Plan.

Any person subject to this Agreement who continues in the employment of Metro-Goldwyn-Mayer, Inc. after his normal retirement date under the Retirement Plan, shall, during the period of such employment after such normal retirement date, be subject to the Health Plan.

(i) On an annual basis during the term of this Agreement, the AMPTP, the IATSE and the Chair of the Basic Crafts (on behalf of the Basic Crafts Group) shall jointly review the allocation to the Health Plan from the Supplemental Markets in conjunction with the allocation to the Pension Plan of Post-'60s monies. Any agreement mutually agreed upon by them shall become a part of this Agreement.

(j) Effective August 1, 2021, for a dental plan, the Producer shall contribute to the Health Plan eighteen and seven-tenths cents (18.7¢) for each hour worked by or guaranteed an employee by such

Producer on or after August 1, 2021 under the terms of this Agreement, including "straight time" or "overtime" hours on any day worked. The provisions of subsections (c), (d) and (e) shall apply to the provisions of this subsection.

(k) Effective August 1, 2021, for a vision care plan, the Producer shall contribute to the Health Plan five cents (5¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 under the terms of this Agreement, including "straight time" and "overtime" hours for any day worked. The provisions of subsections (c), (d) and (e) shall apply to this subsection.

(l) At least sixty (60) days prior to the expiration of this Agreement, the parties will meet to determine the impact of national/state health care reform and will negotiate new health care provisions accordingly.

(m) Allocation of Directors

Five (5) Director positions shall be appointed by the Basic Crafts Unions to the Health Plan, which will be filled by a maximum of eight (8) different persons. The Basic Crafts Unions shall appoint common Directors for each Plan, unless the Directors decide otherwise.

(n) Participation in the Trust Funds by Representatives of the Basic Crafts Unions

The parties have recommended the following to the Directors of the Motion Picture Industry Pension and Health Plans and the Directors have adopted these recommendations:

(1) that at least one Director appointed by the Basic Crafts Unions be assigned to each committee established by the Motion Picture Industry Pension and Health Plans; and

(2) that the Directors select an additional law firm to serve as Trust Counsel and that a reasonable retainer be established therefor.

(o) The Basic Crafts Unions will be entitled to have three (3) representatives designated by the Chair of the Basic Crafts Unions on the committee that the AMPTP and the IATSE have established as part of their 2021 negotiations to conduct a study of the Motion Picture Industry Pension and Health Plans.

ARTICLE 12. Pension Plan

(a) Producers, the IATSE and the respective West Coast Locals are parties to the "Motion Picture Industry Pension Plan" (hereinafter referred to as the "Pension Plan") made as of October 26, 1953. Such Pension Plan was established in accordance with the provisions of the "Producer-I.A.T.S.E. and M.P.M.O. Amendment Agreement of October 26, 1953."

(b) In accordance with Article III, Sections 2 and 3 of the Pension Plan and subject to the provisions of Article XV of such Pension Plan relating to private retirement plans, the Producer shall pay into the Pension Plan one dollar eighty and sixty-five hundredths cents ($1.8065) for each hour worked by or guaranteed an employee by such Producer during the period August 1, 2021 through July 31, 2024 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

Such money paid by Producer into the Pension Plan shall not constitute nor be deemed to be wages due to the individual employees subject to this Agreement, nor shall said money paid into the Pension Plan in any manner be liable for or subject to the debts, contracts, liabilities or torts of such employees.

(c) When a minimum call is applicable and the employee works less than the minimum call, the minimum call shall constitute time worked. Employees subject to this Agreement employed for full weeks under guaranteed weekly salary schedules shall be credited with not less than the hours guaranteed the employee under such guaranteed weekly salary schedule. In the event such employee works in excess of such applicable number of hours guaranteed in such weekly schedule, then additional contributions shall be made on such excess hours worked.

(d) For purposes of this provision, studio, nearby and distant location employment under "on call" weekly schedules shall be considered as follows:

(1) Partial week - twelve (12) hours per day (thirteen (13) hours per day effective July 31, 2022; fourteen (14) hours per day effective July 30, 2023);

(2) Five day week - sixty (60) hours per week (sixty-five (65) hours per week effective July 31, 2022; seventy (70) hours per week effective July 30, 2023);

(3) Six day week - seventy-two (72) hours per week (seventy-seven (77) hours per week effective July 31, 2022; eighty-two (82) hours per week effective July 30, 2023); and

(4) Seven day week - eighty-four (84) hours per week (eighty-nine (89) hours per week effective July 31, 2022; ninety-four (94) hours per week effective July 30, 2023).

For the sixth day not worked on distant location, pension contributions for "on call" employees shall be based on seven (7) hours. For the seventh day not worked on distant location, pension contributions for "on call" employees shall be based on eight (8) hours.

(e) In the event additional crafts and classifications of work shall, as herein provided, become subject to this Agreement subsequent to July 31, 2021, then and in such event, this Article 12 shall only be effective and applicable to employees thereafter employed hereunder by Producer in such crafts and classifications of work, commencing as of a date thereafter upon which the Producer and the Union shall mutually agree.

(f) (1) Contingent Pension Benefit Increase(s) Effective January 1, 2024 and Every Three (3) Years Thereafter.[3] The bargaining parties agree to recommend to the Directors of the Pension Plan the following pension benefit increase(s):

As soon as practicable following the end of the first quarter of 2024 and every three years thereafter ("the evaluation year"), the Health Plan's consultants, in conjunction with the Pension Plan's actuaries, shall determine whether each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves as of January 1st of the evaluation year, and the Pension Plan's actuaries shall determine whether to certify that the Pension Plan is in the Green Zone in the evaluation year. The foregoing determinations shall be based upon the assumptions and methodologies, including but not limited to the funding priorities established for Supplemental Markets and Post '60s contributions, approved by the bargaining parties.

In the event that the Health Plan's consultants certify that each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves on January 1st of the evaluation year, and the Pension Plan's actuaries certify that the Pension Plan is in the Green Zone in the evaluation year, the pension benefit accrual rates shall be increased, effective January 1st of the evaluation year, by ten percent (10%) retroactively for Credited Hours accumulated during the three-year period immediately following the most recent increase in the pension benefit accrual rate. For those individuals who had a Break in Service during the three-year period immediately preceding January 1st

[3] This provision assumes that the term of the successor agreements to the 2021 IATSE Basic Agreement is three (3) years. If the term of a successor agreement is for a period other than three (3) years, the evaluation year shall be the final year of the applicable IATSE Basic Agreement and the period of the pension benefit increase shall be equivalent to such term.

of the evaluation year, the increase shall apply only to Credited Hours accumulated after the date of the most recent Break in Service. (For example, an active participant in the Pension Plan on January 1, 2024 who failed to accumulate at least two hundred (200) Vested Hours in 2021 and 2022 is entitled to the ten percent (10%) increase only for those Credited Hours accumulated on or after January 1, 2023.) Any retroactive payments required above shall be made without interest and as soon as practicable following the consultants' certifications as provided above.

In the event that the reserve levels are below eight (8) months in the Active Health Fund or the Retired Employees Fund on January 1st of the evaluation year, or the Pension Plan is not certified to be in the Green Zone in the evaluation year, the benefit accrual rates for Credited Hours accumulated since the most recent increase in the pension benefit accrual rate shall remain at the following rates:

(i) $0.03729 multiplied by the Participant's total Credited Hours accumulated during the Participant's first ten (10) Qualified Years; and

(ii) $0.04972 multiplied by the Participant's total Credited Hours accumulated after the Participant has completed ten (10) Qualified Years.

(2) The bargaining parties agree to recommend to the Directors of the Pension Plan that the Pension Plan provide a thirteenth and fourteenth check on or about November 1st of each year of this Agreement to those retirees who retired on or before August 1, 2009, provided that the Pension Plan's actuaries, in conjunction with the Health Plan's consultants, determine, taking into account the costs of such thirteenth and fourteenth checks, that: (i) at least eight (8) months of reserves exist in each of the Active Employees Fund and the Retired Employees Fund at that time; (ii) the Plan is certified to be in the Green Zone in the calendar year in which the check(s) are paid; (iii) the cost of thirteenth and fourteenth checks, if any, granted during the term of the Agreement shall be amortized over the fifteen (15) year amortization period commencing January 1, 2017; and (iv) if there are insufficient funds in the Pension Plan after accounting for existing obligations to provide both a thirteenth and fourteenth check (but there would be sufficient funds in the Pension Plan after accounting for existing obligations to provide a thirteenth check), then a thirteenth check will be provided.

(g) It is understood that the bargaining parties and the Directors of the Pension Plan will take all necessary steps to assure the tax deductibility of employer contributions under the provisions of the Internal Revenue Code as it now exists or is hereafter amended.

(h) Allocation of Directors

Five (5) Director positions shall be appointed by the Basic Crafts Unions to the Pension Plan, which will be filled by a maximum of eight (8) different persons. The Basic Crafts Unions shall appoint common Directors for each Plan, unless the Directors decide otherwise.

(i) Participation in the Trust Funds by Representatives of the Basic Crafts Unions

The parties have recommended the following to the Directors of the Motion Picture Industry Pension and Health Plans and the Directors have adopted these recommendations:

(1) that at least one Director appointed by the Basic Crafts Unions be assigned to each committee established by the Motion Picture Industry Pension and Health Plans; and

(2) that the Directors select an additional law firm to serve as Trust Counsel and that a reasonable retainer be established therefor.

ARTICLE 12A. Motion Picture Industry Individual Account Plan

(a) The Producer shall contribute to the Individual Account Plan eight percent (8%) of the scale Regular Basic Hourly Rate of pay on behalf of each employee employed by the Producer hereunder for all hours worked by or guaranteed such employee during the period August 1, 2021 to and including July 31, 2024. (In the case of "on call" employees, such percentage payment shall be based on the scale "on call" rate.)

(b) The parties agree that each employee's Individual Account Plan shall vest after one (1) qualified year.

(c) Future reallocation of Post '60s and Supplemental Markets monies to the Individual Account Plan shall be done on the following basis:

(1) Only that portion of the reserves in the Active Employees Fund that exceeds the amount needed to furnish benefits to participants in such Health Plan for twelve (12) months, and that portion of the reserves in the Retired Employees Fund that exceeds the amount needed to furnish benefits to participants in such Health Plan for twenty (20) months, measured as of September 30 of each year, shall be subject to reallocation. Reserve levels shall be calculated in accordance with the

continuation value measurement methodology heretofore adopted by the Health Plan.

(2) If the Pension Plan's finalized actuarial valuation report for the prior Plan Year shows that the Pension Plan is less than one hundred percent (100%) funded under the Pension Protection Act ("PPA"), the excess amount shall be reallocated to the Pension Plan. If such actuarial valuation report shows that the Pension Plan is at least one hundred percent (100%) funded, then eighty percent (80%) of the excess amount to be reallocated shall be allocated to the accounts of participants in the Individual Account Plan and twenty percent (20%) of the excess amount shall be designated as a credit against future Supplemental Markets or Post '60s payments, to be divided up among those Companies, each of which has made Supplemental Markets payments of not less than $15,000,000 (or has made Post '60s payments of not less than $6,000,000) in the aggregate during the three (3) year period beginning January 1, 1994 and ending on December 31, 1996, or in any subsequent three (3) consecutive year period. For these purposes, the Supplemental Markets and Post '60s payments made by Columbia and TriStar shall be aggregated and the Supplemental Markets and Post '60s payments made by Amblin Entertainment Inc. and DreamWorks shall be aggregated.

(3) It is understood that funding of the pension benefit increases described in the Producer-International Brotherhood of Electrical Workers, Local 40 Agreements of 1997, 2001, 2004, 2007 and 2010 shall take place before any monies are reallocated pursuant to this subsection (c).

ARTICLE 13. Motion Picture Industry Health Plan - Retired Employees Fund

(a) Producer shall, for the period commencing August 1, 2021 to and including July 31, 2024, contribute to the Industry Pension Plan through its Administrator, as agent for transmittal to the Motion Picture Industry Health Plan - Retired Employees Fund (subject to the provisions for changes hereinafter set forth), thirty cents ($.30) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 to and including July 31, 2024 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

(b) When a minimum call is applicable and the employee works less than the minimum call, then the minimum call shall constitute time worked. Employees subject to this Agreement employed for full weeks under guaranteed weekly salary schedules shall be credited with not less than the hours guaranteed the employee under such weekly salary

schedule. In the event such employee works in excess of such applicable number of hours guaranteed in such weekly schedule, then additional contributions shall be made on such excess hours worked.

(c) For the purposes of this provision, studio, nearby and distant location employment under "on call" weekly schedules shall be considered as follows:

(1) Partial week - twelve (12) hours per day (thirteen (13) hours per day effective July 31, 2022; fourteen (14) hours per day effective July 30, 2023);

(2) Five day week - sixty (60) hours per week (sixty-five (65) hours per week effective July 31, 2022; seventy (70) hours per week effective July 30, 2023);

(3) Six day week - seventy-two (72) hours per week (seventy-seven (77) hours per week effective July 31, 2022; eighty-two (82) hours per week effective July 30, 2023); and

(4) Seven day week - eighty-four (84) hours per week (eighty-nine (89) hours per week effective July 31, 2022; ninety-four (94) hours per week effective July 30, 2023).

For the sixth day not worked on distant location, contributions to the Retired Employees Fund for "on call" employees shall be based on seven (7) hours. For the seventh day not worked on distant location, contributions to the Retired Employees Fund for "on call" employees shall be based on eight (8) hours.

(d) The above rate of contribution of thirty cents ($0.30) per hour effective August 1, 2021 represents no increase over the rate of contribution required for the period August 1, 2018 to July 31, 2021.

(e) The bargaining parties agree to recommend to the Directors of the Motion Picture Industry Health Plan that the number of years required to qualify for retiree health coverage in the Retired Employees Fund shall increase, effective January 1, 2016, from fifteen (15) qualified years to twenty (20) qualified years for participants who have not earned at least one "Qualified Year" as of January 1, 2016. (The definition of "Qualified Year," as used herein, is as set forth in Section 24 of Article I of the Motion Picture Industry Pension Plan Restated 1993 Trust Agreement, revised January 2015.)

(f) During the period August 1, 2021 to and including July 31, 2024:

Except for (i) the Coordination of Benefits rules adopted on March 28, 2011 and made retroactive to January 1, 2011, which shall be maintained at the level in effect as of January 1, 2011, and (ii) the usual, customary and reasonable (UCR) schedules, which shall be maintained at the level in effect immediately following the replacement of the INGENIX schedules in effect on August 1, 2009, all other benefits (including dental and vision benefits) under the Retired Employees Fund shall be maintained at the level in effect on August 1, 2009, so long as it is prudent to do so, in the following manner:

If, at any time during the term of this Agreement, the level of reserves in the Retired Employees Fund drops below eight (8) months, the Trustees, in conjunction with the Plan consultants, shall review the projections as to future reserve levels. If the consultants project, taking into account a reasonable amount of Post '60s income, that the level of reserves will fall below four (4) months during the term of this Agreement, then employer contributions will be increased to the amount and for such time as is necessary to create a four (4) month reserve level for the maintained benefits.

(g) With respect to those employees who are not included within a unit covered by a collective bargaining agreement, but who are members of a group the Producer has designated as eligible employees in accordance with the requirements of the Industry Pension Plan and who are participants in the Industry Pension Plan, Producer hereby agrees that it shall likewise pay the above respective amounts for each hour worked by or guaranteed an employee by such Producer on and after August 1, 2021 as above defined.

(h) With respect to those employees who are members of a private retirement plan (referred to in Article XV of the Motion Picture Industry Pension Plan) and who are members of a group such Producer designated in a sufficient written instrument to the Trustees of the Health Plan as eligible for the benefits referred to in this Article 13, such Producer hereby agrees that it shall likewise pay the above respective amounts for each hour worked by or guaranteed such employee by Producer on and after August 1, 2021, as above defined.

(i) The money received by the Administrator of the Industry Pension Plan from such payments, as above provided, shall be kept separate and apart from any funds of the Industry Pension Plan, and shall be paid to the Retired Employees Fund upon demand by such Health Plan. Such Retired Employees Fund shall provide for such health coverage and, under such conditions as the Directors of such Health Plan

may determine to be appropriate, for the employees retired under the Industry Pension Plan and the private retirement plans referred to in Article XV of the "Motion Picture Industry Pension Plan."

Such money paid by Producer to the Administrator of the Industry Pension Plan for transmittal shall not constitute nor be deemed to be wages due to the individual employees nor shall said money so paid into the Industry Pension Plan in any manner be liable for or subject to the debts, contracts, liabilities or torts of such employees.

(j) It is agreed and recommended that as a matter of funding policy, the Directors of the Health Plan shall continue to maintain the level of reserves in the Retired Employees Fund at eight (8) months at all times during the term of the Agreement.

Commencing with the quarter ending September 30, 2021 and at the end of every subsequent calendar quarter during the term of this Agreement, the consultants for the Health and Pension Plans shall project the level of reserves in the Retired Employees Fund for the term of the Agreement.

(k) Effective August 1, 2021, for a dental plan, the Producer shall contribute to the Retired Employees Fund five and one-tenth cents (5.1¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked. The provisions of subsections (b), (c) and (f) shall apply to this subsection.

(l) Effective August 1, 2021, for a vision care plan, the Producer shall contribute to the Retired Employees Fund two cents (2.0¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2021 under the terms of this Agreement, including "straight time" and "overtime" hours for any day worked. The provisions of subsections (b), (c) and (f) shall apply to this subsection.

(m) At least sixty (60) days prior to the expiration of this Agreement, the parties will meet to determine the impact of national/state health care reform and will negotiate new health care provisions accordingly.

ARTICLE 13A. Loan-Out Companies

During such time as an employee is engaged by a borrowing Producer through the employee's loan-out company, the borrowing Producer shall make pension and health and CSATF contributions directly to the Motion Picture Industry Health Plan and the Motion Picture Industry Pension Plan on behalf of the employee so employed

based upon hours worked or guaranteed. Contributions may not be made by loan-out companies.

ARTICLE 13B. 401(k) Plan Feasibility Study

A committee shall be established consisting of representatives of the Producers, the IATSE and the Basic Crafts Unions to conduct a study of the feasibility of establishing a 401(k) plan funded solely by employee salary deferrals for participants in the Motion Picture Industry Pension Plan. In particular, the study is to focus on the following:

(a) Whether the establishment and administration of the 401(k) plan will cause the Producers to incur increased costs.

(b) Whether the Motion Picture Industry Pension and Health Plan would be able to administer the 401(k) plan as a separate plan.

(c) Whether the 401(k) plan is likely to or can be structured to satisfy all legal requirements for 401(k) plans (*e.g.*, Will it satisfy non-discrimination testing requirements? What are the consequences if it does not?)

The committee will convene as soon as reasonably practical. In the event that the IATSE chooses not to participate in the study, then the study shall be conducted solely with the Basic Crafts Unions and the AMPTP.

ARTICLE 14. Pre '60 Theatrical Pictures; Pay Television

(a) The exhibition of any motion picture by television for which a charge is paid by or assessed to or collected from the viewing audience, including subscription, telemeter, or any other method whereby a charge is paid by the viewing audience for the right to view such motion picture, is herein referred to as "pay television."

A "free television" picture is a motion picture initially released on television, other than pay television.

As to all motion pictures, it is recognized and acknowledged that the Producer has the unrestricted right to use, exhibit and market the same for any purpose, in any manner and by any method now known or hereafter developed, and that the Producer does not hereby relinquish or surrender any of its property rights therein. Except as otherwise specifically provided herein, the exhibition of a motion picture by pay television is theatrical exhibition and is merely an extension or substitute for the theatrical box office.

(b) It is expressly understood and agreed that the Union does not and will not make any claim for compensation or other payments with respect to the exhibition on any form of television (whether pay television or free television) of theatrical motion pictures, the principal photography of which commenced prior to January 31, 1960, and that, with respect to theatrical motion pictures, the principal photography of which commenced on or after such date, Producer's only obligation, with respect to the exhibition of such pictures on free television, is to make the payments referred to in Article 15, entitled "Post '60 Theatrical Motion Pictures," or Article 21A., entitled "Special Residual Formula for Theatrical Motion Pictures Licensed to Free Television and/or Supplemental Markets for which a Minimum Guarantee or Non-Returnable Advance is Payable," and with respect to theatrical motion pictures, the principal photography of which commenced on or after August 1, 2021, Producer's obligations shall be those contained in this Agreement.

ARTICLE 15. Post '60 Theatrical Motion Pictures

(a) Theatrical motion pictures produced by Producer with employees employed by Producer under a Local 40 Agreement, the principal photography of which commenced on or after February 1, 1960, shall be governed by the following:

Theatrical motion pictures produced by Producer with employees employed by Producer under the Agreement of 1961 between these parties, the principal photography of which commenced in the period between February 1, 1960 and January 31, 1967, both dates inclusive, which motion pictures are released to free television, shall be governed by Article XIX of the IATSE Basic Agreement of 1961; provided, however, that as to such motion pictures, the principal photography of which commenced in the period between February 1, 1965 and January 31, 1967, both dates inclusive, Section 10 of the IATSE Basic Agreement of 1965 shall apply.

Theatrical motion pictures, the principal photography of which commenced in the period between February 1, 1967 and January 31, 1969, shall be governed by Article XIX of the IATSE Basic Agreement of 1967.

Theatrical motion pictures, the principal photography of which commenced in the period between February 1, 1969 and January 31, 1973, shall be governed by Article XIX of the IATSE Basic Agreement of 1969.

Theatrical motion pictures, the principal photography of which commenced in the period between February 1, 1973 and January 31, 1976, shall be governed by Article XIX of the IATSE Basic Agreement of 1973.

Theatrical motion pictures, the principal photography of which commenced in the period between February 1, 1976 and July 31, 1979, shall be governed by Article XIX of the IATSE Basic Agreement of 1976.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 1979 and July 31, 1982, shall be governed by Article XIX of the IATSE Basic Agreement of 1979 and the Amendment thereto.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 1982 and July 31, 1985, shall be governed by Article XIX of the IATSE Basic Agreement of 1982.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 1985 and July 31, 1988, shall be governed by Article XIX of the IATSE Basic Agreement of 1985.

Theatrical motion pictures, the principal photography of which commenced in the period between October 31, 1988 and July 31, 1991, or the answer print for which was delivered on or after November 1, 1990 but prior to August 1, 1991, shall be governed by Article 15 of the Local 40 Agreement of 1988, as amended.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 1991 and July 31, 1994, shall be governed by Article 15 of the Local 40 Agreement of 1991.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 1994 and July 31, 1997, shall be governed by Article 15 of the Local 40 Agreement of 1994.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 1997 and July 31, 2001, shall be governed by Article 15 of the Local 40 Agreement of 1997.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2001 and July 31,

2004, shall be governed by Article 15 of the Local 40 Agreement of 2001.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2004 and July 31, 2007, shall be governed by Article 15 of the Local 40 Agreement of 2004.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2007 and July 31, 2010, shall be governed by Article 15 of the Local 40 Agreement of 2007.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2010 and July 31, 2012, shall be governed by Article 15 of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2010.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2012 and July 31, 2015, shall be governed by Article 15 of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2012.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2015 and July 31, 2018, shall be governed by Article 15 of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2015.

Theatrical motion pictures, the principal photography of which commenced in the period between August 1, 2018 and July 31, 2021, shall be governed by Article 15 of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2018.

Theatrical motion pictures, the principal photography of which commences in the period between August 1, 2021 and July 31, 2024, shall be governed by Article 15 of this Agreement.

Notwithstanding the wording of the second paragraph of paragraph (a) of Article XIX of the 1973 IATSE Basic Agreement, it was the intention and understanding of the parties that the allocation of the percentage payments as provided for in paragraph (b) of said Article XIX of the 1973 IATSE Basic Agreement was to apply to accountable receipts received by Producer between February 1, 1973 and February 1, 1976 derived from the distribution on free television of all applicable theatrical motion pictures, the principal photography of which commenced after January 31, 1960, regardless of which IATSE Basic Agreement applies. Because of such wording, however, a Producer may have allocated certain "percentage payments" in the proportion of

seventy-five percent (75%) to the Motion Picture Industry Pension Plan and twenty-five percent (25%) to the Motion Picture Health and Welfare Fund, instead of fifty percent (50%) to the Pension Plan and fifty percent (50%) to the Motion Picture Industry Retiree Health and Welfare Fund. If the Producer did so allocate "percentage payments," such Producer shall, insofar as it is concerned, be deemed to have complied with its obligations to the applicable provisions of the 1973 IATSE Basic Agreement, but the Pension Plan shall refund to the Retiree Health and Welfare Fund one-third (⅓) of the seventy-five percent (75%) so allocated to the Pension Plan, and the Welfare Fund shall refund to the Retiree Health and Welfare Fund the whole of the twenty-five percent (25%) so allocated to the Welfare Fund.

The following provisions of this Article 15 relate and apply only to theatrical motion pictures produced by Producer with employees employed by Producer under this Agreement, the principal photography of which commenced on or after August 1, 2021, which motion pictures for the first time are, either during the term hereof or at any time thereafter, released to free television. (Such motion pictures are referred to in this Article as the "motion picture" or "motion pictures.") In addition, the allocation of percentage payments provided for in subparagraph (b) of this Article 15 shall apply to all monies payable on and after August 1, 2021 for the distribution on free television of all motion pictures referred to in this subparagraph (a), regardless of which Local 40 Agreement governs.

(b) (1) As to each such motion picture (other than a motion picture included in a "qualifying transaction" described in Article 21A), the Producer will pay nine percent (9%), hereinafter referred to as the "percentage payment," of the Producer's accountable receipts from the distribution of such motion picture on free television, computed as hereinafter provided to the Motion Picture Industry Pension and Health Plans, to be allocated as follows:

(i) First, to the defined benefit plan to fund the cost of: (A) the two (2) additional checks (*i.e.*, a 13th and 14th check) which were granted to all employees who retired prior to August 1, 2000 pursuant to the provisions of Article 12(f)(2) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2001, with any unamortized amounts remaining as of December 31, 2016 amortized over fifteen (15) years; (B) the two additional checks (i.e., a 13th and 14th check) which were granted to all employees who retired prior to August 1, 2003 pursuant to the provisions of Article 12(f)(1)(ii) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2004, with any unamortized amounts remaining as of December 31, 2016 amortized over fifteen (15) years; (C) the two additional checks (i.e., a 13th and 14th check) which were granted to all employees who retired prior to August 1, 2006 pursuant to

the provisions of Article 12(f)(1)(ii) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2007, with any unamortized amounts remaining as of December 31, 2016 amortized over fifteen (15) years; and (D) the two additional checks (*i.e.*, a 13th and 14th check) which were granted to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2010, with any unamortized amounts remaining as of December 31, 2016 amortized over fifteen (15) years.

(ii) Then, next, to the Retired Employees Fund to the extent needed to fund an eight (8) month reserve.

(iii) Then, next, to the defined benefit plan to fund the cost of (A) the two additional checks (*i.e.*, a 13th and 14th check), amortized over twelve (12) years, granted in 2017 to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2015; (B) the two additional checks (*i.e.*, a 13th and 14th check) granted to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of the Producer–International Brotherhood of Electrical Workers, Local 40 Agreement of 2018, amortized over the fifteen (15) year period commencing January 1, 2017; and (C) the two additional checks (*i.e.*, a 13th and 14th check), or one additional check (a 13th check), granted during the term of this Agreement to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of this Agreement, amortized over the fifteen (15) year period commencing January 1, 2017.

(iv) Then, next, to the Active Employees Fund to the extent needed to fund a six (6) month reserve.

(v) Then, next, to the defined benefit pension plan to the extent that Supplemental Markets and New Media (as defined in Article III of Exhibit A of the Trust Agreement) monies are insufficient to fund the twenty-three percent (23%) increase in the defined benefit plan granted to active employees pursuant to the provisions of Article 12(f)(1)(i) of the 2001 Producer-International Brotherhood of Electrical Workers, Local 40 Agreement, the fifteen percent (15%) increase in the defined benefit plan granted to active employees pursuant to the provisions of Article 12(f)(1) of the 2004 Producer-International Brotherhood of Electrical Workers, Local 40 Agreement and the ten percent (10%) increase in the defined benefit plan granted to active employees pursuant to the provisions of Article 12(f)(1) of the 2007 Producer-International Brotherhood of Electrical Workers, Local 40 Agreement**.**

(vi) Then, next, to the Active Employees Fund of the Health Plan.

(vii) Then, next, to the extent that the level of reserves in the Retired Employees Fund exceeds twenty (20) months, and to the extent that the level of reserves in the Active Employees Fund exceeds twelve (12) months, reserves in excess of such amounts shall be reallocated as provided in Article 12A.(c)(2).

On an annual basis during the term of this Agreement, the Alliance of Motion Picture and Television Producers, the IATSE and the Chair of the Basic Crafts (on behalf of the Basic Crafts Group), shall jointly review this allocation in conjunction with the allocation to the Motion Picture Industry Pension and Health Plans of Supplemental Markets payments. Any agreement on any reallocation of such monies mutually agreed upon by all of these parties shall become a part of this Agreement. The term "Basic Crafts Group," as used herein, refers to those unions (other than the IATSE) noted in Article 15(e).

Exhibit A of each of the Pension Plan, Individual Account Plan and Health Plan (and the mechanical issues addressed therein), has been amended to express the agreements of the bargaining parties with respect to the foregoing allocation.

(2) The term "Producer's gross," as used herein, means the worldwide total gross receipts of Producer derived from the distributor of such motion picture (who may be the Producer or a distributor licensed by the Producer) from licensing the right to exhibit the motion picture on free television. If the distributor of the motion picture does not distribute the motion picture directly to free television, but employs a sub-distributor to so distribute the motion picture, then the "Producer's gross" shall be the worldwide total gross receipts derived from such sub-distributor from licensing the right to exhibit the motion picture on free television. In case of an outright sale of the free television distribution rights for the entire world, or any territory or country, the income derived by the seller from such sale, but not the income realized by the purchaser or licensee of such rights, shall be the "Producer's gross." If any such outright sale shall include free television exhibition rights, and other rights, then (but only for the purpose of the computation required hereunder) the Producer shall allocate to the free television exhibition rights a fair and reasonable portion of the sales price which shall, for the purpose hereof, be the "Producer's gross." In reaching such determination, Producer may consider the current market value of free television exhibition rights in comparable motion pictures. If the Motion Picture Industry Pension and Health Plans shall contend that the amount so allocated was not fair and reasonable, such claim may be determined by submission to arbitration as herein provided and, in the event the Board of Arbitration shall find that such allocation was not reasonable

and fair, it shall determine the fair and reasonable amount to be so allocated. If the outright sale includes free television distribution rights to more than one motion picture, Producer shall likewise allocate to each motion picture a fair and reasonable portion of the sales price of the free television rights and, if the Motion Picture Industry Pension and Health Plans contend that such allocation is not fair and reasonable, the question may be determined by submission to arbitration as above provided. If the Board of Arbitration shall find that such allocation was not fair and reasonable, it shall determine the fair and reasonable amount to be so allocated to each motion picture. The price received on the outright sale of only free television distribution rights in a single motion picture shall not be subject to arbitration. Sums paid to any advertising agency in connection with any exhibition of a motion picture on free television shall not be included in Producer's gross.

(3) The term "accountable receipts," as used herein, means the balance of the Producer's gross after deducting an arbitrary forty percent (40%) of the Producer's gross for distribution fees and expenses; except that in the case of an outright sale of free television distribution rights, there shall be deducted only an arbitrary ten percent (10%) of the Producer's gross for sales commissions and expenses of sale.

(4) Producer's obligation shall accrue hereunder only after accountable receipts are received by the Producer, but as to foreign receipts, such obligation shall accrue only when such receipts can be freely converted to U.S. dollars and are remitted to the United States and, until such time, no frozen foreign receipts shall be included in accountable receipts. Payments of amounts accruing hereunder shall be made quarterly on the basis of quarterly statements, as hereinafter provided. Frozen foreign receipts from free television shall be deemed to be released on a first-in, first-out basis, unless the authorities of the foreign country involved designate a specific period that would render such basis inapplicable. Such released funds shall be allocated between the motion picture and other motion pictures distributed by the distributor in the same ratio that receipts derived from the distribution of the motion picture on free television within the foreign country bear to the total receipts derived from the distribution of the motion picture and all other motion pictures on free television within the foreign country, during the applicable period, unless the authorities of the foreign country involved require another method of allocation, in which case such other method shall be used. Foreign receipts shall be accounted for in U.S. dollars at the rate of exchange at which such receipts are actually converted and remitted and, should any discounts, taxes, duties or charges be imposed in connection with the receipt or remittance of foreign funds, only so much of such funds as remain thereafter shall be included in accountable receipts. Producer shall not be responsible for loss or diminution of foreign receipts as a result of any matter or thing not reasonably within the control of the Producer. The Motion Picture

Industry Pension and Health Plans shall be bound by any arrangements made in good faith by the Producer, or for its account, with respect to the deposit or remittance of foreign revenue. Frozen foreign receipts shall not be considered trust funds and the Producer may freely commingle the same with other funds of the Producer. No sums received by way of deposits or security need be included in Producer's gross until earned, but when the Producer is paid a non-returnable advance by a distributor, such advance shall be included in the Producer's gross.

(5) If any license or outright sale of exhibition rights to the motion picture on free television includes as a part thereof any filmed commercial or advertising material, the Producer shall be permitted to allocate a reasonable amount (in accordance with then current standard charges in the industry) to such commercial or advertising material and the amount so allocated shall not be included in Producer's gross hereunder.

(6) Such payments made hereunder to the Motion Picture Industry Pension and Health Plans are not and shall not in any manner be construed to be wages due to any individual employee, nor in any manner be liable for or subject to the debts, contracts, liabilities or torts of any employee.

(7) Within a reasonable time after the close of the calendar or fiscal quarter, but not exceeding sixty (60) calendar days, Producer will furnish to the Motion Picture Industry Pension and Health Plans written reports as prescribed by the Motion Picture Industry Pension and Health Plans showing the Producer's gross received from the sale, lease, license and distribution (whether by Producer or a distributor) of each such motion picture on free television. Such reports shall be furnished quarterly during each fiscal or calendar quarter of the Producer. Concurrently with the furnishing of each such report, the Producer will make the payments shown to be due by such report. All required payments shall be made by check payable to the order of and delivered to the Motion Picture Industry Pension and Health Plans. Each such quarterly statement shall designate the title of the motion picture involved. On request, the Producer shall make available to the Motion Picture Industry Pension and Health Plans all accounting statements delivered by a distributor to the Producer, but only insofar as such statements relate to the Producer's gross. The Motion Picture Industry Pension and Health Plans shall have the right, at reasonable times, to examine the books and records of Producer insofar as they relate to the Producer's gross. Producer shall not be required to furnish any quarterly statement hereunder with respect to the motion picture prior to Producer's receipt of any Producer's gross with respect to the motion picture, or for any quarterly period during which no Producer's gross from the motion picture is received by the Producer.

(8) If the Producer shall sell, assign, transfer or otherwise dispose of the distribution rights to such motion picture on free television, or shall license the distribution rights to the motion picture on free television, Producer shall obtain from the buyer, licensee or distributor a separate agreement, made expressly for the benefit of the Motion Picture Industry Pension and Health Plans as herein provided, requiring such buyer, licensee or distributor to comply with the provisions of this Article 15. Such agreement shall be in substantially the following form:

> "The undersigned, _____
> (insert name of buyer, licensee or distributor)
> herein for convenience referred to as the "Buyer," hereby agrees with _____
> (insert name of Producer)
> that all theatrical motion pictures covered by this Agreement are subject to the provisions of Article 15 of the "Producer - International Brotherhood of Electrical Workers, Local 40 Agreement of 2021" relating to payments to the Motion Picture Industry Pension and Health Plans on release of a theatrical motion picture to free television; and, the said buyer hereby agrees, expressly for the benefit of the Motion Picture Industry Pension and Health Plans to abide by and perform the provisions of Article 15 of said Agreement and make said payments required thereby. It is expressly understood that the rights of Buyer to exhibit or license the exhibition of such motion pictures on free television shall be subject to and conditioned upon the payment to the Motion Picture Industry Pension and Health Plans, as provided in Article 15 of said Agreement, and it is agreed that said Motion Picture Industry Pension and Health Plans shall be respectively entitled to injunctive relief and damages against Buyer in the event such respective payments are not made.
>
> "The undersigned agrees to keep or have access to complete records showing the income derived from the distribution of such motion pictures on free television within the entire territory for which Buyer is granted such rights and the Motion Picture Industry Pension and Health Plans shall have the right at all reasonable times to inspect such records. The undersigned shall give the Motion Picture Industry Pension and Health Plans prompt written notice of the date on which each motion picture covered hereby is first telecast on free television. An inadvertent failure to comply with said

requirement of notice shall not constitute a default by the undersigned hereunder, provided such failure is cured promptly after notice thereof from the Motion Picture Industry Pension and Health Plans."

Producer agrees to give notice to the Motion Picture Industry Pension and Health Plans within thirty (30) days of each sale, transfer or license of the distribution rights to such a motion picture on free television, with the name and address of the buyer, assignee or distributor, and to deliver to the Motion Picture Industry Pension and Health Plans an executed copy of each assumption agreement entered into by the Producer. An inadvertent failure on the part of the Producer to comply with any of the provisions of this subparagraph (8) shall in no event constitute a default by the Producer hereunder or a breach of this Agreement, provided that such failure is cured promptly after notice thereof from the Motion Picture Industry Pension and Health Plans.

Upon delivery of such assumption agreement, and on condition that the Motion Picture Industry Pension and Health Plans approves in writing the financial responsibility of the buyer, Producer, or any subsequent owner obtaining the execution of such an assumption agreement, shall not be further liable to the Motion Picture Industry Pension and Health Plans for the keeping of any such records or the required payments insofar as they relate to the broadcast of the motion picture on free television; and, the Motion Picture Industry Pension and Health Plans agrees to look exclusively to the party last executing such an assumption agreement for the keeping of such records and payments.

(9) With respect to such motion picture, Producer agrees either to:

(i) include in any chattel mortgage, pledge or other lien or security agreement covering the motion picture, a provision made expressly for the benefit of the Motion Picture Industry Pension and Health Plans to the effect that the chattel mortgagee, pledgee, lien or security holder agrees that if such mortgage, pledge, lien or security agreement is foreclosed, and such mortgagee, pledgee, lien or security holder thereby obtains title to the motion picture and subsequently exhibits the motion picture on free television, then in such event, after such mortgagee, pledgee, lien or security holder has recouped its loan so secured, plus interest and all costs and expenses incident to foreclosure, such mortgagee, pledgee, lien or security holder will be bound by the provisions of this Article 15 with respect to payments to the Motion Picture Industry Pension and Health Plans thereafter becoming due and payable hereunder; provided, however, that nothing herein contained shall prevent such mortgagee, pledgee, lien or security holder who has acquired title to the motion picture from thereafter making a sale of the motion picture to a third party free and clear of any limitations or

obligations whatsoever. Except as otherwise provided in this subsection (i), the rights of the Motion Picture Industry Pension and Health Plans shall be subordinate to the rights of such mortgagee, pledgee, lien or security holder; or

(ii) in the alternative, be bound by the provisions of this Article 15 with respect to payments to the Motion Picture Industry Pension and Health Plans, if any, due after such foreclosure shall have been made. In the event Producer elects this alternative, the provisions of subsection (i) above shall be inapplicable, and if the provisions referred to in subsection (i) above are not included in any such chattel mortgage, pledge, lien or security agreement, Producer shall be deemed to have elected the alternative provided for in this subsection (ii).

In the event of a foreclosure referred to in subsection (i) above, should the Producer distribute the motion picture for such mortgagee, pledgee, lien or security holder, Producer shall be bound during the period of such distribution by the provisions of this Article 15 with respect to payments due hereunder, to the same extent as the mortgagee, pledgee, lien or security holder under subsection (i) above. Any such payments made by the Producer as the distributor shall be credited against any obligation of the mortgagee, pledgee, lien or security holder that may be due or become due to the Motion Picture Industry Pension and Health Plans under subsection (i) above; it being understood that the Motion Picture Industry Pension and Health Plans shall be entitled to such respective payments but once.

The foregoing provisions of this subparagraph (9) shall not apply to any motion picture subject to any security instrument in existence on January 31, 1965.

(10) If, after January 31, 1976, the Producer enters into a contract with a so-called "independent producer" for the production and financing of a theatrical motion picture and the distribution thereof by the Producer or for the furnishing of all the employees covered hereunder who are to be used in such theatrical motion picture (such contract being hereinafter referred to as an "independent contract"), Producer will include in such independent contract an agreement on the part of the independent producer, expressly for the benefit of the Motion Picture Industry Pension and Health Plans, that the independent producer will pay, on behalf of Producer, in the manner herein provided, the amounts, if any, required to be paid under the provisions of this Article 15 with respect to such motion picture. If such agreement on the part of the independent producer be not included in any independent contract prior to the exhibition of the motion picture on free television, the Producer shall be liable and responsible for the payments, if any, required to be made under the provisions of this Article 15 with respect to such motion picture. If such agreement on the part of the independent

producer is included in the independent contract prior to exhibition of the motion picture on free television, then the Producer shall not be liable or responsible in any manner or to any extent with respect to the motion picture under the provisions of this Article 15. The Producer will notify the Motion Picture Industry Pension and Health Plans of any and all such independent contracts entered into by the Producer.

(c) With respect to theatrical motion pictures covered under this Article 15 and notwithstanding any provision in section (b) above to the contrary, the following shall govern the computation and remittance of the "percentage payment" as that term is defined in section (b) above:

(1) Definitions. For purposes of this section (c) and for no other purpose, the following terms shall have the meanings set forth below:

(i) "Production" or "produce" shall include both production and pre-production functions, but not post-production or distribution functions.

(ii) "Prorate" or "proration" shall mean the computation of the percentage payment by multiplying nine percent (9%) of accountable receipts by a fraction whose numerator consists of the total below-the-line labor cost of individuals subject to the IATSE Basic Agreement or hired from the jurisdiction of the union locals referred to in section (e) below working on the picture (whether in production or post-production but excluding distribution -- distribution, for the purposes of this Article, shall include all laboratory work other than that performed by employees charged directly to a picture) and whose denominator consists of the total below-the-line labor cost of all individuals working on the picture in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast Studio Locals or between Producer and the unions referred to in section (e) below (whether in production or post-production but excluding distribution -- distribution, for the purposes of this Article, shall include all laboratory work other than that performed by employees charged directly to a picture).

(iii) "Individuals subject to the Basic Agreement" and "employees employed by Producer under this Agreement" include all persons working on the motion picture under the terms of the IATSE Basic Agreement or hired from the jurisdiction of union locals referred to in section (e) below who are hired to perform services in Los Angeles or hired in Los Angeles to perform services at a distant location whether hired by a Producer itself or employed indirectly by a Producer through loan-outs, payroll companies or comparable employing agents; provided, however, that individuals not specifically charged to the motion picture

or who are included in general overhead and individuals such as projectionists, drivers and publicists engaged primarily in off-location services during the production of the motion picture are not included in the terms "made with two or more individuals subject to the IATSE Basic Agreement" or "Los Angeles production crew" as those terms are used in subsection (c)(3) below and are not included in either the numerator or denominator of the proration fraction described above.

(iv) "Foreign" means any theatrical motion picture for which twenty percent (20%) or more of the shooting days of principal photography takes place in a country other than the United States, its territories or Canada.

(v) "Domestic" means any theatrical motion picture which is not foreign.

(vi) "Los Angeles production crew," for purposes of determining whether percentage payments on domestic pictures may be prorated, shall mean persons hired from the jurisdiction of the IATSE West Coast Studio Locals or hired from the jurisdiction of the union locals referred to in section (e) below, employed by the Producer in production.

(vii) "Entire production crew," as such term is used herein, shall mean all individuals in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast Studio Locals or between Producer and the unions referred to in section (e) below employed by the Producer on the production of the motion picture in question.

(viii) "Other collective bargaining agreements between Producer and the West Coast Studio Locals" means only those Local Agreements subject to the IATSE Basic Agreement.

(2) Foreign Pictures. Percentage payments shall be made on a prorated basis for any foreign picture made with two or more individuals subject to the IATSE Basic Agreement.

(3) Domestic Pictures.

(i) If two or more individuals subject to the IATSE Basic Agreement are employed on a domestic picture, it will be subject to liability for percentage payments to the extent hereinafter provided.

(ii) Except as provided in subsection (c)(3)(iii) below, percentage payments on domestic pictures will be nine percent (9%) of accountable receipts.

(iii) Percentage payments on a domestic picture shall be made on a prorated basis in either of the following events:

(A) If a majority of the shooting days of principal photography on the motion picture occurred inside the following states - Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington and Wyoming - and the Los Angeles production crew, as defined above, consists of twenty-nine (29) or fewer individuals. In determining whether twenty-nine (29) or fewer individuals are employed on the picture, the following shall be excluded: make-up artists, hairdressers and costumers who are specifically required to be furnished by the Producer in accordance with the personal service contract of an actor and those individuals engaged in post-production or distribution functions, including, but not limited to, editing and looping regardless of where or when those functions are performed; or

(B) If a majority of the shooting days of principal photography on the motion picture occurred outside of the following states -- Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington and Wyoming.

The Basic Crafts Unions shall have the right to reinstate the conditions for proration set forth in the International Brotherhood of Electrical Workers, Local 40 Agreement of 1988, as amended, if, after study and review by a joint Basic Crafts Union - AMPTP Committee, it is determined that the foregoing proration provisions have an adverse economic impact on the Pension and Health Plans. If the proration provisions under the 1988 Agreement, as amended, are reinstated, such provisions shall apply to domestic motion pictures which commence principal photography more than one hundred twenty (120) days after termination of the proration provisions set forth above.

(iv) As to any domestic picture on which the Producer intends to make percentage payments on a prorated basis, an Application to Prorate shall be delivered by the Producer to the Administrator of the Pension and Health Plans on or before the date that the first percentage payment is due to the Plans from Producer. Said Application shall contain the following information: If the right to prorate is based upon the provisions of subsection (c)(3)(iii)(A) above, the aggregate salaries paid to the Los Angeles production crew and the aggregate salaries paid to the entire production crew; the number of individuals on the Los Angeles production crew; the number and job classifications of those individuals excluded pursuant to the provisions of subsection (c)(3)(iii)(A) above; the number of shooting days of principal

photography occurring in the states listed in subsection (c)(3)(iii)(A) above; and the total other shooting days and the states in which said other shooting days occurred. If the right to prorate is based upon the provisions of subsection (c)(3)(iii)(B) above, the aggregate salaries paid to the Los Angeles production crew and the aggregate salaries paid to the entire production crew; the number of shooting days of principal photography occurring in the states listed in subsection (c)(3)(iii)(B) above; and the total other shooting days and the states in which said other shooting days occurred. If an Application to Prorate is submitted later than the dates specified above, it will nonetheless be deemed granted if the identified picture meets said criteria; provided, however, that, if he deems it necessary, the Administrator of the Pension and Health Plans may require a Producer submitting a late Application to Prorate to allow a special audit of the percentage payments due and the Motion Picture Industry Pension and Health Plans shall be reimbursed by the Producer for all reasonable fees and expenses incurred by the Motion Picture Industry Pension and Health Plans in performing said audit.

(d) (1) Producer will furnish to the Motion Picture Industry Pension and Health Plans written reports showing the Producer's gross received from the sale, lease, license and distribution (whether by Producer or a distributor) on free television of each motion picture subject to the provisions of this Article. In the written reports filed with the Motion Picture Industry Pension and Health Plans, the Producer shall indicate whether it is prorating on each picture being reported and, if so, what proration percentage is being applied and the basis for the Producer's right to prorate -- *i.e.*, whether proration is being applied pursuant to subsection (c)(2) or pursuant to subsection (c)(3)(iii)(A) or pursuant to subsection (c)(3)(iii)(B) above. Such reports shall be furnished quarterly during each fiscal year of the Producer. Concurrently with the furnishing of each such report, the Producer will make the payments shown to be due by such report. All required payments shall be made by check payable to the order of and delivered to the Motion Picture Industry Pension and Health Plans. Each such quarterly statement shall designate the title of the motion picture involved. On request, the Producer shall make available to the Motion Picture Industry Pension and Health Plans all accounting statements delivered by a distributor to the Producer, but only insofar as such statements relate to the Producer's gross. The Motion Picture Industry Pension and Health Plans shall have the right, at reasonable times, to examine the books and records of Producer insofar as they relate to the Producer's gross and -- as to any motion picture for which Producer assumes as Buyer the obligation to make percentage payments pursuant to subsection (b)(8) above -- the documents reflecting or effectuating the purchase; provided that, with respect to these latter documents, the Producer may require the persons examining them to execute reasonable agreements to respect their confidentiality. Producer shall not be

required to furnish any quarterly statement hereunder with respect to the motion picture prior to Producer's receipt of any Producer's gross with respect to the motion picture, or for any quarterly period during which no Producer's gross from the motion picture is received by the Producer.

(2) For each motion picture produced by Producer which the Producer plans to prorate (whether proration is being applied pursuant to subsection (c)(2) or pursuant to subsection (c)(3) above) for three (3) years after either the date of the first quarterly report showing a percentage payment on such motion picture or the receipt by the Motion Picture Industry Pension and Health Plans of the Producer's written request for audit of the percentage payments due, Producer shall maintain and make available to the Motion Picture Industry Pension and Health Plans and their auditors the following information: the names of the employees on the Los Angeles production crew; the names of the employees on the entire production crew; the names of all individuals subject to the IATSE Basic Agreement working on the motion picture (whether in pre-production, production or post-production functions); the names of all individuals who were not subject to the IATSE Basic Agreement but who worked on the motion picture in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast Studio Locals or between Producer and the unions referred to in section (e) below; the total below-the-line labor costs of individuals subject to the IATSE Basic Agreement (whether in pre-production, production or post-production functions); and, the total below-the-line labor costs of all individuals working on the motion picture in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast Studio Locals or between Producer and the unions referred to in section (e) below.

(3) As to any motion picture subject to section (c) above for which Producer assumes the obligation to make percentage payments pursuant to subsection (b)(8) above, if Producer wishes to prorate its percentage payments for such motion picture, it shall obtain the records provided for in subsection (d)(2) above from the Producer of such motion picture.

(e) The provisions of this Article 15 were negotiated by the following unions for the benefit of the Motion Picture Industry Pension and Health Plans:

International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada; Studio Transportation Drivers, Local 399 of International Brotherhood of Teamsters; Local 40 of International Brotherhood of Electrical Workers; Local 724 of the Laborers'

International Union of North America; Local 755 of the Operative Plasterers and Cement Masons International Association of United States and Canada; and, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of United States and Canada, Local 78.

Any reference in any other collective bargaining agreement (whether with one of the above unions or any other union or guild) to a "percentage payment" to the Motion Picture Industry Pension and Health Plans for the exhibition on free television of Post '60 Theatrical Motion Pictures, is and shall be deemed to be a reference to the "percentage payment" as set forth in this Article 15, which amount is the only amount, in the aggregate, which the Producer and all such unions have agreed upon for the benefit of the Motion Picture Industry Pension and Health Plans.

The compliance by Producer with the conditions set forth in this Article 15 likewise constitutes compliance as to all the unions.

(f) Notwithstanding anything herein to the contrary, the parties hereby confirm the following understanding and practices of the Producers with respect to the Post '60s provisions:

(1) Article 15 does not require a percentage payment to be made with respect to motion pictures on which the only employees employed under the Basic Agreement performed post-production (including editorial) work; and

(2) Article 15 does not require percentage payments to be made with respect to motion pictures which are produced by a producer which is not signatory to the Basic Agreement or the Basic Crafts Agreements.

ARTICLE 16. <u>Policy, Applicability of Agreement and Subcontracting</u>

(a) The purposes of this Article are to protect and preserve the work opportunities available to employees covered by this Agreement who have traditionally and historically performed the work covered by the classifications and job duties set forth in the IATSE Basic Agreement, the Videotape Electronics Supplemental Basic Agreement ("Videotape Agreement"), and the West Coast Studio Local and Basic Crafts Agreements.

These purposes are accomplished as follows:

(b) Policy

It is the policy of the Producer not to evade intentionally the provisions of the IATSE Basic Agreement, the Videotape Agreement, and the West Coast Studio Local and Basic Crafts Agreements by participating in the production of a motion picture, by providing financing or the guarantee thereof for the production of said motion picture, which picture has direct labor costs for bargaining unit work (other than a minimal amount) less favorable than those provided for under the IATSE Basic Agreement, the Videotape Agreement, and the West Coast Studio Local and Basic Crafts Agreements or other applicable collective bargaining agreements.

Nothing in this Article shall be deemed to extend the scope or jurisdiction of the IATSE Basic Agreement, the Videotape Agreement, the West Coast Studio Local or the Basic Crafts Agreements.

Negative pick-up transactions, distribution transactions, and production-distribution transactions which are *bona fide* are not covered by this Article 16, except that in the event the Producer enters into a production-distribution transaction, by providing financing or the guarantee thereof for the production of a motion picture under this Section, then the Producer shall notify the IATSE and Basic Crafts in writing at least thirty (30) days prior to the commencement of principal photography, providing the name of such motion picture, the name of the Producer and corporate entity and/or principals. If there are unusual circumstances in which the Producer cannot give such thirty (30) days' notice, the Producer shall give at least ten (10) days' notice prior to the commencement of principal photography.

(c) Applicability of Agreement

This Agreement shall be binding on the signatories hereto and all parties who, by reason of mergers, consolidations, reorganizations, sale, assignment or the like, shall succeed to, or become entitled to, a substantial part of the production business of any signatory, in and limited to Los Angeles County, California.

(d) Subcontracting

The parties recognize the existence of past subcontracting practices within the multi-employer bargaining unit. The parties agree that the rights, limitations and restrictions upon subcontracting practices set forth in the West Coast Studio Local Agreements and the Basic Crafts Agreements shall remain in effect.

The Producer, as a matter of preservation of work for employees who have historically and traditionally performed work under the crafts and classifications as set forth in the IATSE Basic Agreement, the Videotape Agreement, or the West Coast Studio Local and Basic Crafts Agreements, agrees that as to bargaining unit work of a type which has not heretofore been subcontracted in the multi-employer bargaining unit, the Producer will subcontract such bargaining unit work to any other person, corporation, joint venture or entity only: (1) if the Producer first notifies the IATSE and Chair of the Basic Crafts, when applicable, in writing of its intention to subcontract, and (2) the direct labor costs of the person, corporation, joint venture or entity who will perform such work under said subcontract are not less than the direct labor costs set forth in the IATSE Basic Agreement, the Videotape Agreement, the West Coast Studio Local and Basic Crafts Agreements or other applicable collective bargaining agreements; or (3) if the Producer lacks the requisite technology, facilities or equipment to perform the work.

(e) In order to effectively enforce the provisions of this Article, the Producer agrees that records in its possession or those to which the Producer has access pertaining to direct labor costs will be made available for inspection within twenty (20) days after a written request therefor by the IATSE or Basic Crafts.

(f) A complaint by the IATSE or the Basic Crafts of a violation of this Article shall be submitted within fifteen (15) days after a written request to a special Producer-IATSE or Basic Crafts Committee for a resolution. The Producer's representation on the Committee shall consist of the AMPTP and the Producer involved in the complaint. Upon agreement by the AMPTP, the Producer involved and the IATSE or the Basic Crafts, the decision of the Committee shall be final and binding on the Producer involved and the IATSE or the Basic Crafts. If no resolution is reached by the Committee, the IATSE or Basic Crafts shall have the right to submit the dispute to a final and binding regular arbitration procedure as set forth in Article 7(b) of this Agreement.

ARTICLE 17. Charitable Contributions

Deductions made by Producer from the employee's pay check for charitable institutions shall be paid by Producer to such institutions within two (2) weeks after such deductions are made from the pay check. The Union shall give the Producer notice of any such failure to pay the institution and if the Producer fails to make such required payment within seven (7) days after such notice, such failure shall be deemed to be a breach of this Agreement by such delinquent Producer.

As to those Producers who, by prior arrangement with the respective institution or institutions, make such payments on a quarterly

or other basis, then such above-mentioned two (2) week period shall be extended to the quarterly or other time basis as so arranged.

ARTICLE 18. Contract Services Administration Trust Fund

(a) Producer shall pay to the Industry Pension Plan through its Administrator, as agent for transmittal to the Contract Services Administration Trust Fund ("CSATF"), sixty cents ($0.60) per hour for each hour worked by or guaranteed an employee by such Producer during the period commencing August 1, 2021 to and including July 31, 2024 for employees who are subject to the Retired Employees Fund (on the same weekly and daily formula as the contributions paid under the Retired Employees Fund); provided, however, that in place and stead of the above cents per hour payments, such payments with respect to employees of laboratories shall be at the rate of one and seven-tenths cents ($0.017) per hour on or after August 1, 2021 to and including July 31, 2024.

The Producers have established CSATF for the purpose of providing a Fund to be used for the administration of apprenticeship and other training programs within the motion picture industry; maintenance of appropriately classified and delineated seniority rosters within the motion picture industry; administration of safety programs and studies within the motion picture industry; administering and financing physical examinations in connection with any uniform industry retirement programs; and, generally, for the carrying on of similar such programs for the administration of other industry-wide services, studies or education. Such Trust Fund shall be administered by a Board of Trustees who shall be appointed by the Alliance of Motion Picture and Television Producers.

The parties agree that CSATF shall provide required safety training to individuals listed on the Studio Seniority Roster created pursuant to Paragraph 68(a) of this Agreement. The Union shall be given an opportunity to provide input to CSATF with respect to the safety training courses required for each of its classifications and the curriculum for those courses.

A $20.00 per hour stipend shall be paid to any individual for attending CSATF required safety training classes during non-working time. The stipend shall be paid to each individual in a single check within thirty (30) days following completion of all safety classes required for that individual's job classification. It is understood that any check so issued shall include payment for Course A of the Safety Pass Program, whether completed before or after the individual was placed on the Studio Seniority Roster.

A $20.00 per hour stipend shall be paid to any individual who attends required harassment prevention training administered by CSATF during non-working time.

(b) CSATF shall provide Second Step grievance services.

(c) The money received by the Administrator of the Industry Pension Plan from such payments, as above provided, shall be kept separate and apart from any funds of the Industry Pension Plan and shall forthwith be paid to CSATF.

Such money so paid by Producer shall not constitute nor be deemed to be wages due to the individual employees nor shall said money so paid be in any manner liable for or subject to the debts, contracts, liabilities or torts of such employees.

The Producers shall provide the Basic Crafts with the CSATF certified annual financial statements and its quarterly activity statement.

Upon a joint request by the IATSE and the Basic Crafts, the committee of the IATSE and Basic Crafts, not to exceed five (5) members, shall meet with the Executive Committee of the CSATF Board of Trustees to discuss CSATF quarterly activities statement and other matters related to CSATF that may arise. Such a meeting shall be held on an *ad hoc* basis.

(d) All Industry Experience Rosters of those employees subject to CSATF are to be administered under CSATF.

Employees shall be required to complete Course A of the Safety Pass Program before being placed on the Studio Seniority Roster.

(e) The Producers will establish a procedure whereby any interested party may contact CSATF to obtain information relative to the past employment of an individual on a specific motion picture. In response to such an inquiry, CSATF will make a good faith effort to contact the involved Producer and secure such information on behalf of the interested party. The Producer, on its part, will make a good faith effort to respond to such inquiries by CSATF.

(f) The Union shall provide CSATF with copies of any and all contracts that it enters into directly with a Producer.

(g) In the event that an individual contacts CSATF claiming that he or she did not receive a notification from CSATF, CSATF, after satisfying itself as to the identity of the individual, will email a copy of the notice to the individual. CSATF will copy the Union on such email transmission, barring any legal restrictions, such as privacy or other

concerns. In addition, during the term of this Agreement, and barring any legal restrictions, such as privacy or other concerns, CSATF shall explore whether it is reasonably able to provide the Union with electronic access to CSATF's database of notices to its members.

The provisions of this Article are made expressly for the benefit of CSATF.

ARTICLE 19. Labor-Management Meetings

The Producers and the Union agree to reinstate meaningful labor-management meetings. A labor-management standing committee shall be established jointly by the Basic Crafts and the Producers which shall meet quarterly or on call of either the Basic Crafts or the Producers. A pre-meeting conference shall be held to review the subject matter of the agenda.

ARTICLE 20. Formulation and Implementation of Tuition Reimbursement/Work Training Programs

A committee shall be convened for the purpose of formulating and implementing training programs.

The parties recognize that deductions from hourly contributions (in the amount of one cent (1¢) from contributions made at the rate of two and one-quarter cents (2¼¢) per hour and in the amount of one-third cent (⅓¢) from contributions made at the rate of three-quarters cents (¾¢) per hour) have been made under previous collective bargaining agreements for the purpose of providing training or other agreed-upon programs for the benefit of persons who suffer displacement as a result of the introduction and utilization of electronics technology. The parties agree that any CSATF monies which were earmarked for exclusive use in providing training or other programs to persons who suffered displacement as a result of the introduction and utilization of electronic technology may be released to cover expenditures required for any other agreed-upon training programs for IATSE and Basic Crafts Unions classifications in addition to covering expenditures for continuing videotape retraining programs.

CSATF shall earmark the sum of $5,000 for the purpose of reimbursing tuition costs for persons employed under the Local 40 Agreement who successfully complete electrical education courses which have been jointly recommended by a Producer and the Union and approved by CSATF.

Local 40 shall submit to CSATF a proposal for an electrical training program to be conducted by the Union. CSATF shall review in good faith said proposal and, if it adopts such proposal or any modified version thereof, shall make available funds for payment of the approved costs of such program.

ARTICLE 21. Supplemental Markets

(a) The provisions of this Article relate and apply only to motion pictures produced by Producer during the term hereof and subject to this Agreement:

(1) The principal photography of which commenced on or after August 1, 2021, which motion pictures are, either during the term hereof or at any time thereafter, released in Supplemental Markets (as defined below); and

(2) Produced with employees employed by Producer under this Agreement.

(3) Definition

The term "Supplemental Markets," as used in this Agreement, means only: The exhibition of motion pictures by means of cassettes (to the limited extent provided in subparagraph (i) of this paragraph (3)), or pay television, as those terms are hereafter defined in this paragraph (3), and the exhibition of television motion pictures on any commercial carrier such as commercial airlines, trains, ships and buses (referred to herein as "in-flight").

(i) Cassettes:

For the purposes of this Article, a cassette is any audio-visual device, including without limitation, cassette, cartridge, phonogram or other similar audio-visual device now known or hereafter devised, containing a motion picture (recorded on film, disc, tapes or other material) and designed for replay through a television receiver or comparable device. The sale or rental of cassettes for replay through a television receiver or comparable device in the home or in closed-circuit use, such as in hotel rooms, constitutes "Supplemental Markets."

(ii) Pay Television

The term "Pay Television," as used in this Article, shall mean exhibition on a home-type television screen by means of

telecast, cable, closed circuit, satellite to home or CATV when a majority of licensed systems meet the following tests:

(a) a separate channel is provided for which the subscriber pays a separate fee (which fee is a substantial charge relative to other charges made to the subscriber) for that channel; and/or

(b) the subscriber pays for the motion picture or motion pictures selected (except that a motion picture or motion pictures selected for which only a token charge is made shall not be considered pay television); and/or

(c) the subscriber pays a fee for an encoded telecast, which fee is a substantial charge relative to other fees paid for encoded telecasts.

The foregoing tests cover those types of services and systems which exist in the industry today and are commonly understood in the industry today to be pay television services or systems.

The term "pay television," as used in this Article, shall also include the exhibition of motion pictures through a television receiver or comparable device by means of telecast, cable, closed circuit, satellite or CATV for which the viewing audience (whether by the individual viewer or by the hotel, motel, hospital or other accommodation where the viewer is) pays to receive the program by making a separate payment for such specific program. Exhibition in theaters or comparable places by such means is theatrical exhibition and shall not be considered pay television.

The term "Supplemental Markets" does not include the exhibition of a motion picture by cassette or otherwise over a television broadcast station or in theatrical exhibition, and for this purpose "theatrical exhibition" includes the educational market, the exhibition of theatrical motion pictures on any commercial carrier (referred to herein as "in-flight"), such as commercial airlines, trains, ships and buses, and other uses which have been traditionally considered theatrical exhibition of theatrical motion pictures, other than the specific home use hereinabove defined as the "Supplemental Markets" for cassettes.

Whenever reference is made in this Agreement to pay television, such reference shall be deemed to include only those uses of motion pictures as to which a charge is actually made to the subscriber for the program viewed, or for which the subscriber has the option, by additional payment, to receive special programming over one or more special channels. When no program charge or special channel charge is made to the subscriber in addition to the general charge, the

transmission of motion pictures by telecast, cable, closed circuit, satellite or CATV is free television exhibition for the purposes of this Agreement, and such exhibition shall not be considered Supplemental Markets exhibition.

The Producers have agreed to the inclusion of "pay television" in the "Supplemental Markets" because, under the present pattern of distribution of motion pictures, "pay television" is supplemental to the primary market. The Producers reserve the right in future negotiations to contend that the pattern of release has changed so that "pay television" is no longer a Supplemental Market but constitutes or is a part of the primary market of distribution of motion pictures, and that, therefore, no additional payment pursuant to this Article 21 should be made with respect to the release of motion pictures (including those covered by this Agreement) in said market. Nothing herein shall limit the scope of negotiations on said subject. Furthermore, if the Producers in their collective bargaining agreement with the Directors Guild of America, Writers Guild of America or Screen Actors Guild-American Federation of Television and Radio Artists negotiate a provision treating pay-per-view exhibitions as part of the primary market, rather than supplemental markets, then such provision shall automatically be deemed included hereunder, based on a comparable formula as may have been applied in such DGA, WGA or SAG-AFTRA Agreement.

(b) (1) As to such motion pictures distributed in Supplemental Markets other than by means of cassettes (other than a motion picture included in a "qualifying transaction" described in Article 21A.), the following shall apply:

(i) The Producer will pay five and four-tenths percent (5.4%) (hereinafter referred to as the "percentage payment") of the "Producer's gross" received therefrom, computed as hereinafter provided.

(ii) The term "Producer's gross," as used herein, means the worldwide total gross receipts derived by the distributor of the motion picture (who may be the Producer or a distributor licensed by the Producer) from licensing the right to exhibit the motion picture in Supplemental Markets other than by means of cassettes and including, in the case of a "foreign territorial sale" by the Producer, the income received from such sale by Producer but not the income received by "purchaser" or the "licensee."

(2) As to such motion pictures distributed in Supplemental Markets by means of cassettes (other than a motion picture included in a "qualifying transaction" described in Article 21A.), the following shall apply:

(i) The Producer will pay six and seventy-five hundredths percent (6.75%) of the "Producer's gross," as defined below, until the Producer's gross equals one million dollars ($1,000,000). Thereafter, Producer shall pay eight and one-tenth percent (8.1%) of "Producer's gross" in excess of one million dollars ($1,000,000).

(ii) If the Producer is the Distributor or the Distributor is owned by or affiliated with the Producer, the "Producer's gross" derived from the distribution of such motion pictures by cassettes shall be twenty percent (20%) of the worldwide wholesale receipts derived by the Distributor. In such cases, if the Distributor is also the retailer, a reasonable allocation of the retail gross receipts shall be made as between the Distributor as distributor and the Distributor as retailer, and twenty percent (20%) of the former only shall be deemed to be "Producer's gross." The reasonableness of such allocation shall be subject to arbitration and, in such arbitration, generally prevailing trade practices in the cassette industry with respect to dealings between non-related companies shall be relevant evidence.

If the Distributor is not the Producer and is not owned by or affiliated with the Producer, the "Producer's gross" shall be one hundred percent (100%) of the fees received by the Producer from licensing the right to distribute such motion picture by cassettes.

(3) The Producer's gross shall not include:

(i) Sums realized or held by way of deposit, as security, until and unless earned, other than such sums as are non-returnable;

(ii) Rebates, credits or repayments for cassettes returned (and, in this connection, the Producer shall have the right to set up a reasonable reserve for returns);

(iii) Sums required to be paid or withheld as taxes, in the nature of turnover taxes, sales taxes or similar taxes based on the actual receipts of such motion picture or on any monies to be remitted to or by the Producer, but there shall not be excluded from Producer's gross any net income tax, franchise tax or excess profit tax or similar tax payable by the Producer or such distributor on its net income or for the privilege of doing business;

(iv) Frozen foreign currency until the Producer shall either have the right to freely use such foreign currency, or Producer has the right to transmit to the United States such foreign currency from the country or territory where it is frozen. If such currency may be utilized or transmitted as aforesaid, it shall be deemed to have been converted to United States dollars at the rate of exchange at which said currency was actually transmitted to the United States as aforesaid, or, if not actually transmitted, then at the prevailing free market rate of exchange at the time such right to use or to transmit occurs. Frozen foreign currency shall be deemed to be unblocked on the basis of "first-in, first-out" unless otherwise allocated by local foreign fiscal authorities. Allocation of such unblocked funds as between revenue which serves as the basis of determining payments hereunder and other revenue shall be on a proportional basis, subject to different earmarking by local foreign fiscal authorities.

(v) Sums paid to any advertising agency in connection with any exhibition of a motion picture in Supplemental Markets.

(4) Such monies shall be paid to the Motion Picture Industry Pension and Health Plans and shall be allocated as follows:

(i) First, to the Pension Plan to fund the difference between (A) the "actuarially-required" contributions for the year, taking into account benefit increases and five (5) year vesting, and (B) the expected contributions for the Pension Plan year, subject to specified actuarial methods, provided that there are sufficient funds in the Active Employees Fund of the Health Plan to maintain benefits and a six (6) month reserve;

(ii) Then, next to the Retired Employees Fund of the Health Plan to the extent needed to fund an eight (8) month reserve;

(iii) Then, next, to the Pension Plan to the extent that Post '60s monies (as provided in Article 15(b)(1)(iii) of this Agreement) are insufficient to fund (A) the cost of the two additional checks (*i.e.*, a 13th and 14th check) granted in 2017 to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2015; (B) the cost of the two additional checks (*i.e.*, a 13th and 14th check) granted to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2018; and (C) the cost of the two additional checks (*i.e.,* a 13th and 14th check), or one additional check (a 13th check), granted to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of this Agreement;

(iv) Then, next, to fund the Active Employees Fund of the Health Plan;

(v) Then, next, to the extent that the level of reserves in the Retired Employees Fund exceeds twenty (20) months, and to the extent that the level of reserves in the Active Employees Fund exceeds twelve (12) months, reserves in excess of such amounts shall be reallocated as provided in Article 12A(c)(2).

Notwithstanding anything to the contrary in subparagraph (a) above, such allocation shall apply to monies payable on or after August 1, 2021 for the distribution of motion pictures in Supplemental Markets, regardless of which Producer-International Brotherhood of Electrical Workers, Local 40 Agreement applies.

On an annual basis during the term of this Agreement, the Alliance of Motion Picture and Television Producers, the IATSE and the Chair of the Basic Crafts (on behalf of the Basic Crafts Group) shall jointly review this allocation in conjunction with a review of the allocation of Post '60s monies. Any agreement on any reallocation of such monies mutually agreed upon shall become a part of this Agreement. The term "Basic Crafts Group," as used herein, refers to those unions (other than the IATSE) noted in Article 21(e).

Exhibit A of each of the Pension Plan, Individual Account Plan and Health Plan (and the mechanical issues addressed therein) has been amended to express the agreements of the bargaining parties with respect to the foregoing allocation.

(5) Such gross income realized in foreign currency in any reporting period required hereunder shall be deemed to be converted to United States dollars at the prevailing market rate of exchange at the close of such reporting period, except that when such gross income has actually been transmitted to the United States, it shall be deemed converted to United States dollars at the rate of exchange at which such foreign currency was actually so transmitted.

(6) Allocation of Producer's Gross

If any agreement for distribution in the Supplemental Market includes more than one motion picture, or includes both Supplemental Market rights and other rights, the Producer shall make a reasonable allocation for the purpose of determining payments due hereunder. If the Motion Picture Industry Pension and Health Plans contend that such allocation is not reasonable, then such claim shall be submitted to arbitration.

(7) Producer's obligation shall accrue hereunder only after "Producer's gross" is received by the Producer. Payments of amounts accruing hereunder shall be made quarterly on the basis of quarterly statements, as hereinafter provided. Should any discounts, taxes, duties or charges be imposed in connection with the receipt or remittance of foreign funds, only so much of such funds as remain thereafter shall be included in "Producer's gross." Producer shall not be responsible for loss or diminution of foreign receipts as a result of any matter or thing not reasonably within the control of the Producer. The Motion Picture Industry Pension and Health Plans shall be bound by any arrangement made in good faith by the Producer, or for its account, with respect to the deposit or remittance of foreign revenue. Frozen foreign receipts shall not be considered trust funds and the Producer may freely commingle the same with other funds of the Producer.

(8) If any license or outright sale of exhibition rights to the motion picture in Supplemental Markets includes as a part thereof any filmed commercial or advertising material, the Producer shall be permitted to allocate a reasonable amount (in accordance with then current standard charges in the industry) to such commercial or advertising material, and the amount so allocated shall not be included in Producer's gross hereunder.

(9) Such payments made hereunder to the Motion Picture Industry Pension and Health Plans are not and shall not in any manner be construed to be wages due to any individual employee, nor in any manner be liable for or subject to the debts, contracts, liabilities or torts of any employee.

(10) Within a reasonable time after the close of the calendar or fiscal quarter, but not exceeding sixty (60) calendar days, Producer will furnish to the Motion Picture Industry Pension and Health Plans written reports showing the Producer's gross received from the sale, lease, license and distribution (whether by Producer or a distributor) of each such motion picture in such Supplemental Markets. Such reports shall be furnished quarterly during each fiscal or calendar quarter of the Producer. Concurrently with the furnishing of each such report, the Producer will make the payments shown to be due by such report. All payments shall be made by check payable to the order of and delivered to the Motion Picture Industry Pension and Health Plans. Each such quarterly statement shall designate the title of the motion picture involved. On request, the Producer shall make available to the Motion Picture Industry Pension and Health Plans all accounting statements delivered by a distributor to the Producer, but only insofar as such statements relate to the Producer's gross. The Motion Picture Industry Pension and Health Plans shall have the right, at reasonable times, to examine the books and records of Producer insofar as they relate to the Producer's gross. Producer shall not be required to furnish any quarterly

statement hereunder with respect to the motion picture prior to Producer's receipt of any Producer's gross with respect to the motion picture, or for any quarterly period during which no Producer's gross from the motion picture is received by the Producer.

(11) If the Producer shall sell, assign, transfer or otherwise dispose of the distribution rights to such motion picture in such Supplemental Markets, or shall license the distribution rights to the motion picture in such Supplemental Markets, Producer shall obtain from the buyer, licensee or distributor a separate agreement, made expressly for the benefit of the Motion Picture Industry Pension and Health Plans requiring such buyer, licensee or distributor to comply with the provisions of this Article 21. Such agreement shall be in substantially the following form:

> "The undersigned, _____
> (insert name of buyer, licensee or distributor)
> herein for convenience referred to as the "Buyer," hereby agrees with _____
> (insert name of Producer)
> that all motion pictures covered by this Agreement are subject to the provisions of Article 21 of the "Producer -International Brotherhood of Electrical Workers, Local 40 Agreement of 2021" relating to payments to the Health Plan on release of a motion picture to Supplemental Markets and the said Buyer hereby agrees, expressly for the benefit of the Motion Picture Industry Pension and Health Plans to abide by and perform the provisions of said Agreement and make said payments required thereby. It is expressly understood and agreed that the rights of Buyer to exhibit or license the exhibition of such motion picture in such Supplemental Markets shall be subject to and conditioned upon the payment to the Motion Picture Industry Pension and Health Plans as provided in Article 21 of said Agreement, and it is agreed that said Motion Picture Industry Pension and Health Plans shall be entitled to injunctive relief and damages against Buyer in the event such payments are not made.
>
> "The undersigned agrees to keep or have access to complete records showing the income derived from the distribution of such motion pictures in such Supplemental Markets within the entire territory for which Buyer is granted such rights and the Motion Picture Industry Pension and Health Plans shall have the right at all reasonable times to inspect such records. The undersigned shall give the Motion Picture Industry

Pension and Health Plans prompt written notice of the date on which each motion picture covered hereby is first released in such Supplemental Markets. An inadvertent failure to comply with said requirement of notice shall not constitute a default by the undersigned hereunder, provided such default is cured promptly after notice thereof from the Motion Picture Industry Pension and Health Plans."

Producer agrees to give notice to the Motion Picture Industry Pension and Health Plans within thirty (30) days of each sale, transfer or license of the distribution rights to such a motion picture for Supplemental Markets, with the name and address of the Buyer, assignee or distributor, and to deliver to the Motion Picture Industry Pension and Health Plans an executed copy of each assumption agreement entered into by the Producer. An inadvertent failure on the part of the Producer to comply with any of the provisions of this subparagraph (11) shall in no event constitute a default by the Producer hereunder or a breach of this Agreement, provided that such failure is cured promptly after notice thereof from the Motion Picture Industry Pension and Health Plans.

Upon delivery of such assumption agreement, and on condition that the Motion Picture Industry Pension and Health Plans approves in writing the financial responsibility of the Buyer, Producer, or any subsequent owner obtaining the execution of such an assumption agreement, shall not be further liable to the Motion Picture Industry Pension and Health Plans for the keeping of any such records or the payment required hereunder insofar as they relate to the exhibition of the motion picture in Supplemental Markets, and the Motion Picture Industry Pension and Health Plans agree to look exclusively to the party last executing such an assumption agreement for the keeping of such records, payment and compliance with credit obligations.

(12) With respect to such motion picture, Producer agrees either to:

(i) include in any chattel mortgage, pledge or other lien or security agreement covering the motion picture a provision, made expressly for the benefit of the Motion Picture Industry Pension and Health Plans, to the effect that the chattel mortgagee, pledgee, lien or security holder agrees that if such mortgage, pledge, lien or security agreement is foreclosed, and such mortgagee, pledgee, lien or security holder thereby obtains title to the motion picture and subsequently exhibits the motion picture in Supplemental Markets, then in such event, after such mortgagee, pledgee, lien or security holder has recouped its loan so secured, plus interest and all costs and expenses incident to foreclosure, such mortgagee, pledgee, lien or security holder will be

bound by the provisions of this Article 21 with respect to payments to the Motion Picture Industry Pension and Health Plans thereafter becoming due and payable thereunder; provided, however, that nothing herein contained shall prevent such mortgagee, pledgee, lien or security holder who has acquired title to the photoplay from thereafter making a sale of the motion picture to a third party free and clear of any limitations or obligations whatsoever. Except as otherwise provided in this subsection (i), the rights of the Motion Picture Industry Pension and Health Plans hereunder shall be subordinate to the rights of such mortgagee, pledgee, lien or security holder; or

(ii) in the alternative, be bound by the provisions of this Article 21 with respect to payments to the Motion Picture Industry Pension and Health Plans, if any, due after such foreclosure shall have been made. In the event Producer elects this alternative, the provisions of subsection (i) above shall be inapplicable, and if the provisions referred to in subsection (i) above are not included in any such chattel mortgage, pledge, lien or security agreement, Producer shall be deemed to have elected the alternative provided for in this subsection (ii).

In the event of a foreclosure referred to in subsection (i) above, should the Producer distribute the motion picture for such mortgagee, pledgee, lien or security holder, Producer shall be bound during the period of such distribution by the provisions of this Article 21 with respect to payments due hereunder, to the same extent as the mortgagee, pledgee, lien or security holder under subsection (i) above. Any such payments made by the Producer as the distributor shall be credited against any obligation of the mortgagee, pledgee, lien or security holder that may be due or become due to the Motion Picture Industry Pension and Health Plans under subsection (i) above; it being understood that the Motion Picture Industry Pension and Health Plans shall be entitled to such payments but once.

The foregoing provisions of this subparagraph (12) shall not apply to any motion picture subject to any security instrument in existence on the effective date of this Agreement.

(13) If, after the effective date of this Agreement, the Producer enters into a contract with a so-called "independent producer" for the production and financing of a theatrical motion picture and the distribution thereof by the Producer (such contract being hereinafter referred to as an "independent contract"), Producer will include in such independent contract an agreement on the part of the independent producer expressly for the benefit of the Motion Picture Industry Pension and Health Plans that the independent producer will pay, in the manner herein provided, the amounts, if any, required to be paid under the provisions of this Article 21 with respect to such motion picture. If such agreement on the part of the independent producer be not included

in any independent contract prior to the exhibition of the motion picture in the Supplemental Markets, the Producer shall be liable and responsible for the payments, if any, required to be made under the provisions of this Article 21 with respect to such motion picture. If such agreement on the part of the independent producer is included in the independent contract prior to exhibition of the motion picture in the Supplemental Markets, then the Producer shall not be liable or responsible in any manner or to any extent with respect to the motion picture under the provisions of this Article 21. The Producer will notify the Motion Picture Industry Pension and Health Plans of any and all such independent contracts entered into by the Producer.

(14) If Producer increases the present Supplemental Markets "percentage payments" amount of "Schedule of Payments" in any other collective bargaining agreement to which the Producer is or becomes a party (*e.g.*, actors), then the five and four-tenths percent (5.4%) percentage payment, the six and seventy-five hundredths percent (6.75%) percentage payment and the eight and one-tenth percent (8.1%) percentage payment provided above in this Supplemental Markets provision shall be correspondingly increased.

(c) With respect to theatrical motion pictures covered under this Article 21 and notwithstanding any provision in section (b) above to the contrary, the following shall govern the computation and remittance of the "percentage payment" as that term is defined in section (b) above:

(1) Definitions. For purposes of this section (c) and for no other purpose, the following terms shall have the meanings set forth below:

(i) "Production" or "produce" shall include both production and pre-production functions, but not post-production or distribution functions.

(ii) "Prorate" or "proration" shall mean the computation of the percentage payment by multiplying five and four-tenths percent (5.4%) or six and seventy-five hundredths percent (6.75%) or eight and one-tenth percent (8.1%), whichever is applicable, of "Producer's gross" by a fraction whose numerator consists of the total below-the-line labor cost of individuals subject to the Basic Agreement or hired from the jurisdiction of the union locals referred to in section (e) below working on the picture (whether in production or post-production but excluding distribution -- distribution, for the purposes of this Article, shall include all laboratory work other than that performed by employees charged directly to a picture) and whose denominator consists of the total below-the-line labor cost of all individuals working on the picture in job categories referred to either in the collective bargaining agreements between Producer and the West Coast Studio Locals or

between Producer and the unions referred to in section (e) below (whether in production or post-production but excluding distribution -- distribution, for the purposes of this Article, shall include all laboratory work other than that performed by employees charged directly to a picture).

(iii) "Individuals subject to the Basic Agreement" and "employees employed by Producer under this Agreement" include all persons working on the motion picture under the terms of the IATSE Basic Agreement or hired from the jurisdiction of union locals referred to in section (e) below who are hired to perform services in Los Angeles or hired in Los Angeles to perform services at a distant location whether hired by a Producer itself or employed indirectly by a Producer through loan-outs, payroll companies or comparable employing agents; provided, however, that individuals not specifically charged to the motion picture or who are included in general overhead and individuals such as projectionists, drivers and publicists engaged primarily in off-location services during the production of the motion picture are not included in the terms "made with two or more individuals subject to the IATSE Basic Agreement" or "Los Angeles production crew" as those terms are used in subsection (c)(3) below and are not included in either the numerator or denominator of the proration fraction described above.

(iv) "Foreign" means any theatrical motion picture for which twenty percent (20%) or more of the shooting days of principal photography takes place in a country other than the United States, its territories or Canada.

(v) "Domestic" means any theatrical motion picture which is not foreign.

(vi) "Los Angeles production crew," for purposes of determining whether percentage payments on domestic pictures may be prorated, shall mean persons hired from the jurisdiction of the IATSE West Coast Studio Locals or hired from the jurisdiction of the union locals referred to in section (e) below, employed by the Producer in production.

(vii) "Entire production crew," as such term is used herein, shall mean all individuals in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast Studio Locals or between Producer and the unions referred to in section (e) below employed by the Producer on the production of the motion picture in question.

(viii) "Other collective bargaining agreements between Producer and the West Coast Studio Locals" means only those Local Agreements subject to the IATSE Basic Agreement.

(2) Foreign Pictures. Percentage payments shall be made on a prorated basis for any foreign picture made with two or more individuals subject to the IATSE Basic Agreement.

(3) Domestic Pictures.

(i) If two or more individuals subject to the IATSE Basic Agreement are employed on a domestic picture, it will be subject to liability for percentage payments to the extent hereinafter provided.

(ii) Except as provided in subsection (c)(3)(iii) below: (A) percentage payments on domestic pictures distributed in Supplemental Markets other than by means of cassettes will be five and four-tenths percent (5.4%) of "Producer's gross;" and (B) percentage payments on domestic pictures distributed in Supplemental Markets by means of cassettes will be six and seventy-five hundredths percent (6.75%) on the first one million dollars of "Producer's gross," as that term is defined in subsection (b)(2)(ii) of this Article 21, and eight and one-tenth percent (8.1%) of "Producer's gross" in excess of one million dollars.

(iii) Percentage payments on a domestic picture shall be made on a prorated basis if all of the following conditions are satisfied:

(A) If a majority of the shooting days of principal photography on the motion picture occurred inside the following states - Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington and Wyoming - and the Los Angeles production crew, as defined above, consists of twenty-nine (29) or fewer individuals. In determining whether twenty-nine (29) or fewer individuals are employed on the picture, the following shall be excluded: make-up artists, hairdressers and costumers who are specifically required to be furnished by the Producer in accordance with the personal service contract of an actor and those individuals engaged in post-production or distribution functions, including, but not limited to, editing and looping regardless of where or when those functions are performed; or

(B) If a majority of the shooting days of principal photography on the motion picture occurred outside of the following states -- Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington and Wyoming.

The Basic Crafts Unions shall have the right to reinstate the conditions for proration set forth in the International Brotherhood of Electrical Workers, Local 40 Agreement of 1988, as amended, if, after study and review by a joint Basic Crafts Union - AMPTP Committee, it is determined that such proration provisions have an adverse impact on the Pension and Health Plans. If the proration provisions under the 1988 Agreement, as amended, are reinstated, such provisions shall apply to domestic motion pictures which commence principal photography more than one hundred twenty (120) days after termination of the proration provisions set forth above.

(iv) As to any domestic picture on which the Producer intends to make percentage payments on a prorated basis, an Application to Prorate shall be delivered by the Producer to the Administrator of the Pension and Health Plans on or before the date that the first percentage payment is due to the Plans from Producer. Said Application shall contain the following information: If the right to prorate is based upon the provisions of subsection (c)(3)(iii)(A) above, the aggregate salaries paid to the Los Angeles production crew and the aggregate salaries paid to the entire production crew; the number of individuals on the Los Angeles production crew; the number and job classifications of those individuals excluded pursuant to the provisions of subsection (c)(3)(iii)(A) above; the number of shooting days of principal photography occurring in the states listed in subsection (c)(3)(iii)(A) above; and the total other shooting days and the states in which said other shooting days occurred. If the right to prorate is based upon the provisions of subsection (c)(3)(iii)(B) above, the aggregate salaries paid to the Los Angeles production crew; the aggregate salaries paid to the entire production crew; the number of shooting days of principal photography occurring in the states listed in subsection (c)(3)(iii)(B) above; and the total other shooting days and the states in which said other shooting days occurred. If an Application to Prorate is submitted later than the dates specified above, it will nonetheless be deemed granted if the identified picture meets said criteria; provided, however, that, if he deems it necessary, the Administrator of the Pension and Health Plans may require a Producer submitting a late Application to Prorate, to allow a special audit of the percentage payments due and the Motion Picture Industry Pension and Health Plans shall be reimbursed by the Producer for all reasonable fees and expenses incurred by the Motion Picture Industry Pension and Health Plans in performing said audit.

(d) (1) Producer will furnish to the Motion Picture Industry Pension and Health Plans written reports showing the Producer's gross received from the sale, lease, license and distribution (whether by Producer or a distributor) in Supplemental Markets of each motion picture subject to the provisions of this Article. In the written reports

filed with the Motion Picture Industry Pension and Health Plans, the Producer shall indicate whether it is prorating on each picture being reported and, if so, what proration percentage is being applied and the basis for the Producer's right to prorate -- *i.e.*, whether proration is being applied pursuant to subsection (c)(2) or pursuant to subsection (c)(3)(iii)(A) above or pursuant to subsection (c)(3)(iii)(B) above. Such reports shall be furnished quarterly during each calendar or fiscal quarter of the Producer. Concurrently with the furnishing of each such report, the Producer will make the payments shown to be due by such report.

All required payments shall be made by check payable to the order of and delivered to the Motion Picture Industry Pension and Health Plans. Each such quarterly statement shall designate the title of the motion picture involved. On request, the Producer shall make available to the Motion Picture Industry Pension and Health Plans all accounting statements delivered by a distributor to the Producer, but only insofar as such statements relate to the Producer's gross. The Motion Picture Industry Pension and Health Plans shall have the right, at reasonable times, to examine the books and records of Producer insofar as they relate to the Producer's gross and -- as to any motion picture for which Producer assumes as Buyer the obligation to make percentage payments pursuant to subsection (b)(11) above -- the documents reflecting or effectuating the purchase; provided that, with respect to these latter documents, the Producer may require the persons examining them to execute reasonable agreements to respect their confidentiality. Producer shall not be required to furnish any quarterly statement hereunder with respect to the motion picture prior to Producer's receipt of any Producer's gross with respect to the motion picture, or for any quarterly period during which no Producer's gross from the motion picture is received by the Producer.

(2) For each motion picture produced by Producer on which the Producer plans to prorate (whether proration is being applied pursuant to subsection (c)(2) or pursuant to subsection (c)(3) above) for three (3) years after either the date of the first quarterly report showing a percentage payment on such motion picture or the receipt by the Motion Picture Industry Pension and Health Plans of the Producer's written request for audit of the percentage payments due, Producer shall maintain and make available to the Motion Picture Industry Pension and Health Plans and their auditors the following information: the names of the employees on the Los Angeles production crew; the names of the employees on the entire production crew; the names of all individuals subject to the IATSE Basic Agreement working on the motion picture (whether in pre-production, production or post-production functions); the names of all individuals who were not subject to the IATSE Basic Agreement but who worked on the motion picture in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast

Studio Locals or between Producer and the unions referred to in section (e) below; the total below-the-line labor costs of individuals subject to the IATSE Basic Agreement (whether in pre-production, production or post-production functions); and, the total below-the-line labor costs of all individuals working on the motion picture in job categories referred to either in the IATSE Basic Agreement or in the other collective bargaining agreements between Producer and the West Coast Studio Locals or between Producer and the unions referred to in section (e) below.

(3) As to any motion picture subject to section (c) above for which Producer assumes the obligation to make percentage payments pursuant to subsection (b)(11) above, if Producer wishes to prorate its percentage payments for such motion picture, it shall obtain the records provided for in subsection (d)(2) above from the producer of such motion picture.

(e) The provisions of this Article 21 were negotiated by the following unions for the benefit of the Motion Picture Industry Pension and Health Plans:

International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada; Studio Transportation Drivers, Local 399 of International Brotherhood of Teamsters; Local 40 of International Brotherhood of Electrical Workers; Local 724 of the Laborers' International Union of North America; Local 755 of the Operative Plasterers and Cement Masons International Association of United States and Canada; and, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of United States and Canada, Local 78.

Any reference in any other collective bargaining agreement (whether with one of the above unions or any other union or guild) to a "percentage payment to the Motion Picture Industry Pension Plan and/or Health Plan with respect to the exhibition of motion pictures in Supplemental Markets" is and shall be deemed to be a reference to the "percentage payment" as set forth in this Article 21, which amount is the only amount, in the aggregate, which the Producer and all such unions have agreed upon for the benefit of the Motion Picture Industry Pension and Health Plans with respect to the exhibition of motion pictures in Supplemental Markets.

The compliance by Producer with the conditions set forth in this Article 21 likewise constitutes compliance as to all the unions.

(f) Notwithstanding anything herein to the contrary, the parties hereby confirm the following understanding and practices of the Producers with respect to the Supplemental Markets provisions:

(1) Article 21 does not require a percentage payment to be made with respect to motion pictures on which the only employees employed under the IATSE Basic Agreement performed post-production (including editorial) work; and

(2) Article 21 does not require percentage payments to be made with respect to motion pictures which are produced by a producer which is not signatory to the IATSE Basic Agreement or the Basic Crafts Agreements.

(g) If any other Union or Guild negotiates, as part of its collective bargaining agreement with the AMPTP, residuals on product for iPods or similar devices, the Producers will meet with the Basic Crafts Unions to negotiate an appropriate residual formula.

ARTICLE 21A. Special Residual Formula for Theatrical Motion Pictures Licensed to Free Television and/or Supplemental Markets for which a Minimum Guarantee or Non-Returnable Advance is Payable

Should a Producer enter into a license agreement on or after August 1, 2015 with respect to theatrical motion pictures covered under this Agreement or under any prior Agreement that requires Post '60s or Supplemental Market payments, which license agreement provides a minimum guarantee or non-returnable advance to the Producer in exchange for theatrical distribution rights as well as distribution rights of the theatrical motion picture in free television and/or Supplemental Markets (hereinafter referred to as a "qualifying transaction"), the provisions of Articles 15 and 21 shall apply, except as provided below:

(a) The percentage payment to the Motion Picture Industry Pension and Health Plans shall be four and one-half percent (4.5%) of the "Producer's gross" which, as used herein, means the total license fees (including overage payments) received by the Producer in connection with the qualifying transaction described above. (Subparagraph (3) of Article 15(b) shall not apply to such percentage payment.) Such amount shall be in lieu of any percentage payment otherwise due to the Plans under the Post '60s and Supplemental Markets provisions of this Agreement (Articles 15 and 21) or any prior Agreement with respect to the market(s) included in such transaction (*i.e.*, it shall satisfy all residual payment obligations in connection with all residual-bearing markets covered by the transaction).

(b) Of the total contribution due to the Plans under subparagraph (a) above, thirty percent (30%) shall be allocated as provided in subparagraphs (i) through (vii) of Article 15(b)(1), and seventy (70%) shall be allocated as provided in subparagraphs (i) through (v) of Article 21(b)(4).

(c) Once during the term of each Agreement that succeeds the 2015 Agreement, the parties will re-examine the blended contribution rate set forth in subparagraph (a) above.

ARTICLE 22. Rental Facilities

The Producers shall provide the Chair of the Basic Crafts timely advance written notice of a rental facilities deal for use of its Los Angeles studio production facilities when it has no financial interest in the picture. The Producer shall give telephonic notice prior to the written notice.

ARTICLE 23. Report of Locations

The Producers will notify the Chair of the Basic Crafts of all distant and nearby locations. This requirement is not intended to reduce the present right of any Local to receive such notice as provided in its current Local Agreement.

ARTICLE 24. No Strike - No Lockout

The Union agrees during the existence of this Agreement, unless the Producer fails to comply with an arbitration award, not to strike against, picket or boycott the Producer for any reason whatsoever, and to order its members to perform their obligations to the Producer hereunder and to use its best efforts to get the employees to perform such obligations. The Producer agrees not to engage in any lockout unless the Union fails to comply with an arbitration award. However, the Producer's or Union's properly-served notice to the other party of its intention to attempt to set aside an arbitration award in a court of competent jurisdiction (including continuation through the appropriate appeals procedure) shall not constitute failure to comply with said award.

The Producer will not discipline any employee covered by this Agreement because of his refusal as an individual to cross a picket line, providing that such picket line has been sanctioned by the International Brotherhood of Electrical Workers.

No employee covered by this Agreement shall be required by the Producer to go through any picket line when there is actual and imminent danger of bodily harm to the employee.

Notwithstanding anything herein contained, it is agreed that in the event the Producer is delinquent in the payment of its contributions to the Health or Pension Plans created under this Agreement, in accordance with the rules and regulations of the Trustees or Directors of such Plans, after the Business Representative of the Local Union has given seventy-two (72) hours' written notice (excluding Saturdays, Sundays and holidays) to the Employer specifically identifying such delinquent payments, the Local Union shall have the right to take such action as it deems necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be responsible to the employees for losses resulting from such delinquent payments. This means that a delinquent employer would be responsible for any loss of health or pension benefits which occurs to a claiming employee as a result of the specified delinquencies. It is further understood that no claim could be made under this Article for wages not earned by employees because of job action by the Local Union as applied to any delinquent employer hereunder as a result of specified delinquencies.

ARTICLE 25. Employee Assistance Program for Drug and Alcohol Abuse

The Producers endorse the concept of the IATSE and Basic Crafts Locals for providing an employee assistance program for drug and alcohol abuse problems. Recognizing that such a program is best administered under the auspices of the Motion Picture Industry Health Plan, the Producers, in conjunction with the IATSE and the Basic Crafts Unions hereby recommend to the Board of Trustees of the Motion Picture Industry Health Plan that such an employee assistance program be added to the benefits provided by the Health Plan Trustees. The Producers and the Union agree that among the resources to be considered by the Health Plan Trustees in implementing this program is the existing program of the Motion Picture and Television Fund, Alcoholics Anonymous and Narcotics Anonymous.

An employee who has an alcohol or drug abuse problem which interferes with job performance or attendance will be disciplined in accordance with normal disciplinary procedures. In such cases, before an employee is discharged or disciplinary action is taken, the Producer will give advance notice to the Union and will meet or confer with the Union representative. As a part of those procedures or as an alternative thereto, such an employee may be referred to counseling through a qualified employee assistance program. Any employee who refuses to

accept treatment through such a program or who is again disciplined or discharged pursuant to this section by his employer for unsatisfactory job performance or other misconduct arising out of or resulting from drug or alcohol abuse shall not be entitled to have the second or subsequent disciplinary action(s) reviewed pursuant to the grievance and arbitration procedure. Notwithstanding the participation by any employee in an employee assistance program created pursuant to this Agreement, the Producers and the IATSE, its Local Unions and the Basic Crafts recognize that each employee is and remains responsible for his own satisfactory job performance.

ARTICLE 26. Change of Name by Producer

If the signatory Producer intends to change its name, written notice of the proposed change shall be promptly given to the Chair of the Basic Crafts.

ARTICLE 27. Payroll Companies and Paying Agents

The Producer agrees that it will not utilize the services of a payroll company or paying agent for the purpose of avoiding the provisions of this Agreement.

ARTICLE 28. Employer in Default

The IATSE, the Basic Crafts and the AMPTP agree to develop procedures designed to preclude employers who are in default on wage payments and/or trust fund contributions and who cease business from returning to the industry without curing the default(s).

ARTICLE 29. Low Budget Features

The Union shall give good faith consideration on a case-by-case basis to requests for special conditions for low budget features (other than those covered by the Sideletter re Special Conditions for Movies for Television and Long-Form Television Motion Pictures, Made for DVD Productions and Low Budget Theatrical Productions) committed to be produced in Los Angeles or with a Los Angeles-based crew.

ARTICLE 30. Gender - Included Meanings

Words used in this Agreement in the masculine gender include the feminine and the neuter.

ARTICLE 31. Payroll Deposit

(a) In the event that a Producer (i) has filed for bankruptcy protection or had a trustee/receiver appointed to handle its affairs within five (5) years prior to the commencement of principal photography on a given production; (ii) has no prior history with the Union; or (iii) fails to make payroll in a given payroll period, the Union may require such Producer to deposit with a payroll company of the Producer's choosing an amount equal to two (2) weeks of estimated payroll plus two (2) weeks of pension, health and IAP contributions for covered employees. Such amount shall be used solely for the purpose of satisfying amounts owed to covered employees and/or benefit plan(s), as applicable, under this Agreement.

(b) The Producer shall provide the Union with written verification of the payroll company's consent to hold the deposit, which must be executed by the payroll company.

(c) No later than four (4) weeks after the completion of principal photography for the production, the Union shall advise the Producer of any outstanding payroll obligations to the employees employed on the production and/or the respective benefit plan(s). Upon the expiration of such four (4) week period, the payroll company, with the approval of the Union, shall remit the amounts due for any undisputed items to the employee(s) to whom and/or benefit plan(s) to which such amounts are due and shall remit the balance of the deposit to the Producer, less an amount sufficient to pay the disputed payroll items, if any, which shall remain deposited with the payroll company.

(d) Any amounts relating to disputed wage claims plus pension, health and IAP contributions thereon shall remain deposited with the payroll company pending the settlement or resolution pursuant to Article 7 of this Agreement of claims relating thereto. For purposes of any arbitration hereunder, the arbitrator shall have the power to determine only claims relating to the payment of wages and benefit contributions thereon.

(e) The foregoing shall not apply (i) to a Producer signatory to this Agreement which, together with its related or affiliated entities, has made Supplemental Markets payments to the Motion Picture Industry Pension and Health Plans in an aggregate amount of not less than fifteen million dollars ($15,000,000) (or has made Post '60s payments of not less than six million dollars ($6,000,000)) during the three (3) year period beginning January 1, 1994 and ending on December 31, 1996, or in any subsequent three (3) consecutive year period, or (ii) to any of its related or affiliated entities.

(f) In lieu of making a deposit as required above, a signatory producer may obtain and provide to the Union a letter of guarantee from any commercial financial institution or from a Producer, or its related or affiliated entities, that meets the requirements of subparagraph (e) above, stating that it unconditionally guarantees the fulfillment of payroll obligations and fringe benefit contributions due employees under this Agreement with respect to a particular motion picture.

(g) In the event that a Producer fails to make a required deposit as set forth herein, the Union may direct the covered employees to withhold services from that Producer on the production from which the deposit is sought until the deposit is made or a letter of guarantee is provided as set forth in subparagraph (f) above.

ARTICLE 32. California Sick Leave

(a) Accrual. Eligible employees covered by this Agreement shall accrue one (1) hour of paid sick leave for every thirty (30) hours worked in California for Producer, up to a maximum of forty-eight (48) hours or six (6) days. (In lieu of the foregoing hourly accrual of paid sick leave, and provided that advance notice is given to the employee, a Producer may elect to provide employees, upon their eligibility to use sick leave as provided below (*i.e.,* upon working thirty (30) days in California for the Producer and after their ninetieth (90^{th}) day of employment in California with the Producer (based on days worked or guaranteed), with a bank of twenty-four (24) hours or three (3) days of sick leave per year, such year to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Under this elected option, such banked sick leave days may not be carried over to the following year.)

(b) To be eligible to accrue paid sick leave, the employee must have worked for the Producer for at least thirty (30) days in California within a one (1) year period, such year to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Sick leave may be used in minimum increments of four (4) hours upon oral or written request after the eligible employee has been employed by the Producer in California for ninety (90) days (based on days worked or guaranteed), such period to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Reasonable advance notification of the need for sick leave is required if the use is foreseeable; otherwise, notice is required as soon as practicable. Sick days accrued on an hourly basis shall carry over to the following year of employment; however, the Producer may limit the use of such accrued time to no more than twenty-four (24) hours or three (3) days during each year of employment as defined by the Employer in advance.

(c) For employees employed on an hourly or daily basis, a day of sick leave pay shall be equal to eight (8) hours' pay at the employee's straight time hourly rate. If a four (4) hour increment of sick leave is taken, the employee shall be paid four (4) hours of pay at his straight time hourly rate. For weekly employees (including "on call" employees), a day of sick leave pay shall be equal to one-fifth of the employee's weekly rate under the studio minimum wage scales or one-sixth of the employee's weekly rate under the distant location minimum wage scales (or fifty percent (50%) thereof for a four (4) hour increment of sick leave taken). Replacements for weekly employees (including "on call" employees) may be hired on a *pro rata* basis of the weekly rate regardless of any contrary provision in this Agreement. The employee shall not be required to find a replacement as a condition of exercising his right to paid sick leave.

(d) Sick leave may be taken for the diagnosis, care or treatment of an existing health condition of, or preventive care for, the employee or the employee's "family member."[4] Sick leave also may be taken by an employee who is a victim of domestic violence, sexual assault or stalking.

(e) Accrued, unused sick leave is not paid out on termination, resignation or other separation from employment. If an employee is rehired by the Producer within one (1) year of the employee's separation from employment, the employee's accrued and unused sick leave shall be reinstated, and the employee may begin using the accrued sick leave upon rehire if the employee was previously eligible to use the sick leave or once the employee becomes eligible as provided above.

(f) Producer shall include in the employee's start paperwork the contact information for the designated Producer representative whom the employee may contact to confirm eligibility and the amount of accrued sick leave available. Such start paperwork shall also include information with respect to the year period (*i.e.,* calendar year or the employee's anniversary date) that the Producer selected to measure the thirty (30) day and ninety (90) day eligibility periods and the cap on accrual set forth in subparagraph (b) above or, alternatively, if the Producer elected to provide employees with a sick leave bank, the year period (*i.e.,* calendar year or the employee's anniversary date) that the Producer selected for the bank of three (3) sick days as provided in subparagraph (a) above. Producer also shall notify the Local Union office of the name and contact information of the designated Producer representative.

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[4] "Family member" means any of the following: (1) a biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands *in loco parentis*; (2) a biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood *in loco parentis* when the employee was a minor child; (3) a spouse; (4) a registered domestic partner; (5) a grandparent; (6) a grandchild; or (7) a sibling.

(g) Any Producer that has a sick leave policy, or paid leave or paid time off policy that permits the use of paid sick time, as of June 30, 2015, may continue such policy in lieu of the foregoing. Nothing shall prevent a Producer from negotiating a sick leave policy with better terms and conditions. There shall be no discrimination or retaliation against any employee for exercising his or her right to use paid sick leave.

(h) Any dispute with respect to sick leave for employees covered under this Agreement shall be subject to the grievance and arbitration procedures provided herein.

ARTICLE 33. Waiver of New York City Earned Safe and Sick Time Act and Similar Laws

The Union expressly waives, to the full extent permitted by law, application of the following to all employees employed under this Agreement: the New York City Earned Safe and Sick Time Act of 2013 (N.Y.C. Admin. Code, Section 20-911 *et seq.*); the New York State Paid Sick Leave Law of 2020 (New York Labor Law Section 196-B); the Chicago Paid Sick Leave Ordinance (Section 6-105-045 of the Municipal Code of Chicago); the Cook County Earned Sick Leave Ordinance (Chapter 42, Article I, Section 42-1 *et seq.* of the Cook County Code); the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the San Francisco Public Health Emergency Leave Ordinance (San Francisco Police Code Article 33P); the Paid Sick Leave Ordinance of Berkeley, California (Chapter 13.100 of the Berkeley Municipal Code); all requirements pertaining to "paid sick leave" in Chapter 37 of Title 5 of the Municipal Code of Emeryville, California (including, but not limited to, Chapter 37.01.(e), 37.03, 37.07(a)(1)(ii)(B), and 37.07(f)); the City of Los Angeles Emergency Order regarding Supplemental Paid Leave Due to COVID-19 (amended June 24, 2021); the Los Angeles County COVID-19 Worker Protection Ordinance (Title 8, Chapter 8.200 of the Los Angeles County Code); Los Angeles County Employee Paid Leave for Expanded Vaccine Access Ordinance (Title 8, Chapter 8.205 of the Los Angeles County Code); the Long Beach COVID-19 Paid Supplemental Sick Leave Ordinance (Chapter 8.110 of the Long Beach Municipal Code); the Oakland Paid Sick Leave Law (Section 5.92.030 of the Oakland Municipal and Planning Codes); the West Hollywood Sick Pay Ordinance (Section 5.130.030 of the West Hollywood Municipal Code); the Santa Monica Paid Sick Leave Ordinance (Chapter 4.62.025 of the Santa Monica Municipal Code); the Tacoma Paid Sick Leave Ordinance (Title 18, Chapter 18.10 of the Tacoma Municipal Code); the Arizona Earned Paid Sick Time Law (A.R.S. section 23-371 *et seq.*); the New Jersey Paid Sick Leave Act (N.J.S.A. 34:11D-1 *et seq.*); the Bloomfield Sick Leave for Private Employees Ordinance (Chapter 463 of the Code of the Township of Bloomfield, New Jersey); the East Orange

Paid Sick Leave Ordinance (Chapter 140 of the Code of the City of East Orange, New Jersey); the Jersey City Paid Sick Time Law (Chapter 4 of the Code of the City of Jersey City, New Jersey); the New Brunswick Paid Sick Time and Paid Safe Time Leave Ordinance (Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey); the Plainfield Sick Leave for Private Employees and City Employees Ordinance (Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey); the Irvington Paid Sick Time Ordinance (Chapter 277, Article I of the Code of the Township of Irvington, New Jersey); the Montclair Paid Sick Leave Ordinance (Chapter 132, Article I of the Code of the Township of Montclair, New Jersey); the Morristown Paid Sick Leave Ordinance (Article XV, § 2-89, *et seq.* of the Code of the Town of Morristown, New Jersey); the Newark Sick Leave for Private Employees Ordinance (Chapter 16:18 of the Code of the City of Newark, New Jersey); the Passaic Paid Sick Leave for Private Employees Ordinance (Chapter 128, Article I of the Code of the City of Passaic, New Jersey); the Paterson Sick Leave for Private Employees Ordinance (Chapter 412 of the Paterson, New Jersey Code); and the Trenton Paid Sick Leave Ordinance (Chapter 230 of the Code of the City of Trenton, New Jersey) and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the Union and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.

ARTICLE 34. Project Information Sheet

Effective February 13, 2022, no later than two (2) weeks after opening a production office for a theatrical motion picture, television motion picture or covered program made for a subscription video-on-demand consumer pay new media platform ("SVOD Program"), the Producer shall provide written notice to the Basic Crafts Unions (with a copy to CSATF) of the following information, if known (or may submit the information, if known, in the form of a Project Information Sheet, attached to this Agreement as Exhibit "D") for each such picture or covered program on which employees are employed under this Agreement.

The notice shall contain at least the following information, if known:

(a) Project Title;
(b) Signatory Employer;
(c) Production Compan(ies), if different from Signatory Producer;
(d) Project Type (feature, television, or SVOD);
(e) Number of episodes in the initial order;
(f) Production office address and phone number;

(g) Line Producer/UPM/Labor Relations contact(s) with phone number(s) and email address(es); and

(h) Payroll service, if applicable.

This provision shall not apply when employees are hired under this Agreement to work outside the United States.

There shall be no penalty for inadvertent failure to comply with this provision.

ARTICLE 35. Diversity, Equity and Inclusion

The following provision shall be effective February 13, 2022:

(a) Statement of Commitment. Acknowledging the critical importance of diversity, equity and inclusion in the entertainment industry, Producers and the Union mutually reaffirm their commitment to make good faith efforts to increase employment opportunities for individuals from "underrepresented populations" in order to foster a more inclusive, equitable and diverse workforce in the motion picture industry. Historically, "underrepresented populations" have traditionally been defined as women, racial and ethnic minorities, LGBTQIA, persons with a disability and other protected categories; however, underrepresented populations may vary per classification.

In furtherance of this commitment, Producers, in partnership with the Union, seek to create one or more diversity, equity and inclusion initiatives that are designed to enhance employment opportunities, as well as equip participants with the requisite knowledge, skills and credentials to work successfully in the motion picture industry.

(b) Diversity, Equity and Inclusion Committee. The parties agree to form a Diversity, Equity and Inclusion Committee, consisting of Union and Producer representatives (hereafter "Committee"). The goal of the Committee is to track and enhance employment opportunities of individuals who are underrepresented in this industry, including but not limited to women, people of color, people with disabilities and LGBTQIA individuals. The Committee will share information and best practices for increasing diversity in this bargaining unit. It also will develop new initiatives aimed at increasing the employment of underrepresented groups.

Those initiatives include a commitment of the parties to seek underrepresented individuals for the apprenticeship program(s) established under Paragraph 63. (It is understood that a Producer may recommend individuals for inclusion in such apprenticeship program.) The parties will discuss the placement of individuals in the

apprenticeship program at a level commensurate with their prior experience (*e.g.,* an individual with two years of prior experience may be placed as a third year apprentice), including by modifying the governing documents of the program(s) if necessary, to allow for such direct placement.

The Committee also shall explore the best means to identify and facilitate the hiring of individuals from underrepresented groups and under-served communities. The goal would be to allow for identification of such individuals, including those who complete the apprenticeship program or other mutually-agreed upon training program under this Agreement, those individuals who have special skills and abilities, those individuals who have at least six (6) months of experience in the motion picture industry and those individuals who have satisfied the one hundred fifty (150) day work experience requirement set forth under Paragraph 68(e).

In addition, the Committee shall create a joint mentorship program(s) to foster connections between mentors and individuals from underrepresented groups or under-served communities with the goal of greatly expanding access to those individuals' opportunities for employment in the industry. The Committee also shall discuss developing programs designed to support the development and career growth of individuals who are already on the roster in this bargaining unit. The Committee shall meet as soon as practicable after ratification of the Agreement.

(c) Self-Identification Data. During the 2021 negotiations, the parties discussed the efforts that have been made by the Producers and the Union to obtain information about the personal characteristics of their employees and membership through voluntary self-identification. The Union and the Producers recognize that obtaining such information is useful in expanding access to employment opportunities for underrepresented groups and for tracking the success of their efforts to diversify the workforce. To that end, the Union agrees to encourage its members to voluntarily self-identify when requested to do so by either the Union or a Producer, including when members are completing new membership paperwork for a Union or start paperwork for a Producer. The Union further agrees to share with the AMPTP or a Producer any diversity statistics that it currently possesses or develops in the future, upon request, no more frequently than twice per year. A Producer which has compiled aggregate diversity statistics covering this bargaining unit agrees to share the information with the Union upon request, no more frequently than twice per year.

WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING CONDITIONS

I. STUDIO MINIMUM WAGE SCALE

1. (a) (1) (i) The following studio minimum wage scale shall be effective for the period commencing with August 1, 2021 to and including July 30, 2022, but shall not apply to employees of the film processing laboratories.

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **8/1/21 - 7/30/22** Occ. Code No. Classification	Studio Minimum Rates Schedule A Daily Employees[11] 8 hours 1½ after 8 Minimum Call - 8 Hours Regular Basic Hourly Rate Per Hour	Schedule C Weekly "On Call" Per Week
Foreman:		
3701 Electrical		$2,737.52
3705 Sound Installation		2,737.52
3705 Maintenance		2,737.52
3703 Air Conditioning		2,737.52
Gang Boss:		
3711 Electrical Gang Boss	$47.52	
3713 Air Conditioning Gang Boss	47.52	
3714 Electronic Gang Boss[1]	49.35	
3737 Construction Gang Boss[2]	52.05	
Other Classifications:		
3716 Cable Splicer	47.52	
3717 Electronic Technician[1]	46.80	
3721 Journeyman Wireman	45.03	
3722 Journeyman Wireman[3]	48.34	
3726 Journeyman Wireman[6]	43.72	
3723 Air Conditioning Engineer	45.03	
3727 Air Conditioning Engineer[7]	43.72	
3724 Production Van Driver/Operator[4]	49.81	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **8/1/21 - 2/12/22**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3735 Sound Installation and/or Maintenance Man	$52.07	$49.04	$2,594.22
3736 Sound Gang Boss[9]	56.08	52.62	2,783.60
3732 **Apprentice Wireman[10]			
1st 1000 hours worked, 45%	20.26		
2nd 1000 hours worked, 50.5%	22.74		
3rd 1000 hours worked, 56%	25.22		
4th 1000 hours worked, 61.5%	27.69		
5th 1000 hours worked, 67%	30.17		
6th 1000 hours worked, 72.5%	32.65		
7th 1000 hours worked, 78%	35.12		
8th 1000 hours worked, 83.5%	37.60		
9th 1000 hours worked, 89%	40.08		
10th 1000 hours worked, 94.5%	42.55		
** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):	21.75		
1st 1000 hours worked, 45%	24.41		
2nd 1000 hours worked, 50.5%	27.07		
3rd 1000 hours worked, 56%	29.73		
4th 1000 hours worked, 61.5%	32.39		
5th 1000 hours worked, 67%	35.05		
6th 1000 hours worked, 72.5%	37.71		
7th 1000 hours worked, 78%	40.36		
8th 1000 hours worked, 83.5%	43.02		
9th 1000 hours worked, 89%	45.68		
10th 1000 hours worked, 94.5%			

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **8/1/21 - 2/12/22**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate Per Hour	Regular Basic Hourly Rate Per Hour	Weekly Guarantee Per Week
3733 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog)			
1st 1000 hours worked, 56%	25.22		
2nd 1000 hours worked, 61.5%	27.69		
3rd 1000 hours worked, 67%	30.17		
4th 1000 hours worked, 72.5%	32.65		
5th 1000 hours worked, 78%	35.12		
6th 1000 hours worked, 83.5%	37.60		
7th 1000 hours worked, 89%	40.08		
8th 1000 hours worked, 94.5%	42.55		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **2/13/22 - 7/30/22**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate Per Hour	Regular Basic Hourly Rate Per Hour	Weekly Guarantee Per Week
3735 Sound Installation and/or Maintenance Man	$52.07	$49.04	$2,594.22
3736 Sound Gang Boss[9]	56.08	52.62	2,783.60
3732 **Apprentice Wireman[10]			
1 to 1,000 hours worked, 50%	22.52		
1,001 to 2,000 hours worked, 55%	24.77		
2,001 to 2,750 hours worked, 60%	27.02		
2,751 to 3,500 hours worked, 65%	29.27		
3,501 to 4,250 hours worked, 70%	31.52		
4,251 to 5,000 hours worked, 75%	33.77		
5,001 to 5,750 hours worked, 80%	36.02		
5,751 to 6,500 hours worked, 85%	38.28		
6,501 to 7,250 hours worked, 90%	40.53		
7,251 to 8,000 hours worked, 95%	42.78		
** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
1 to 1,000 hours worked, 50%	24.17		
1,001 to 2,000 hours worked, 55%	26.59		
2,001 to 2,750 hours worked, 60%	29.00		
2,751 to 3,500 hours worked, 65%	31.42		
3,501 to 4,250 hours worked, 70%	33.84		
4,251 to 5,000 hours worked, 75%	36.26		
5,001 to 5,750 hours worked, 80%	38.67		
5,751 to 6,500 hours worked, 85%	41.09		
6,501 to 7,250 hours worked, 90%	43.51		
7,251 to 8,000 hours worked, 95%	45.92		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **2/12/22 - 7/30/22**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3733 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
1 to 1,000 hours worked, 60%	$27.02		
1,001 to 2,000 hours worked, 65%	29.27		
2,001 to 3,000 hours worked, 70%	31.52		
3,001 to 4,000 hours worked, 75%	33.77		
4,001 to 5,000 hours worked, 80%	36.02		
5,001 to 6,000 hours worked, 85%	38.28		
6,001 to 7,000 hours worked, 90%	40.53		
7,001 to 8,000 hours worked, 95%	42.78		

Footnotes applicable to this Paragraph 1.(a)(1)(i) begin on page 96.

(ii) The following studio minimum wage scale shall be effective for the period commencing with August 1, 2021 to and including July 30, 2022, and shall apply only to employees of the film processing laboratories.

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **8/1/21 - 7/30/22** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,680.73
3705 Sound Installation		2,680.73
3705 Maintenance		2,680.73
3703 Air Conditioning		2,680.73
Gang Boss:		
3711 Electrical Gang Boss	$46.54	
3713 Air Conditioning Gang Boss	46.54	
3714 Electronic Gang Boss[1]	48.33	
3737 Construction Gang Boss[2]	52.05	
Other Classifications:		
3716 Cable Splicer	46.54	
3717 Electronic Technician[1]	45.76	
3721 Journeyman Wireman	44.05	
3722 Journeyman Wireman[3]	48.34	
3723 Air Conditioning Engineer	44.05	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **8/1/21 - 7/30/22**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No.	Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
		Per Hour	Per Hour	Per Week
3735	Sound Installation and/or Maintenance Man	$51.07	$48.03	$2,540.79
3736	Sound Gang Boss[9]	55.03	51.59	2,729.11
3732	**Apprentice Wireman[10]			
	1st 1000 hours worked, 45%	19.82		
	2nd 1000 hours worked, 50.5%	22.25		
	3rd 1000 hours worked, 56%	24.67		
	4th 1000 hours worked, 61.5%	27.09		
	5th 1000 hours worked, 67%	29.51		
	6th 1000 hours worked, 72.5%	31.94		
	7th 1000 hours worked, 78%	34.36		
	8th 1000 hours worked, 83.5%	36.78		
	9th 1000 hours worked, 89%	39.20		
	10th 1000 hours worked, 94.5%	41.63		
	** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
	1st 1000 hours worked, 45%	21.75		
	2nd 1000 hours worked, 50.5%	24.41		
	3rd 1000 hours worked, 56%	27.07		
	4th 1000 hours worked, 61.5%	29.73		
	5th 1000 hours worked, 67%	32.39		
	6th 1000 hours worked, 72.5%	35.05		
	7th 1000 hours worked, 78%	37.71		
	8th 1000 hours worked, 83.5%	40.36		
	9th 1000 hours worked, 89%	43.02		
	10th 1000 hours worked, 94.5%	45.68		

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **8/1/21 - 7/30/22**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No.	Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
		Per Hour	Per Hour	Per Week
3733	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
	1st 1000 hours worked, 56%	$24.67		
	2nd 1000 hours worked, 61.5%	27.09		
	3rd 1000 hours worked, 67%	29.51		
	4th 1000 hours worked, 72.5%	31.94		
	5th 1000 hours worked, 78%	34.36		
	6th 1000 hours worked, 83.5%	36.78		
	7th 1000 hours worked, 89%	39.20		
	8th 1000 hours worked, 94.5%	41.63		

Footnotes applicable to this Paragraph 1(a)(1)(ii) begin on page 96.

1. (a) (2) (i) The following studio minimum wage scale shall be effective for the period commencing with July 31, 2022 to and including July 29, 2023 only, but shall not apply to employees of the film processing laboratories.

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **7/31/22 - 7/29/23**	Studio Minimum Rates	
	Schedule A Daily Employees[11] 8 hours 1½ after 8 Minimum Call - 8 Hours	Schedule C Weekly "On Call"
Occ. Code No. Classification	Regular Basic Hourly Rate Per Hour	Per Week
Foreman:		
3701 Electrical		$2,819.65
3705 Sound Installation		2,819.65
3705 Maintenance		2,819.65
3703 Air Conditioning		2,819.65
Gang Boss:		
3711 Electrical Gang Boss	$48.95	
3713 Air Conditioning Gang Boss	48.95	
3714 Electronic Gang Boss[1]	50.83	
3737 Construction Gang Boss[2]	53.61	
Other Classifications:		
3716 Cable Splicer	48.95	
3717 Electronic Technician[1]	48.20	
3721 Journeyman Wireman	46.38	
3722 Journeyman Wireman [3]	49.79	
3726 Journeyman Wireman[6]	45.03	
3723 Air Conditioning Engineer	46.38	
3727 Air Conditioning Engineer[7]	45.03	
3724 Production Van Driver/Operator[4]	51.30	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **7/31/22 - 7/29/23**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3735 Sound Installation and/or Maintenance Man	$53.63	$50.51	$2,671.98
3736 Sound Gang Boss[9]	57.76	54.20	2,867.18
3732 **Apprentice Wireman[10]			
1 to 1,000 hours worked, 50%	23.19		
1,001 to 2,000 hours worked, 55%	25.51		
2,001 to 2,750 hours worked, 60%	27.83		
2,751 to 3,500 hours worked, 65%	30.15		
3,501 to 4,250 hours worked, 70%	32.47		
4,251 to 5,000 hours worked, 75%	34.79		
5,001 to 5,750 hours worked, 80%	37.10		
5,751 to 6,500 hours worked, 85%	39.42		
6,501 to 7,250 hours worked, 90%	41.74		
7,251 to 8,000 hours worked, 95%	44.06		
** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
1 to 1,000 hours worked, 50%	24.90		
1,001 to 2,000 hours worked, 55%	27.38		
2,001 to 2,750 hours worked, 60%	29.87		
2,751 to 3,500 hours worked, 65%	32.36		
3,501 to 4,250 hours worked, 70%	34.85		
4,251 to 5,000 hours worked, 75%	37.34		
5,001 to 5,750 hours worked, 80%	39.83		
5,751 to 6,500 hours worked, 85%	42.32		
6,501 to 7,250 hours worked, 90%	44.81		
7,251 to 8,000 hours worked, 95%	47.30		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **7/31/22 - 7/29/23**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3733 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
1 to 1,000 hours worked, 60%	$27.83		
1,001 to 2,000 hours worked, 65%	30.15		
2,001 to 3,000 hours worked, 70%	32.47		
3,001 to 4,000 hours worked, 75%	34.79		
4,001 to 5,000 hours worked, 80%	37.10		
5,001 to 6,000 hours worked, 85%	39.42		
6,001 to 7,000 hours worked, 90%	41.74		
7,001 to 8,000 hours worked, 95%	44.06		

Footnotes applicable to this Paragraph 1(a)(2)(i) begin on page 96.

(ii) The following studio minimum wage scale shall be effective for the period commencing with July 31, 2022 to and including July 29, 2023 only, and shall apply only to employees of the film processing laboratories.

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **7/31/22 - 7/29/23** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11] 8 hours 1½ after 8 Minimum Call - 8 Hours Regular Basic Hourly Rate Per Hour	Schedule C Weekly "On Call" Per Week
Foreman:		
3701 Electrical		$2,761.15
3705 Sound Installation		2,761.15
3705 Maintenance		2,761.15
3703 Air Conditioning		2,761.15
Gang Boss:		
3711 Electrical Gang Boss	$47.94	
3713 Air Conditioning Gang Boss	47.94	
3714 Electronic Gang Boss[1]	49.78	
3737 Construction Gang Boss[2]	53.61	
Other Classifications:		
3716 Cable Splicer	47.94	
3717 Electronic Technician[1]	47.13	
3721 Journeyman Wireman	45.37	
3722 Journeyman Wireman[3]	49.79	
3723 Air Conditioning Engineer	45.37	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **7/31/22 - 7/29/23**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate Per Hour	Regular Basic Hourly Rate Per Hour	Weekly Guarantee Per Week
3735 Sound Installation and/or Maintenance Man	$52.60	$49.47	$2,616.96
3736 Sound Gang Boss[9]	56.68	53.14	2,811.11
3732 **Apprentice Wireman[10]			
1st 1000 hours worked, 45%	20.42		
2nd 1000 hours worked, 50.5%	22.91		
3rd 1000 hours worked, 56%	25.41		
4th 1000 hours worked, 61.5%	27.90		
5th 1000 hours worked, 67%	30.40		
6th 1000 hours worked, 72.5%	32.89		
7th 1000 hours worked, 78%	35.39		
8th 1000 hours worked, 83.5%	37.88		
9th 1000 hours worked, 89%	40.38		
10th 1000 hours worked, 94.5%	42.87		
** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
1st 1000 hours worked, 45%	22.41		
2nd 1000 hours worked, 50.5%	25.14		
3rd 1000 hours worked, 56%	27.88		
4th 1000 hours worked, 61.5%	30.62		
5th 1000 hours worked, 67%	33.36		
6th 1000 hours worked, 72.5%	36.10		
7th 1000 hours worked, 78%	38.84		
8th 1000 hours worked, 83.5%	41.57		
9th 1000 hours worked, 89%	44.31		
10th 1000 hours worked, 94.5%	47.05		

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **7/31/22 - 7/29/23**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No.	Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
		Per Hour	Per Hour	Per Week
3733	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
	1st 1000 hours worked, 56%	$25.41		
	2nd 1000 hours worked, 61.5%	27.90		
	3rd 1000 hours worked, 67%	30.40		
	4th 1000 hours worked, 72.5%	32.89		
	5th 1000 hours worked, 78%	35.39		
	6th 1000 hours worked, 83.5%	37.88		
	7th 1000 hours worked, 89%	40.38		
	8th 1000 hours worked, 94.5%	42.87		

Footnotes applicable to this Paragraph 1.(a)(2)(ii) begin on page 96.

1. (a) (3) (i) The following studio minimum wage scale shall be effective for the period commencing with July 30, 2023 to and including July 31, 2024 only, but shall not apply to employees of the film processing laboratories.

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **7/30/23 - 7/31/24** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,904.24
3705 Sound Installation		2,904.24
3705 Maintenance		2,904.24
3703 Air Conditioning		2,904.24
Gang Boss:		
3711 Electrical Gang Boss	$50.42	
3713 Air Conditioning Gang Boss	50.42	
3714 Electronic Gang Boss[1]	52.35	
3737 Construction Gang Boss[2]	55.22	
Other Classifications:		
3716 Cable Splicer	50.42	
3717 Electronic Technician[1]	49.65	
3721 Journeyman Wireman	47.77	
3722 Journeyman Wireman[3]	51.28	
3726 Journeyman Wireman[6]	46.38	
3723 Air Conditioning Engineer	47.77	
3727 Air Conditioning Engineer[7]	46.38	
3724 Production Van Driver/Operator[4]	52.84	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **7/30/23 - 7/31/24**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate Per Hour	Regular Basic Hourly Rate Per Hour	Weekly Guarantee Per Week
3735 Sound Installation and/or Maintenance Man	$55.24	$52.03	$2,752.39
3736 Sound Gang Boss[9]	59.49	55.83	2,953.41
3732 **Apprentice Wireman[10]			
1 to 1,000 hours worked, 50%	23.89		
1,001 to 2,000 hours worked, 55%	26.27		
2,001 to 2,750 hours worked, 60%	28.66		
2,751 to 3,500 hours worked, 65%	31.05		
3,501 to 4,250 hours worked, 70%	33.44		
4,251 to 5,000 hours worked, 75%	35.83		
5,001 to 5,750 hours worked, 80%	38.22		
5,751 to 6,500 hours worked, 85%	40.60		
6,501 to 7,250 hours worked, 90%	42.99		
7,251 to 8,000 hours worked, 95%	45.38		
** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
1 to 1,000 hours worked, 50%	25.64		
1,001 to 2,000 hours worked, 55%	28.20		
2,001 to 2,750 hours worked, 60%	30.77		
2,751 to 3,500 hours worked, 65%	33.33		
3,501 to 4,250 hours worked, 70%	35.90		
4,251 to 5,000 hours worked, 75%	38.46		
5,001 to 5,750 hours worked, 80%	41.02		
5,751 to 6,500 hours worked, 85%	43.59		
6,501 to 7,250 hours worked, 90%	46.15		
7,251 to 8,000 hours worked, 95%	48.72		

International Brotherhood of Electrical Workers, Local 40 **[Other than Lab Employees]** **7/30/23 - 7/31/24**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3733 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
1 to 1,000 hours worked, 60%	$28.66		
1,001 to 2,000 hours worked, 65%	31.05		
2,001 to 3,000 hours worked, 70%	33.44		
3,001 to 4,000 hours worked, 75%	35.83		
4,001 to 5,000 hours worked, 80%	38.22		
5,001 to 6,000 hours worked, 85%	40.60		
6,001 to 7,000 hours worked, 90%	42.99		
7,001 to 8,000 hours worked, 95%	45.38		

Footnotes applicable to this Paragraph 1(a)(3)(i) begin on page 96.

(ii) The following studio minimum wage scale shall be effective for the period commencing with July 30, 2023 to and including July 31, 2024 only, and shall apply only to employees of the film processing laboratories.

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **7/30/23 - 7/31/24** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,843.98
3705 Sound Installation		2,843.98
3705 Maintenance		2,843.98
3703 Air Conditioning		2,843.98
Gang Boss:		
3711 Electrical Gang Boss	$49.38	
3713 Air Conditioning Gang Boss	49.38	
3714 Electronic Gang Boss[1]	51.27	
3737 Construction Gang Boss[2]	55.22	
Other Classifications:		
3716 Cable Splicer	49.38	
3717 Electronic Technician[1]	48.54	
3721 Journeyman Wireman	46.73	
3722 Journeyman Wireman[3]	51.28	
3723 Air Conditioning Engineer	46.73	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **7/30/23 - 7/31/24**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No. Classification	Regular Basic Hourly Rate Per Hour	Regular Basic Hourly Rate Per Hour	Weekly Guarantee Per Week
3735 Sound Installation and/or Maintenance Man	$54.18	$50.95	$2,695.26
3736 Sound Gang Boss[9]	58.38	54.73	2,895.22
3732 **Apprentice Wireman[10]			
1st 1000 hours worked, 45%	21.03		
2nd 1000 hours worked, 50.5%	23.60		
3rd 1000 hours worked, 56%	26.17		
4th 1000 hours worked, 61.5%	28.74		
5th 1000 hours worked, 67%	31.31		
6th 1000 hours worked, 72.5%	33.88		
7th 1000 hours worked, 78%	36.45		
8th 1000 hours worked, 83.5%	39.02		
9th 1000 hours worked, 89%	41.59		
10th 1000 hours worked, 94.5%	44.16		
** An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
1st 1000 hours worked, 45%	23.08		
2nd 1000 hours worked, 50.5%	25.90		
3rd 1000 hours worked, 56%	28.72		
4th 1000 hours worked, 61.5%	31.54		
5th 1000 hours worked, 67%	34.36		
6th 1000 hours worked, 72.5%	37.18		
7th 1000 hours worked, 78%	40.00		
8th 1000 hours worked, 83.5%	42.82		
9th 1000 hours worked, 89%	45.64		
10th 1000 hours worked, 94.5%	48.46		

International Brotherhood of Electrical Workers, Local 40 **[Lab Employees Only]** **7/30/23 - 7/31/24**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly Guarantee 48.6 cum. hours 5 consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No.	Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
		Per Hour	Per Hour	Per Week
3733	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
	1st 1000 hours worked, 56%	$26.17		
	2nd 1000 hours worked, 61.5%	28.74		
	3rd 1000 hours worked, 67%	31.31		
	4th 1000 hours worked, 72.5%	33.88		
	5th 1000 hours worked, 78%	36.45		
	6th 1000 hours worked, 83.5%	39.02		
	7th 1000 hours worked, 89%	41.59		
	8th 1000 hours worked, 94.5%	44.16		

Footnotes applicable to this Paragraph 1(a)(3)(ii) begin below.

1 Applicable to Laboratories only - Person assigned to repair and maintenance work on new equipment which electronically controls laboratory production process. Such individual must have a knowledge of computer technology.

2 Applicable when an Electrical Gang Boss #3711 is assigned to supervise construction work on a construction project with building trades work being performed by employees of an outside contractor(s) or when working on such a project in concert with employees of an outside contractor.

3 Applicable when a Journeyman Wireman #3721 is assigned to perform construction work on a construction project with building trades work being performed by employees of an outside contractor(s) or when working on such a project in concert with employees of an outside contractor.

Applicable when an Air Conditioning Engineer (Occ. Code #3723) is assigned to install new air conditioning systems (excluding wall and window units) for projects on which work is being performed in conjunction with an outside contractor.

4 Applicable when a Journeyman Electrician employed under this Agreement is concurrently assigned to drive a production van under the terms and conditions of the Producer-Studio Transportation Drivers, Local 399 Agreement.

5 Hyphenate Drivers

(a) Persons employed in the Hyphenate Driver job classification may be assigned to perform lot jobs such as routine or minor repairs, maintenance of buildings and grounds, electrical maintenance, furniture moving and similar facility jobs.

(b) Hyphenate Driver job assignments will be posted for a period of five (5) working days to allow qualified persons to bid.

The Producer will select based on qualifications; however:

(1) preference shall be given to persons with seniority within their respective bargaining units (listed above) when the employees applying for such bid job possess, in the opinion of the Producer, the requisite skill, ability and personal qualification;

(2) to the extent practicable and consistent with the skill, ability and personal qualification requirements set forth above, the Producer shall in good faith endeavor to select Hyphenate Drivers on a balanced basis, selecting an equal number of employees to fill Hyphenate Driver openings from each of the affected locals.

Each of the affected Local Unions will be given reasonable advance notice prior to the posting of such bid job(s). Prior to implementation of the bid job, the Producer will submit to the Local Union all pertinent information, such as job description, wage rate, basis of employment and person selected. A person so selected may be retained out of seniority for the duration of the assignment, which shall be for a period of one year unless work is no longer available. Such job(s) shall be subject to bidding each year.

When performing such work, the employee(s) will be paid the higher of the applicable wage rates, plus an additional $2.00 per hour.

6 Applicable when hired directly by the production (or by the department for assignment to a production) to work as a Generator/Ritter Operator/Technician. It is understood that no mandatory staffing of this classification is required, and that the

Producer may assign such work to other employees hereunder (including a Production Van Driver/Operator) or to an outside vendor subject to Paragraph 64.

[7] Applicable when hired directly by the production (or by the department for assignment to a production) to work as an On Set Air Conditioning Operator/Technician. It is understood that no mandatory staffing of this classification is required, and that the Producer may assign such work to other employees hereunder or to an outside vendor subject to Paragraph 64.

[8] (a) Weekly Employees - Employees under this schedule shall be paid at the scheduled Regular Basic Hourly Rate for the first forty (40) hours of the five-day workweek and not less than one and one-half (1½) times such basic hourly rate of pay for all time over forty (40) hours in such workweek, with a guarantee that the employee shall receive, for regular time and for such overtime as the necessities of the business may demand, a sum not less than the scheduled weekly guarantee for each five-day workweek.

(b) The guaranteed pay of weekly employees who absent themselves without the employer's consent may be reduced one-fifth (1/5) of the weekly guarantee for each day of absence.

(c) A combination of employment under studio and distant location schedules may be used to fulfill the weekly guarantee of five (5) days for studio employment.

(d) An employee (1) who is given an assignment on other than the first day of his regular workweek and who on the first day of his next workweek is to be placed on a guaranteed salary Weekly Schedule, or (2) whose weekly guarantee (or guarantees) is (are) discontinued by Producer and such employee's employment continues, shall be paid one-fifth (1/5) of the studio weekly rate for each studio workday which precedes or follows the establishment of such weekly guarantee (or guarantees); provided, also, that for each unworked holiday which intervenes, during the employee's regular five-day week only, between the days of such employment, such employee shall receive one-fifth (1/5) of the guaranteed salary of the appropriate Weekly Schedule.

[9] All Schedule B-1 (Weekly) employees are guaranteed a minimum employment of five (5) consecutive days. After this minimum guarantee has been fulfilled, employment may be continued at Schedule B-1 rates until termination.

[10] Applicable to apprentices hired on or after August 1, 1994 and enrolled in the five (5) year apprenticeship program.

11 "Off Production" Employees - Ten Hour/Four Day Workweek – Effective February 13, 2022, the Producer may schedule "off production" employees to work on a daily basis with a ten (10) hour minimum call at straight time, provided the employee is guaranteed forty (40) hours within his workweek. An individual employed on the basis of a ten hour/four day workweek shall be paid time and one-half for the fifth or sixth day worked within his workweek and double time for the seventh day worked within his workweek. The guaranteed pay of such employees who absent themselves without the Producer's consent may be reduced one-fourth (¼) of the weekly guarantee for each day of absence.

(b) (1) "On Call" Employee Work on Recognized Holidays

If an employee hired under the "on call" schedule is specifically instructed and required by Producer to perform work on a recognized holiday, under the direction and control of Producer, he shall be paid an additional one-fifth (1/5) of the "on call" weekly rate in effect for each such day so worked.

(2) "On Call" Employee Work on Six (6) or Seven (7) Days Within the Employee's Workweek

If an employee hired under the "on call" schedule is specifically instructed and required by Producer to perform work on six (6) or seven (7) days within the employee's workweek under the direction and control of the Producer, he shall receive one and one-half times one-fifth (1/5) of the "on call" weekly rate in effect for the sixth or seventh day(s) so worked.

(c) Cumulative Weekly Schedule Employee's Workweek Split Between Studio and Distant Location

(1) When a cumulative Weekly Schedule employee works five (5) consecutive days in a combination of studio and distant location employment in the same workweek, such five (5) days shall be computed and paid based on a full workweek under the studio minimum weekly schedule applicable to such employee.

(2) When a cumulative Weekly Schedule employee works six (6) consecutive days in a combination of studio and distant location employment in the same workweek, with the sixth day worked a distant location day, then the first five (5) days of such workweek shall be computed and paid based on a full workweek under the studio minimum weekly schedule applicable to such employee. If the sixth day worked in an employee's workweek is a distant location day in such a six (6) consecutive day week, such day shall be paid for at straight time based on the Regular Basic Hourly Rate of such employee's weekly schedule,

subject to time and one-half after forty (40) hours of work time. The minimum call for the sixth day worked in an employee's workweek is eight (8) hours.

(d) Pay for Sixth Day Worked when Cumulative Weekly Schedule Employees Work Six (6) Days in the Studio or on Nearby Location

When an employee under a cumulative Weekly Schedule also works six (6) days within his workweek in the studio or at a nearby location, compensation for such sixth day shall be at the rate of time and one-half based on the employee's Weekly Schedule Regular Basic Hourly Rate. The minimum call is eight (8) hours.

2. Classification and Wage Schedule

Each employee shall be notified at the time of his employment under which classification and wage schedule he is employed. He shall also be notified before any change of classification or wage schedule is effective and such change shall not be retroactive. However, employees may be adjusted retroactively when misclassified. The employee's classification and wage schedule shall be shown on his time card.

2.1 Report of New Hires

Producer will provide a report of new hires, if any, to the Union not less frequently than weekly. Producer satisfies the foregoing obligation if it provides the Union with a daily report of employees, including new hires. Producer shall not be deemed to be in default under this Paragraph until the Union has notified the Producer in writing of a violation hereof, and the Producer has not, within three (3) business days, provided such report.

3. Payroll Week

The full payroll week shall be from midnight Saturday to midnight Saturday.

4. Fractional Payroll Week

The parties confirm that any day worked in a partial workweek either before or after one (1) full week of employment may be prorated at one-fifth (1/5) of the studio weekly rate for weekly employees or one-fifth (1/5) of the studio weekly "on call" rate for “on call” employees for each studio workday.

II. STUDIO WORKING CONDITIONS

The provisions of this Section II. shall not be applicable where otherwise provided nor shall they be applicable to employees hired under the "on call" schedule.

5. Night Premiums

Work time for "off production" employees shall be paid for according to the following schedule:

(a) Studio

(1) Employees called to work between 6:00 a.m. and 8:00 p.m. shall receive a ten percent (10%) premium for all time worked between 8:00 p.m. and 6:00 a.m.

(2) Employees called to work between 8:00 p.m. and 4:00 a.m. shall receive a twenty percent (20%) premium for all time worked.

(3) Employees called to work between 4:00 a.m. and 6:00 a.m. shall receive a twenty percent (20%) premium for all time worked until 6:00 a.m., and straight time for the remainder of the minimum call.

(b) Laboratories Only

Employees called to work between 6:00 a.m. and 8:00 p.m. shall receive a ten percent (10%) premium for all time worked between 6:00 p.m. and 6:00 a.m.

6. Minimum Calls

(a) The minimum call is a guarantee of employment for the number of hours of the minimum call indicated in the wage schedules.

(b) Employees shall hold themselves in readiness to serve the Producer during the period of the minimum call and such additional time as the Producer may require.

(c) Minimum calls for Daily Schedule employees are subject to the provisions of Paragraph 14.

(d) Minimum calls for Weekly Schedule employees are guaranteed for five (5) consecutive days out of seven (7) consecutive days, commencing with the first of such five (5) days worked, including holidays, during the period of employment.

(e) (1) Prior to February 13, 2022, a four (4) hour minimum call shall apply for any day on which an employee, at the request of an individual Producer, reports for safety training. A weekly "on call" employee who reports for safety training shall be paid one-tenth of the weekly "on call" rate for each such day.

(2) Effective February 13, 2022, a four (4) hour minimum call shall apply for any day on which an employee, at the request of an individual Producer, reports for safety or harassment prevention training. A weekly "on call" employee who reports for safety or harassment prevention training shall be paid one-tenth of the weekly "on call" rate for each such day.

7. Overtime

(a) All time and one-half, "not less than one and one-half," double time, Golden Hour pay and pay for the sixth or seventh day worked in the employee's workweek, and pay for holidays in excess of the Regular Basic Hourly Rate are paid as overtime compensation and shall not be compounded.

(b) Overtime paid on a daily basis shall be computed at the Regular Basic Hourly Rate in effect when the overtime occurs.

(c) Overtime paid on a weekly basis shall be computed at the mean Regular Basic Hourly Rate.

(d) Night premiums shall be included as a part of the Regular Basic Hourly Rate in computing overtime.

(e) Meal delay penalties (Paragraph 20), truck travel allowances (Paragraph 28), pay for call-back intervening time of less than four (4) hours (Paragraph 10) and hazardous work allowances (Paragraph 52) shall be included as a part of the Regular Basic Hourly Rate in computing overtime required by the Fair Labor Standards Act.

7.1 Overtime - Laboratories Only

When reasonable to do so, the Producer shall evenly divide overtime work during the calendar year for each respective shift among the employees on Producer's Studio Roster within each particular classification only of such shift, as herein provided. Producer will not engage in favoritism in the allocation of such overtime. Upon the request of the Union, Producer will give the Business Representative of the Union, or his representative, access for the purpose of inspecting the records reflecting overtime payments of such employees.

(a) Overtime rosters shall be posted in a conspicuous place readily available to every employee. A separate roster shall be maintained and revised daily for each classification within the applicable department.

(b) Each roster shall list the employee's accumulated overtime hours in his classification within the calendar year. Accumulated overtime hours are a total of overtime hours worked and overtime hours credited.

Beside the name of each employee shall be columns showing the number of overtime hours worked, the number of overtime hours credited and the number of accumulated overtime hours (a total of the first two columns).

Overtime hours credited shall include those hours to which the employee's accumulated overtime hours would have entitled the employee to work, but which were not worked because of the employee's absence or refusal to work overtime, regardless of the reason.

(c) Overtime hours worked or credited shall be shown in the form of one (1) hour of overtime for each hour of straight time pay received over the regular eight (8) hours per day and forty (40) hours per week. For example:

If an employee works four (4) hours overtime at one and one-half (1½) times the straight time rate, the employee would be credited with six (6) overtime hours.

If an employee works eight (8) hours overtime at double the straight time rate, the employee shall be credited with sixteen (16) overtime hours.

Premium payments, such as night premiums, which are made for reasons other than the working of hours in excess of eight (8) per day or forty (40) per week, shall not be credited.

(d) Whenever overtime work is necessary, it shall be offered first to the person or persons regularly performing the type of work on the shift on which overtime occurs who are then available who have the lowest number of accumulated overtime hours on the roster. If such person or persons decline the opportunity to work the overtime being offered, the hours available shall then be offered to such qualified person or persons with the next lowest amount of accumulated overtime hours as indicated on the roster.

(e) If the number of employees obtained by the procedure described in subparagraph (d) above is not sufficient for the necessary overtime, employees shall work overtime in accordance with the following procedure: the qualified (*i.e.*, competent to perform) employee(s) with the least amount of overtime hours worked shall work the necessary overtime. If two or more qualified employees have the same number of overtime hours worked, the least senior employee(s) shall work the necessary overtime. An employee shall not be assigned overtime hereunder if the employee is not qualified to do the overtime work were it performed at straight time.

(f) When an employee is hired or permanently transferred to a new overtime roster, the employee shall be assigned the same number of accumulated overtime hours then credited to the person with the greatest number of accumulated overtime hours on the same roster and the same shift.

(g) The objective of these overtime provisions is to equalize the distribution of overtime. These overtime provisions are not intended to make an individual employee a third party beneficiary thereto.

(h) When overtime is anticipated, the Producer will notify employees as early as possible.

(i) When overtime to be worked on the sixth or seventh day in an employee's workweek arises after an employee has left the premises on the fifth day worked in his workweek, an honest effort will be made to reach the employee who is entitled to the overtime by calling the employee at home allowing for reasonable travel time. If the employee is not reached, then the next person may be called. An employee will not be credited with the overtime unless contacted. An employee who refuses overtime will be considered as having worked such overtime.

8. <u>Workweek; Sixth or Seventh Day Worked in an Employee's Workweek</u> (See also Sideletter re Guidelines for Implementation of New Workweek Provisions)

(a) The regular studio workweek shall consist of any five (5) consecutive days out of seven (7) consecutive days, commencing with the first of such five (5) days. However, the five (5) consecutive day requirement shall not apply upon the commencement of any regularly-scheduled five-day-per-week shift. (For example, on starting a new shift, a schedule that provides for an employee to work on Monday and Tuesday, with Wednesday and Thursday as the regular days off, and is followed by work on Friday through the following Tuesday does not violate the five (5) consecutive days requirement.)

(b) Time and one-half shall be paid for the employee's sixth day of work within a workweek. Double time shall be paid for the employee's seventh day of work within a workweek. If an employee works six (6) or seven (7) days within his workweek, the sixth or seventh day worked shall be subject to Paragraph 5, **"Night Premiums."** All employees are paid at their scheduled Regular Basic Hourly Rates. The minimum call is eight (8) hours.

In the event that any daily employee who is not on a regularly-scheduled workweek works six (6) days, starting with the first day worked, within a seven (7) consecutive day period, he shall be paid time and one-half for the sixth day worked.

If a weekly employee or a regularly-scheduled, five-day-per-week daily employee is required to work six (6) days in his workweek, the Producer shall make reasonable good faith efforts to schedule the employee to work on six (6) consecutive days. Any unresolved dispute as to whether the Producer has made such reasonable good faith efforts shall be submitted to the Chair of the Basic Crafts Unions and the President of the AMPTP for resolution.

(c) Except as provided in this subparagraph, a work day starting on one calendar day and running into the next calendar day shall be credited to the first calendar day. The foregoing rule shall not apply in the following situations: (1) If an "on production" employee's fifth day of work in a workweek occurs on a Friday and his shift commences after 8:00 p.m. and overlaps into Saturday, he shall be paid time and one-half for the hours worked on Saturday; and (2) an employee whose work shift overlaps into a holiday or from a holiday into the next day shall be paid in accordance with the "Provisions for Holidays Worked" under this Agreement for those hours worked on the calendar holiday.

(d) The guaranteed pay of weekly employees who absent themselves without the Producer's consent may be reduced one-fifth (1/5) of the weekly guarantee for each day of absence.

(e) (1) In situations involving a change of schedule for regularly-scheduled employees, accommodations will be made, to the extent practicable, to avoid a reduction in the number of workdays for the employee, without requiring the employer to pay premium pay.

(2) The Producer shall give reasonable notice of a change of shift (*e.g.*, from a Monday through Friday shift to a Tuesday through Saturday shift) to regularly-scheduled employees. In the event that the

employee would receive fewer than two (2) days off in the workweek as a result of the shift change, the following alternatives shall be available:

(i) As to "off production" employees:

(A) If the Producer and the employee so agree, the employee may work at straight time without having two (2) days off;

(B) The Producer may require employees to take an additional day off (and such scheduling shall not be deemed to constitute a prohibited relay call), thereby avoiding premium pay; or

(C) The Producer must pay the employee time and one-half if it requires the employee to work on the day which would otherwise be the employee's regularly-scheduled day off.

(ii) As to "on production" employees, once during the production of a motion picture, or in the case of episodic television, once between hiatus periods (*i.e.*, between the commencement or resumption of production and a cessation of principal photography for the series for at least one week), the Producer may shift the workweek for employees working on production without incurring extra costs, by adding one (1) or two (2) days off consecutive with the sixth and/or seventh days off in the prior workweek and/or by shifting a workweek commencing on a Tuesday to a workweek commencing on a Monday, provided that the intervening Sunday is a day off. Otherwise, the Producer must pay the employee appropriate premium pay if it requires the employee to work on the day(s) which would otherwise be the employee's regularly-scheduled day(s) off.

(iii) In addition to the shift in the workweek outlined in subparagraph (ii) above, the Union agrees that it will not unreasonably deny a request to shift the workweek of production employees without incurring additional costs when a production travels to a new city.

(3) The Producer shall endeavor to make reasonable accommodations for regularly-scheduled employees on payroll who do not wish to change to a new shift that includes Saturday or Sunday as regularly-scheduled workday(s).

(f) The Producer shall not lay off and rehire the same employee within the same workweek for the purpose of avoiding premium pay.

(g) Assignments to regularly-scheduled, five-day-per-week shifts that include Saturday and/or Sunday shall be based upon seniority as required by Paragraph 68. If such position cannot be filled on the basis of seniority, Producer shall solicit volunteers to work such shifts. In the

event of an insufficient number of volunteers to fill such positions, the Producer may hire as provided in this Agreement.

(h) Employees who are not on the payroll of the Producer will not be taken off the roster for refusal to accept calls for work on Saturday and/or Sunday. In other cases, the exceptions to roster removal set forth in Paragraph 68 of this Agreement shall continue to apply.

(i) In the event an employee is absent on a regularly-scheduled workday and offers to work an additional day in such workweek to compensate for the day of absence, and the Producer accepts such offer, such employee shall be paid at straight time for such "make-up" day.

(j) In the event a holiday falls on an employee's regularly-scheduled workday and the employee is not required to work on such holiday, but is required to work on either or both of his regularly-scheduled days off in that workweek, such employee shall be paid time and one-half if he works on one of such regularly-scheduled days off and, in addition, shall be paid double time if he also works on the second of such regularly-scheduled days off.

(k) When a holiday falls on a regularly-scheduled employee's day off, the employee may request, within fourteen (14) days after the holiday, an unpaid compensatory day off to be scheduled on a date mutually agreeable to the employee and the Producer.

(l) An employee who is a member of an "on production" crew shall not be replaced on that production for the purpose of avoiding premium pay for the sixth or seventh consecutive day worked in a workweek.

9. Holidays

(a) Work time on holidays shall be subject to Paragraph 5, **"Night Premiums."** All employees are paid at their scheduled Regular Basic Hourly Rates. Minimum calls are as specified in Paragraph 1 above.

An employee shall not be taken off a weekly schedule solely for the purpose of evading the holiday obligation under this Paragraph.

(b) New Year's Day, Presidents' Day (third Monday in February), Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving and Christmas Day shall be recognized as holidays. Effective January 1, 2022, Martin Luther King Jr. Day shall also be recognized as a holiday.

If any of the above holidays falls on a Saturday, the preceding Friday shall be considered the holiday and if a holiday falls on Sunday, the following Monday shall be considered the holiday, except that on distant location, Saturday holidays will be recognized on Saturday.

For work performed in Canada, Producer may elect to observe the following Canadian holidays in lieu of the referenced holidays listed in subparagraph (b) above:

(i) Victoria Day in lieu of Memorial Day; and

(ii) Canada Day in lieu of Independence Day (July 4th);

provided that the two holidays are within the employee's period of employment and the Producer gives no less than two (2) weeks' notice to the affected employee, unless the employee has been employed fewer than two (2) weeks prior to the first of the two holidays, in which case the Producer will provide notice to the affected employee at the time of hire. When the employee has not been employed on the Canadian holiday set forth above, but is employed to work on the U.S. holiday, the employee shall be paid a premium for the corresponding U.S. holiday. The Union will not unreasonably deny requests to exchange other Canadian holidays for those listed in subparagraph (b) above (such as Family Day in lieu of Presidents' Day or Easter Monday in lieu of Good Friday).

(c) Provisions for Holidays not Worked

(1) Daily Employees

Effective in the period January 1, 2021 to and including December 31, 2021, a Daily Schedule employee shall receive 3.719% of his annual straight work time earnings, including night premiums, as payment for holidays not worked. Effective in the period January 1, 2022 to and including December 31, 2022 and in the period January 1, 2023 to and including December 31, 2023, a Daily Schedule employee shall receive 4% of his annual straight work time earnings, including night premiums, as payment for holidays not worked. Pay at straight time only for unworked holidays paid to Daily Schedule employees during distant location employment shall be offset against such employee's annual holiday compensation, computed as above.

Daily Schedule employees covered under this Agreement who are employed in the film processing laboratories shall be paid any unworked holiday pay during the week of the holiday.

(2) Weekly Employees

(i) Studio

Employee shall receive work time credit for each holiday not worked in an amount equal to the minimum call specified in the schedule under which employee is employed. Said amount shall be paid as compensation for readiness to perform services even though no actual work is required.

(ii) Laboratories Only

When a recognized holiday falls during a workweek in which an employee is scheduled to work five (5) days, the Producer will pay for such holiday as a part of the payroll week for only those weekly schedule employees who work a full workweek for the Producer, including such holiday, and provided further, that such employee has accumulated sufficient straight time earnings to generate the equivalent of a full day's holiday pay based on the applicable percentage accrual formula. A weekly schedule employee who has an excused absence during such a week in which a recognized holiday falls shall be deemed to have worked the full week excluding such holiday.

(d) Provisions for Holidays Worked

(1) Daily Employees shall receive double the Regular Basic Hourly Rate.

(2) As to Weekly Employees, hours worked shall be included as work time. In addition, employee shall receive pay at the Regular Basic Hourly rate for the number of hours worked, but not less than the hours of the minimum call.

(e) The total amount of salary paid in the period January 1, 2021 to and including December 31, 2021 to a Weekly Schedule employee hereunder for recognized holidays not worked shall be offset against an amount equal to 3.719% of such employee's accumulated weekly schedule earnings within the same period. The employee shall be paid the amount by which such 3.719% computation exceeds the amount of holiday pay such employee has received for such period for holidays not worked.

The total amount of salary paid in the period January 1, 2022 to and including December 31, 2022 and in the period January 1, 2023 to and including December 31, 2023 to a Weekly Schedule employee hereunder for recognized holidays not worked shall be offset against an amount equal to 4% of such employee's accumulated weekly schedule earnings within the same period. The employee shall be paid the amount

by which such 4% computation exceeds the amount of holiday pay such employee has received for such period for holidays not worked.

The foregoing shall be subject to the following provisions:

(1) "Weekly schedule of pay," in the case of a Weekly Schedule employee with a basic hourly rate and a specified number of hours in the workweek, shall be deemed to mean the scheduled pay for such specified hours only. A day of holiday pay for such schedule shall be considered as one-fifth (1/5) of such Weekly Schedule rate of pay for studio workweeks and one-sixth (1/6) of such Weekly Schedule rate of pay for distant location workweeks.

(2) "Weekly schedule of pay," in the case of an employee hired under the "on call" schedule, shall be deemed to mean the pay rate specified in the wage scale, plus overscale payment, if any. A day's holiday pay for such schedule shall be considered as one-fifth (1/5) of such weekly schedule rate of pay, plus overscale payment, if any, for studio workweeks, and one-sixth (1/6) of such rate of pay for distant location workweeks.

(3) Vacation pay, severance pay and premium pay for holidays actually worked shall be excluded from the applicable percentage computation required under this subparagraph (e) above.

(4) The applicable percentage computation described under this subparagraph (e) above shall not be applicable to any employee hereunder for any calendar year in which he is paid for nine (9) recognized holidays not worked.

(f) (1) Studio

The holiday period for an employee whose work shift overlaps into a holiday shall start at the commencement time of the regularly-scheduled shift immediately preceding the contractually-designated holiday.

Example 1: Suppose that Employee A's scheduled shift is from Sunday through Thursday, 7:30 p.m. to 4:00 a.m. Suppose further that Christmas Day falls on Wednesday. Employee A does not work on his scheduled Tuesday shift, but does report for work on Wednesday, December 25 at 7:30 p.m. The holiday period for employee A begins at 7:30 p.m. on Tuesday, December 24 and ends at 7:30 p.m. on Wednesday, December 25. He does not receive holiday premium pay for work performed after 7:30 p.m. on December 25; this work is paid for at straight time.

Example 2: Suppose the same facts as in Example 1 above, except that Employee A reports for work on his scheduled Tuesday shift and works from 7:30 p.m. Tuesday to 4:00 a.m. Wednesday. Since the time worked is within Employee A's holiday period, Employee A would be paid double time for the entire eight-hour shift.

(2) Laboratories Only

Any employee who works on a shift that overlaps into a holiday shall be paid double the Regular Basic Hourly rate only for those hours worked on the calendar holiday, not for the entire shift.

(g) Presentation of Claim For Holiday Pay

(1) Producers that currently pay for holidays on a weekly basis shall continue to adhere to their existing practice. Producers that currently pay for holidays pursuant to subparagraph (2) below may instead elect on a production-by-production basis to pay on a weekly basis.

(2) Producers that currently make holiday payments at the end of the calendar year shall elect one of the following procedures for employees on layoff and for employees on payroll:

(i) With respect to employees on layoff:

(A) On or after March 15 of the year following the calendar year in which holiday pay was earned, the Producer shall either:

(1) mail or deliver to such employee his holiday pay; or

(2) notify each such employee that he should claim his holiday pay pursuant to the provisions of this Agreement.

(B) In the event the Producer mails the employee's holiday paycheck and it is returned or if the employee fails, within thirty (30) days following the date of mailing of the notice referred to in subparagraph (2)(i)(A)(2) above, to claim his holiday pay, the Producer shall notify the Union of the names of those employees who have not claimed holiday pay. In the case of employees whose checks were returned, the Producer shall also forward the returned check(s) to the Union.

(C) The Union shall endeavor to locate any employee who has not claimed his holiday pay. If it does so, it shall forward to the employee his check or otherwise advise the employee of the department of the Producer to contact to claim such pay.

(D) If the Union is unable, within thirty (30) days following its receipt of the notice referred to in subparagraph (2)(i)(B) above, to locate such employee(s), the Union shall so advise the Producer and return any unclaimed check(s) to the Producer.

(E) On or about March 15 of the second calendar year following the year in which holiday pay was earned ("the second calendar year"), employees who have not claimed their holiday pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Motion Picture Industry Pension Plan. On or about May 15 of the second calendar year, Producer will furnish to the Union a list showing the names of those employees who have not claimed holiday pay and the amount of holiday pay due to each, together with a notice that unless claimed by July 15, such holiday pay will be sent to the Motion Picture Industry Pension Plan.

(F) On or about July 15 of the second calendar year, unclaimed holiday pay will be contributed to the Motion Picture Industry Pension Plan and credited to the appropriate employee pension plan account. Money so contributed shall not be returned to the employee and shall fully discharge the Producer's and the Union's obligations hereunder to the employee with respect to the payment of holiday pay.

(ii) With respect to employees on payroll:

(A) On or after March 15 of the year following the calendar year in which holiday pay was earned, the Producer shall either:

(1) mail or deliver to such employee his holiday pay; or

(2) notify each such employee that he should request holiday pay pursuant to the provisions of this Agreement.

(B) In the event the employee fails to request such holiday pay within thirty (30) days after the date of mailing of the notice referred to in subparagraph (2)(ii)(A)(2) above, the Producer shall notify the Union of the names of those employees who have not claimed such pay.

(C) The Union shall, within thirty (30) days after receipt of the notice referred to in subparagraph (2)(ii)(B) above, endeavor to notify the employee and advise him to claim holiday pay.

(D) On or about March 15 of the second calendar year, employees who have not claimed their holiday pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Motion Picture Industry Pension Plan. On or about May 15 of the second calendar year, Producer will furnish to the Union a list showing the names of those employees who have not claimed holiday pay and the amount of holiday pay due to each, together with a notice that unless claimed by July 15, such holiday pay will be sent to the Motion Picture Industry Pension Plan.

(E) On or about July 15 of the second calendar year, unclaimed holiday pay will be contributed to the Motion Picture Industry Pension Plan and credited to the appropriate employee pension plan account. Money so contributed shall not be returned to the employee and shall fully discharge the Producer's and Union's obligations hereunder with respect to the payment of holiday pay.

(3) New signatory Producers shall adhere to the practice of paying holiday pay currently on a weekly basis unless other arrangements are made by them with the Union.

10. Call-backs

The daily rest period following dismissal shall be eight (8) hours for "off production" employees, except that for "off production" employees who report for work outside a studio but within the studio zone (or secondary studio zone), the daily rest period shall be ten (10) hours; nine (9) hours for "on production" employees at the studio; ten (10) hours following any day worked within the studio zone (or secondary studio zone) for an employee who reports for work outside a studio but within the studio zone (or secondary studio zone); nine (9) hours for "on production" employees on nearby locations; and eight (8) hours for "off production" employees on nearby locations.

When the daily rest period is invaded, intervening time of less than four (4) hours between dismissal and call-back for work shall be work time; intervening time of four (4) or more hours shall not be work time. When intervening time is less than four (4) hours, such time may be applied as part of the "call-back" guarantee. All employees are paid at their scheduled Regular Basic Hourly Rates.

Minimum Guarantees for "Call-backs"
During Daily Rest Period Following Dismissal

Classification	Any Day Other than a Holiday or the Sixth or Seventh Day Worked in an Employee's Workweek	Sixth or Seventh Day Worked in an Employee's Workweek or Holidays*
Daily Employees	4 hours at time and one-half; time and one-half thereafter	3 hours at double time; double time thereafter
Weekly Employees	½ minimum call	½ minimum call

*The above "call-back" guarantees for the sixth or seventh day worked in an employee's workweek or holiday do not apply when employee reports to work on such days within the appropriate daily rest period following dismissal from work starting on the previous day. In such event, the "call-back" guarantee is the minimum call in hours as specified in Paragraph 1.

10.1 Weekend Rest Period[5]

The following provision shall be effective May 15, 2022:

(a) Weekend Rest Period for Employees Who Work a Five (5) Consecutive Day Workweek

An employee who works five (5) consecutive days in the workweek shall be entitled to a weekend rest period of fifty-four (54) hours, inclusive of the daily rest period.

The weekend rest period may be reduced to fifty (50) hours, inclusive of the daily rest period, in the following circumstances:

(1) the fifth day of the workweek is no longer than twelve (12) hours worked; and either

(2) (i) exterior night shooting, as called for in the script, is scheduled for the fifth day of the workweek;

(ii) work on the fifth day of the workweek takes place at a shooting location, access to which is limited to certain hours; or

[5] If the production's first workweek is a partial workweek, the weekend rest period shall apply as if it were a full workweek.

(iii) work on the fifth day of the workweek is delayed due to health and safety concerns as a result of weather or a natural hazard that occurs during the course of the employee's work shift.

(3) Producer may utilize the foregoing exceptions:

(i) once on a one-time motion picture 66 minutes or more but less than 85 minutes in length;

(ii) no more than once every six (6) weeks on episodic series and mini-series;

(iii) twice on a theatrical motion picture or on a one-time motion picture 85 minutes or more in length.

(b) Weekend Rest Period for Employees Who Work a Six (6) Consecutive Day Workweek

An employee who works six (6) consecutive days in the workweek shall be entitled to a rest period of thirty-two (32) hours, inclusive of the daily rest period.

(c) Weekend Rest Period for Employees Whose Sixth Day Worked Occurs on the Seventh Day of the Workweek

An employee whose sixth day worked occurs on the seventh day of the workweek shall be entitled to a rest period of thirty-two (32) hours between the fifth day worked and the seventh day of the workweek, inclusive of the daily rest period.

(d) Measurement of the weekend rest period shall be the same as applies to the daily rest period.

(e) The penalty for invasion of the rest period provisions in subparagraphs 10.1(a)-(c) above shall be payment of additional straight time for the invaded hours only.

(f) The foregoing rest periods shall not apply to a workweek shift.

11. Golden Hour Provisions

(a) (1) All time worked at a studio zone (or secondary studio zone) location or nearby location, including a combination of work in the same shift of work between a studio and any of such locations, in excess of fourteen (14) consecutive hours (including meal periods) from

the time of reporting for work shall be Golden Hours and shall be paid for at the following rates:

Occurring on Any Day Other than a Holiday or the Sixth or Seventh Day Worked in an Employee's Studio Workweek: Two and one-half (2½) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours and, effective February 13, 2022, three (3) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

Occurring on the Sixth Day Worked in an Employee's Studio Workweek: Three and three-fourths (3¾) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours and, effective February 13, 2022, four and one-half (4.5) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

Occurring on the Seventh Day Worked in an Employee's Studio Workweek or Holidays: Five (5) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours and, effective February 13, 2022, six (6) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

(2) In a shift of work all of which occurs solely on the premises in a studio, all time worked by "on production" employees in excess of fourteen (14) hours (including meal periods) and all time worked by "off production" employees in excess of twelve (12) consecutive hours (including meal periods) from the time of reporting for work shall be Golden Hours and shall be paid at the following rates:

Occurring on Any Day Other Than a Holiday or the Sixth or Seventh Day Worked in an Employee's Studio Workweek: Two (2) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (twelve (12) consecutive hours in the case of “off production” employees); and, effective February 13, 2022, three (3) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

Occurring on the Sixth Day Worked in an Employee’s Studio Workweek: Three (3) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (twelve (12) consecutive hours in the case of “off production” employees) and, effective February 13, 2022, four and one-half (4.5) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

Occurring on the Seventh Day Worked in an Employee's Studio Workweek or a Holiday: Four (4) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (twelve (12) consecutive hours in the case of "off production" employees) and, effective February 13, 2022, six (6) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

(3) For "on production" employees only who are employed on television productions and whose shift of work occurs solely on the premises in a studio, or at a studio zone (or secondary studio zone) location, or at a nearby location, or at a combination of a studio and a studio zone (or secondary studio zone) and/or nearby location, Golden Hours as provided in subparagraphs (1) and (2) above and in Paragraph 21(d)(3) below shall be based on hours worked, rather than elapsed. For example, if such an employee works solely at a studio, all time worked in excess of fourteen (14) work hours shall be Golden Hours and shall be paid for in accordance with subparagraph (2) above.

(b) Once an employee is on Golden Hours, all work time thereafter (including meal periods, but excluding interruptions as defined below) shall be paid for at the applicable Golden Hour rate until he shall have received a daily rest period of not less than eight (8) consecutive hours. (Deductible meal periods shall not be included in work time which is to be paid for at the applicable Golden Hour rate for "on production" employees employed on television productions whose shift of work occurs solely on the premises in a studio, at a studio zone (or secondary studio zone) location, at a nearby location, or at a combination of a studio and a studio zone (or secondary studio zone) and/or nearby location.)

If an employee reaches the Golden Hour rate applicable to the seventh day worked and continues to work past midnight on such seventh day worked, such rate shall apply until the employee is dismissed for a period of four (4) or more consecutive hours. If such dismissal is for four (4) or more hours but less than eight (8) hours, the employee shall revert to the regular weekday Golden Hour rate until he is dismissed for a period of eight (8) consecutive hours.

(c) To determine (1) when Golden Hours begin, or (2) the number of Golden Hours to be paid for once Golden Hours have begun, the following provisions shall apply:

WHEN INTERVENING TIME BETWEEN DISMISSAL AND CALL-BACK TO WORK IS LESS THAN FOUR (4) HOURS	WHEN INTERVENING TIME BETWEEN DISMISSAL AND CALL-BACK TO WORK IS BETWEEN FOUR (4) HOURS AND THE END OF THE APPLICABLE DAILY REST PERIOD	WHEN INTERVENING TIME BETWEEN DISMISSAL AND CALL-BACK EXCEEDS THE APPLICABLE DAILY REST PERIOD
(Work Time)	(Interruption)	(Full Daily Rest Period)
Intervening time is work time and is added to previous and subsequent work time.	Intervening time is not work time, but previous and subsequent work time are added together to determine (1) and (2) above.	Intervening time breaks accumulation of hours toward the Golden Hour point and stops Golden Hours if once begun.

(d) No clause.

(e) Compensation for Golden Hours shall be used only to pay for Golden Hours and shall supersede and replace any other compensation for work time during Golden Hours. However, in the event of a forced call, Golden Hours may be used to fulfill minimum call guarantees on the day(s) of the forced call.

12. Interchange of Job Classifications

(a) No clause.

(b) For work time in a classification higher than employee's current classification, the provisions of Paragraph 13 shall apply.

(c) Work time in either a higher or a lower classification shall be credited to fulfill the minimum call of the current classification.

13. Working in Higher Classification

If two (2) or more hours of the workday are worked pursuant to a designated supervisor's authorization in a higher classification than the classification under which the employee is called for work, the higher

rate shall prevail for the entire workday. The employee reverts to his regular classification the next day unless notified to the contrary.

14. Layoff Provisions

This provision applies to "off production" employees only.

(a) Any employee not personally notified of his discharge at the end of his shift, who reports for work at his next regular shift, shall be considered as having been called for a minimum call. Shifts commencing on days that would otherwise constitute the sixth or seventh day worked in the employee's workweek shall not be considered as regular shifts.

(b) No calls may be canceled after an employee has been dismissed for the day and has left the studio premises.

15. Change and Cancellation of Calls

(a) With respect to "on production" employees, calls may be changed if made: (1) before 8:00 p.m. of the day preceding the call for any day other than the sixth or seventh day worked in the employee's workweek; or (2) with six (6) hours notice on the day of the call, provided that such notice is given after 7:00 a.m. on the day of the call.

(b) Calls for Weekly Schedule employees for the sixth or seventh day in the employee's workweek may be cancelled before 8:00 p.m. on the day preceding the day of the call.

(c) The employee and the Union shall be notified of layoff and/or work call at the earliest time reasonably possible.

In order to implement this policy, upon the request of any Business Representative, a joint meeting will be arranged with the appropriate Executive, the Labor Relations Manager and the Producer's Department Head to discuss the above policy as applied to the Union.

If, subsequent to such meeting, the Union at any time believes that the notification policy is not being administered properly, it will discuss the matter with the Producer's Labor Relations Manager.

If the Union is not satisfied with the results following its discussion with the Labor Relations Manager, it may refer the matter to the Industry-Union Standing Committee.

(d) If, at the time of a call, the employee called is not on the employer's payroll, such call may not be canceled. The foregoing shall

be applicable whether such employee is an "on production" or "off production" employee.

16. Notification of Changes in Work Practices

Proposed changes in existing work practices not consistent with historical custom and practices prevailing in the film processing industry which substantially affect existing work and production practices shall be discussed in advance with the Union and disputes concerning proposed changes shall be subject to the grievance procedure.

17. Time Cards and Computation of Work Time

(a) The employee's classification and wage schedule, starting and finishing time, deductible meal periods, rate changes and penalties, if any, shall be shown on his time card. Any items changed after time card is approved must be reviewed by the employee.

(b) Work time shall be computed from time ordered to report at department headquarters until dismissed at department headquarters.

(c) All time shall be computed in one-tenth hour (six minute) periods.

18. Stand-by Calls

There shall be no stand-by or relay calls. Holidays or days that would otherwise constitute the sixth or seventh day worked in the employee's workweek are not considered regular days of work. When an employee is dismissed on the fifth day worked in the workweek with a call for work on the first day of the following workweek, it shall not be considered a relay or stand-by call.

The parties confirm that the relay call prohibition shall not apply in connection with a holiday. Thus, the prohibitions set forth in this clause do not apply to an employee who is not required to report to work on the day immediately prior to or following a holiday, which day would otherwise be a regularly-scheduled workday. For example, suppose an employee ordinarily works on a Monday through Friday schedule and December 25 (the Christmas holiday) falls on a Thursday. If the employee is not required to report to work on Friday, he may be given a call for the following Monday (December 29). As a further example, suppose the same facts as above except that Christmas falls on a Tuesday. If the employee is not required to work on the preceding Monday (December 24), he may be given a call on the preceding Friday (December 21) to return to work on Wednesday (December 26).

19. Pay-off Requirements

(a) The regular pay day will be on Thursday (holiday weeks excluded). When employee is laid off, he shall be paid by the next regular pay day or his pay check will be mailed to him or made available to him at a specific location in the county where the employee was hired or performed labor by the next regular pay day.

The regular pay day will be on Friday for employees working on distant location.

A subcommittee shall be created for the purpose of establishing an exclusive procedure for resolving late payment claims, in lieu of processing such claims under the Labor Code.

(b) If, due to the fault of the Producer, an employee does not receive wages or salary on a timely basis, the Producer shall, within three (3) days after being so notified by the employee, issue a check in payment of same to the employee.

(c) The Producer agrees to use its best efforts to break down overtime payments on the employee's pay check stub and to show amounts paid as meal penalties.

20. Meal Periods and Meals

The meal period provisions below apply to both "on production" and "off production" employees.

(a) Meal periods shall be not less than one-half (½) hour nor more than one (1) hour in length. Not more than one meal period shall be deducted from work time for an employee during the minimum call. A second meal period may be deducted from work time for those employees who work in excess of the minimum call. The minimum guarantee of work time after an evening meal shall be one and one-half (1½) hours. This guarantee does not apply when such meal is supplied at the Producer's expense. A box lunch shall not be considered an adequate second meal or wrap meal, unless box lunches are being provided for the entire crew for that specific meal.

(b) The employee's first meal period shall commence within six (6) hours following the time of first call for the day; succeeding meal periods for the same employee shall commence within six (6) hours after the end of the preceding meal period. An employee's first meal period shall commence no earlier than two (2) hours after such employee reports for work, except as provided in subparagraph (d) below. There

will be a twelve (12) minute grace period, which is not to be a scheduled grace period, prior to imposition of any meal penalty.

(c) The meal interval may be extended one-half (½) hour without penalty when used only for wrapping up or overlapping shifts on production units on shooting days, if the employee is dismissed within one-half (½) hour. Shooting may be included in such wrapping-up period as described in the next subparagraph. In the case of Gang Bosses and/or other "off production" employees who normally overlap shifts, the meal interval will be extended not to exceed one-half (½) hour without penalty.

During the one-half (½) hour wrap-up period, at the expiration of the sixth hour, the Producer may complete the camera take in progress, but may not commence another take.

However, if an additional camera take occurs during such wrap-up period, or if such period is used for shooting only, the meal delay penalty provisions shall apply. Failure to dismiss the employee within the one-half (½) hour automatically cancels the right to extend the meal interval without penalty.

(d) If any member of the company after commencement of work time is given a reasonable hot meal, without deducting the time spent in eating (30 minutes) from work time, then the first meal period may be six (6) hours after such hot meal.

(e) When an "on production" employee is away from home studio, Producer will supply meals (except when work is at another studio which has adequate meal facilities).

(f) When an "off production" employee on a nearby location is required to work where convenient meal facilities are lacking, the Producer will furnish meals unless employee is notified the night before reporting for work that he is to work where such facilities are lacking. However, in no event shall such employee be required to furnish more than one meal per day.

(g) When the Producer furnishes meals to a shooting unit off any lot, and an "off production" crew is working on the same site at the same time for the same unit, the Producer will likewise furnish meals to the "off production" crew.

(h) (1) Prior to February 13, 2022, the meal penalty for delayed meals shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof.....$10.00

Second one-half (½) hour meal delay or fraction thereof.....$12.50

Third and each succeeding one-half (½) hour meal delay or fraction thereof.....$15.00

(2) Effective February 13, 2022, the meal penalty for delayed meals shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof.....$10.00

Second one-half (½) hour meal delay or fraction thereof.....$12.50

Third and fourth one-half (½) hour meal delay or fraction thereof.....$15.00

Fifth and each succeeding one-half (½) hour meal delay or fraction thereof.....$25.00

For any workweek in which an employee is entitled to more than twenty (20) meal period penalties, all subsequent meal period penalties for that employee in that workweek shall be compensated at one (1) hour of pay at the prevailing rate for each one-half (½) hour of meal delay or fraction thereof.

Such allowance shall be in addition to the compensation for work time during the delay and shall not be applied as part of any guarantee.

(i) As an alternative to the provisions of subparagraphs (a) through (h) above as they relate to "on production" employees, the Producer, at its option, may institute "French hours" on a daily basis for "on production" employees, so long as a "French hours" system applies to all crew members. Meal time shall not be deductible.

III. STUDIO ZONE AND SECONDARY STUDIO ZONE DEFINITIONS AND WORKING CONDITIONS

21. Studio Zone

(a) Studio Zone Defined

The studio zone shall be the area within a circle of thirty (30) miles in radius from Beverly Boulevard and La Cienega Boulevard, Los Angeles, California and includes Agua Dulce, Castaic (including Lake Castaic), Leo Carillo State Beach, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fair Grounds). The Metro-Goldwyn-Mayer, Inc. Conejo Ranch property shall be considered as within the studio zone. (See Exhibit "Z" attached.)

(b) Work Time

Studio rates and working conditions shall prevail for all work performed within the studio zone. However, for newly-called employees and those employees notified on the previous day prior to their departure from the studio (or the zone location) to report at the zone location, work time shall begin and end at the zone location; otherwise, work time shall begin and end at the studio. Such work time includes travel time both ways between the studio and the zone location.

(c) Transportation Within the Studio Zone

Except as is otherwise provided herein, with respect to work at any studio zone location, Producer shall either furnish transportation to the employee or, at its option, may require employee to report at such location, in which case it will allow mileage of thirty cents (30¢) per mile computed between the studio and zone location and return. This allowance shall be paid in petty cash on the day the mileage is incurred. Employee shall not be requested to transport other employees or equipment (other than trade tools). The studio shall have the right to require the employee to report (subject to the same mileage allowance between the studio and the pick-up point) at a pick-up point within the studio zone for subsequent transportation furnished by the studio from such pick-up point to nearby location and return to the pick-up point. Work at another studio is not a "zone location." The Union will not unreasonably deny a request for waiver of the mileage allowance for employees who report to a "zone location" which is a regular place of employment for a production. As to theatrical motion pictures only, the Producer shall not be required to pay a mileage allowance to any employee reporting to a "zone location" within Los Angeles County which is within a ten (10) mile radius from a point to be designated by the Producer. Commencing outside the ten (10) mile radius, a mileage

allowance will be paid as provided above. Secured parking will be provided at such locations as hereinafter required in this provision.

The parties agree that the Long Beach Dome, located in Long Beach, California, is a "studio" within the meaning of this Paragraph 21. Therefore, no mileage allowance is required to be paid to employees who report to the Long Beach Dome for work.

Employees who have reported or were directed to report to a location within the studio zone may instead be required to report to a studio when work cannot be performed at the location due to weather conditions, the illness of a performer, director, etc. or other unforeseen event. Under such circumstances, the employees who have reported to the location site may be required to use their own vehicles for transportation to the studio. In that event, the time spent traveling from the location to the studio shall be work time and the work shift shall end at the studio.

(d) Reporting Within the Zone

As to an employee reporting to a designated site within the studio zone:

(1) If there are any moves required in the studio zone from one location to another, the employees will be transported to and from such other location.

(2) All "on production" or "off production" work must be done within the studio zone.

(3) Golden Hours - When this provision applies, if an employee reports for work outside a studio and within the studio zone, the Golden Hour pay rates will commence after twelve (12) elapsed hours, except that on television productions, Golden Hour pay rates for "on production" employees will commence after twelve (12) hours worked as provided in Paragraph 11(a)(3).

(e) Parking Facilities

When an employee reports for work within the studio zone other than at a studio, the Producer will pay for parking in a supervised public parking lot. If no such public parking is available, the Producer will provide supervised or secured parking.

(f) Material Violations

If the Local Union claims that a material violation of Paragraph 21 is occurring with respect to the employees covered by this Agreement, then:

(1) Such Local Union shall immediately notify the designated representative of Producer, the Chair of the Basic Crafts, the AMPTP and CSATF.

(2) Such Local Union and such representative of the Producer shall immediately settle the dispute or determine whether or not there is a material violation of this Section.

(3) In the event the Local Union and the Producer do not settle the dispute or make such a determination as above provided, then the Basic Crafts, the AMPTP and CSATF must, within twenty-four (24) hours after receipt of such notice of the alleged material violation, determine whether or not there is such a material violation. Such a determination shall be final and binding upon the parties and the employees subject to this Agreement.

If it is so determined that there is such a material violation, this studio zone provision: (i) with respect to television films, shall be suspended in respect to production of the television episode involved; and (ii) with respect to a theatrical motion picture, shall be suspended in respect to production of the theatrical picture involved for a period of fifteen (15) calendar days following the determination that there is such a material violation. Provided, however, Producer shall not reschedule the shooting from the zone to the studio in order to avoid the application of this provision.

(4) Alleged violations of this studio zone provision shall not be subject to the Grievance and Arbitration Procedure of Article 7.

22. Secondary Studio Zone

(a) The secondary studio zone shall be the area extending ten (10) miles from the perimeter of the studio zone and including John Wayne Airport and the City of Huntington Beach. It does not include any of the areas that fall within the definition of the studio zone in Paragraph 21 above.

(b) When an employee is directed to report to a location within the secondary studio zone, the following shall apply:

(1) Producer shall notify employees not less than twenty-four (24) hours in advance that it intends to require employees to report

to a location within the secondary studio zone. Such notification shall not constitute a work call.

(2) Mileage shall be paid from the studio or production office to and from the location within the secondary studio zone. In addition, the Producer shall pay a $4.50 per day allowance to each employee asked to report within the secondary studio zone.

(3) Courtesy housing shall be offered to those employees who work in excess of twelve (12) hours in the secondary studio zone.

(4) Rest periods shall be calculated from the perimeter of the thirty-mile studio zone.

(5) Except as otherwise provided in this subparagraph (b), all of the other provisions applicable to an employee reporting within the thirty-mile studio zone shall apply.

23. Zone Waivers

The Union agrees to not unreasonably deny waivers for locations, such as Lake Hughes, Elizabeth Lake and the Nikken Building in Irvine, that are outside the thirty (30) mile Studio Zone and the Secondary Studio Zone, to be treated as within the Secondary Studio Zone.

24. No Clause.

IV. NEARBY LOCATION DEFINITIONS AND WORKING CONDITIONS

25. Nearby Locations Defined

Nearby locations are those locations outside of the studio zone (or secondary studio zone) on which employees are not lodged overnight, but return to the studio or home at the end of the workday.

26. Work Time; Travel Time

Studio rates and working conditions shall prevail on nearby locations. Work time shall begin when ordered to report at the studio and continue until dismissed at the studio. Travel time to and from the location shall be work time.

27. Transportation

The studio shall furnish transportation to and from nearby locations.

28. Truck Travel Allowances

Employees riding trucks to and from nearby locations shall receive truck travel allowances of twenty-five cents (25¢) per hour or fraction thereof for such time traveled. The minimum allowance each way is one (1) hour. Such allowance shall be in addition to the compensation for work time during travel and shall not be applied as part of any guarantee.

29. Golden Hours

Travel time shall be considered as work time in the computation of Golden Hours. In addition, Paragraphs 11(a)(1) and (3), (b), (c) and (e) shall apply.

30. No Clause.

V. DISTANT LOCATION MINIMUM WAGE SCALE

31. (a) (1) The following distant location wage scale shall be effective for the period commencing with August 1, 2021 to and including July 30, 2022.

International Brotherhood of Electrical Workers, Local 40 **8/1/21 – 7/30/22**	Distant Location Minimum Rates	
	Schedule A Daily Employees	Schedule C (Exempt)
	1½ after 8 and/or 40; Minimum Call - 9½ Hours	Weekly "On Call"
Occ. Code	Regular Basic Hourly Rate	
No. Classification	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,737.52[1]
3705 Sound Installation		2,737.52[1]
3705 Maintenance		2,737.52[1]
3703 Air Conditioning Foreman		2,737.52[1]
Gang Boss:		
3711 Electrical Gang Boss	$47.52	
3713 Air Conditioning Gang Boss	47.52	
3737 Construction Gang Boss[2]	52.05	
Other Classifications:		
3716 Cable Splicer	47.52	
3721 Journeyman Wireman	45.03	
3722 Journeyman Wireman[3]	48.34	
3726 Journeyman Wireman[5]	43.72	
3723 Air Conditioning Engineer	45.03	
3727 Air Conditioning Engineer[6]	43.72	
3724 Production Van Driver/Operator[4]	49.81	

International Brotherhood of Electrical Workers, Local 40 **8/1/21 - 7/30/22**	Distant Location Minimum Rates		
	Schedule A Daily Employees	Schedule B-1[7]	
	1½ after 8 and/or 40; Minimum Call - 9½ Hours	Weekly Guarantee 57 cumulative hours 6 consecutive days Minimum Call - 7 hours[8]	
Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3735 Sound Installation and/or Maintenance Man	$52.07	$49.04	$3,212.12
3736 Sound Gang Boss	56.08	52.62	3,446.61

Footnotes applicable to this Paragraph 31.(a)(1) begin on page 134.

(2) The following distant location wage scale shall be effective for the period commencing with July 31, 2022 to and including July 29, 2023.

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23**	Distant Location Minimum Rates	
	Schedule A Daily Employees	Schedule C (Exempt)
	1½ after 8 and/or 40; Minimum Call – 9½ Hours	Weekly "On Call"
Occ. Code	Regular Basic Hourly Rate	
No. Classification	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,819.65[1]
3705 Sound Installation		2,819.65[1]
3705 Maintenance		2,819.65[1]
3703 Air Conditioning Foreman		2,819.65[1]
Gang Boss:		
3711 Electrical Gang Boss	$48.95	
3713 Air Conditioning Gang Boss	48.95	
3737 Construction Gang Boss[2]	53.61	
Other Classifications:		
3716 Cable Splicer	48.95	
3721 Journeyman Wireman	46.38	
3722 Journeyman Wireman[3]	49.79	
3726 Journeyman Wireman[5]	45.03	
3723 Air Conditioning Engineer	46.38	
3727 Air Conditioning Engineer[6]	45.03	
3724 Production Van Driver/ Operator[4]	51.30	

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23**	Distant Location Minimum Rates		
	Schedule A Daily Employees	Schedule B-1[7]	
	1½ after 8 and/or 40; Minimum Call - 9½ Hours	Weekly Guarantee 57 cumulative hours 6 consecutive days Minimum Call - 7 hours[8]	
Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3735 Sound Installation and/or Maintenance Man	$53.63	$50.51	$3,308.41
3736 Sound Gang Boss	57.76	54.20	3,550.10

Footnotes applicable to this Paragraph 31.(a)(2) begin on page 134.

(3) The following distant location wage scale shall be effective for the period commencing with July 30, 2023 to and including July 31, 2024.

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24**	Distant Location Minimum Rates	
	Schedule A Daily Employees	Schedule C (Exempt)
	1½ after 8 and/or 40; Minimum Call – 9½ Hours	Weekly "On Call"
Occ. Code	Regular Basic Hourly Rate	
No. Classification	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,904.24[1]
3705 Sound Installation		2,904.24[1]
3705 Maintenance		2,904.24[1]
3703 Air Conditioning Foreman		2,904.24[1]
Gang Boss:		
3711 Electrical Gang Boss	$50.42	
3713 Air Conditioning Gang Boss	50.42	
3737 Construction Gang Boss[2]	55.22	
Other Classifications:		
3716 Cable Splicer	50.42	
3721 Journeyman Wireman	47.77	
3722 Journeyman Wireman[3]	51.28	
3726 Journeyman Wireman[5]	46.38	
3723 Air Conditioning Engineer	47.77	
3727 Air Conditioning Engineer[6]	46.38	
3724 Production Van Driver/Operator[4]	52.84	

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24**	Distant Location Minimum Rates		
	Schedule A Daily Employees	Schedule B-1[7]	
	1½ after 8 and/or 40; Minimum Call - 9½ Hours	Weekly Guarantee 57 cumulative hours 6 consecutive days Minimum Call - 7 hours[8]	
Code No. Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
	Per Hour	Per Hour	Per Week
3735 Sound Installation and/or Maintenance Man	$55.24	$52.03	$3,407.97
3736 Sound Gang Boss	59.49	55.83	3,656.87

Footnotes applicable to this Paragraph 31.(a)(3) begin below

1 This rate is for five (5) days only. See subparagraph (f) for rates applicable to six (6) days and seven (7) days within a payroll week.

2 Applicable when an Electrical Gang Boss (Occ. Code #3711) is assigned to supervise construction work on a construction project with building trades work being performed by employees of an outside contractor(s) or when working on such a project in concert with employees or an outside contractor.

3 Applicable when a Journeyman Wireman (Occ. Code #3721) is assigned to perform construction work on a construction project with building trades work being performed by employees of an outside contractor(s) or when working on such a project in concert with employees of an outside contractor.

Applicable when an Air Conditioning Engineer (Occ. Code #3723) is assigned to install new air conditioning systems (excluding wall and window units) for projects on which work is being performed in conjunction with an outside contractor.

4 Applicable when a Journeyman Electrician employed under this Agreement is concurrently assigned to drive a production van under the terms and conditions of the Producer-Studio Transportation Drivers, Local 399 Agreement.

5 Applicable when hired directly by the production (or by the department for assignment to a production) to work as a Generator/Ritter Operator/Technician. It is understood that no mandatory staffing of this classification is required, and that the Producer may assign such work to other employees hereunder (including a Production Van Driver/Operator) or to an outside vendor subject to Paragraph 64.

6 Applicable when hired directly by the production (or by the department for assignment to a production) to work as an On Set Air Conditioning Operator/Technician. It is understood that no mandatory staffing of this classification is required, and that the Producer may assign such work to other employees hereunder or to an outside vendor subject to Paragraph 64.

7 a) Weekly Employees - Employees under this schedule shall be paid at the scheduled Regular Basic Hourly Rate for the first forty (40) hours of the six (6) day workweek and not less than one and one-half (1-1/2) times such basic hourly rate of pay for all time over forty (40) hours in such workweek, with a guarantee that the employee shall receive, for regular time and for such overtime as the necessities of the business may demand, a sum not less than the scheduled weekly guarantee for each six-day workweek.

b) The guaranteed pay of weekly employees who absent themselves without the employer's consent may be reduced one-sixth (1/6) of the weekly guarantee for each day of absence.

c) An employee (1) who is given an assignment on other than the first day of his regular workweek and who on the first day of his next workweek is to be placed on a guaranteed salary Weekly Schedule, or (2) whose weekly guarantee (or guarantees) is (are) discontinued by Producer and such employee's employment continues, shall be paid one-sixth (1/6) of the distant location weekly rate for each distant location workday which precedes or follows the establishment of such weekly guarantee (or guarantees); provided, also, that for each unworked holiday, as provided in Paragraph 9(a), which intervenes during the employee's regular six-day workweek only, between the days of such employment, such employee shall receive one-sixth (1/6) of the guaranteed salary of the appropriate Weekly Schedule.

8 All Schedule B-1 (Weekly) employees are guaranteed a minimum employment of six (6) consecutive days. After this minimum guarantee has been fulfilled, employment may be continued at Schedule B-1 rates until termination.

(b) The distant location minimum rates for cumulative Weekly Schedule employment shall apply for full six-day workweeks of distant location employment only. See Paragraph 1, **"Studio Minimum Wage Scale,"** for provisions applicable to combinations of studio and distant location employment in the same workweek.

The regular distant location workweek shall consist of any six (6) consecutive days out of any seven (7) consecutive days, commencing with the first of such six (6) days. However, the six (6) consecutive day requirement shall not apply upon the commencement of any regularly-scheduled six-day-per-week shift. (For example, on starting a new shift, a schedule that provides for an employee to work on Monday and Tuesday, with Wednesday as a regular day off, and is followed by work on Thursday through the following Saturday does not violate the six (6) consecutive days requirement.)

(c) Employees hired under the "on call" schedule shall receive, in addition to their current studio rate, a distant location allowance of six dollars ($6.00) per diem.

(d) The day of departure and the day of return shall be considered distant location days.

(e) Sixth and Seventh Day in an Employee's Workweek on Distant Location

For the seventh day worked in an employee's workweek on distant location, the following shall apply: All employees are paid at their scheduled Regular Basic Hourly Rates. The minimum call is eight (8) hours. All allowances and computations are separate and apart from the six-day workweek.

Daily and Weekly Employees	
Sixth or Seventh Day Not Worked in the Employee's Workweek	Allowance of four (4) hours' pay at straight time at the minimum wage rate (not work time), plus pension and health contributions for eight (8) hours.
Seventh Day Worked	Double time, separate and apart.

(See Paragraph 39 for work-and-travel.)

(f) Payment Provisions Applicable to the Sixth and Seventh Days in an Employee's Workweek on Distant Location and to Partial Workweeks for Employees Hired under the "On Call" Schedule

(1) Notwithstanding any other provision of this Agreement, the following shall apply to employees hired under the "on call" schedule with respect to the sixth and seventh days in an employee's workweek on distant location, whether work is performed or not:

(i) For each sixth day worked in an employee's workweek during a full six (6) day workweek, employee shall receive one and one-half times one-fifth (1/5) of the "on call" weekly rate in effect in addition to the "on call" salary in effect.

(ii) For each sixth day not worked in an employee's workweek during a full six (6) day workweek, employee shall receive an allowance equal to one-twelfth (1/12) of the scheduled minimum "on call" weekly rate, plus pension and health contributions for seven (7) hours.

(iii) For each seventh day not worked in an employee's workweek, employee shall receive an allowance equal to one-twelfth (1/12) of the scheduled minimum "on call" weekly rate, plus pension and health contributions for eight (8) hours.

(iv) For each seventh day worked in an employee's workweek, if employee actually performs work at the direction of the Producer, employee shall be paid an additional amount equal to one-third (⅓) of the "on call" weekly rate in effect. Said amount shall be paid in addition to any amount due for the sixth day in the employee's workweek on distant location pursuant to the above subparagraphs.

The term "rate in effect" means wage scale plus amounts in excess of scale, if any.

Notwithstanding any agreement between employee and Producer, the aggregate compensation paid to such employee shall not be less than the scheduled studio weekly minimum "on call" rate plus any additional compensation due for the sixth or seventh day in the employee's workweek as required hereinabove and any additional compensation due for work on a recognized holiday as required hereinbelow.

In no event shall such employee hired under the "on call" schedule receive less than the scheduled studio weekly minimum "on call" rate plus one-sixth (1/6) of such scheduled weekly minimum "on call" rate for such six (6) days worked or the scheduled studio

weekly minimum "on call" rate plus one-third (⅓) of such scheduled weekly minimum "on call" rate for such seven (7) days worked.

(2) Partial Workweek

In a partial workweek consisting of studio workdays and distant location workdays, studio days shall be prorated at one-fifth (1/5) of the scheduled studio minimum salary rate and distant location days shall be prorated at one-sixth (1/6) of such rate; provided, however, that for any five (5) consecutive days within the same payroll week, an employee shall be paid not less than the scheduled studio minimum salary rate.

(g) Holidays on Distant Location

(1) All employees are paid at their scheduled Regular Basic Hourly Rates. Minimum calls are as specified in Paragraph 31. Payment shall be made or work time credit shall be given in accordance with the following schedule:

	Daily Employees	Weekly Employees
Holidays not Worked	Work time credit of minimum call. This is compensation for readiness to perform services even though no actual work is required.	
Holidays Worked	Double time. (Hours worked are excluded from weekly computation for the six-day workweek.)	Hours worked are included in weekly computation of work time for the six-day week. In addition, holiday premium pay for an equal number of hours.

(See Paragraph 39 for work-and-travel.)

(2) If a holiday falls on a Saturday, it will be observed on a Saturday.

(3) If an employee hired under the "on call" schedule is specifically instructed and required by Producer to perform work on a recognized holiday on distant location, under the direction and control of Producer, Producer shall pay such employee one-sixth (1/6) of his "on call" weekly salary in effect for each such recognized holiday so worked. Said amount shall be payable not later than the second Thursday following the employee's return to the studio.

(h) No clause.

(i) The parties confirm that any day worked in a partial workweek either before or after one (1) full week of employment may be prorated at the rate of one-sixth (1/6) of the distant location minimum weekly rate for weekly employees or one-sixth (1/6) of the distant location weekly minimum "on call" rate for "on call" employees for each distant location workday.

32. Minimum Calls and Allowances on Distant Location

(a) Except as provided in Paragraph 32(b) below, all employees are guaranteed pay for the scheduled minimum call as work time for each weekday on distant location.

(b) Daily and weekly employees are guaranteed an allowance (not work time) of four (4) hours of pay at straight time at the scheduled minimum wage rate, plus pension and health contributions for eight (8) hours, for the sixth or seventh day not worked in the employee's workweek. (See Paragraph 31(f) for provisions applicable to "on call" employees.)

The Union agrees to consider in good faith, on a production-by-production basis, requests for a waiver of the requirement to pay the four (4) hour allowance, plus pension and health contributions for eight (8) hours, for the seventh day not worked on distant location. Such requests shall be made to the Chair of the Basic Crafts Unions.

(c) Minimum call time and cumulative work time are recognized as work time and employees shall hold themselves in readiness to service the Producer during such times.

33 - 35. No Clauses.

VI. DISTANT LOCATION DEFINITIONS AND WORKING CONDITIONS

(Only Paragraphs 36, 37, the second sentence of Paragraph 39(a) and Paragraph 39(f) of this Section VI are applicable to employees hired under the "on call" schedule.)

36. Distant Locations Defined

Distant locations are locations on which the employee is required to remain away and be lodged overnight.

37. Traveling Expenses and Accommodations

(a) Traveling Expenses

The employee's necessary traveling expenses, meals and lodging shall be made available at the Producer's expense. For travel anywhere in the United States, Canada and Mexico, the Producer shall furnish air transportation to and from distant location. For travel outside the United States, Canada and Mexico, employees shall be furnished business class air transportation, except that when business class accommodations are not available, employees shall travel first class. Producer agrees to use its best efforts to furnish and maintain, during travel time, reasonably comfortable riding conditions in the class of transportation provided, avoiding overcrowding and providing proper space for baggage and tools.

Producer will direct the employee that he must use the Producer's form of transportation to distant location. In those instances in which Producer purchases public air transportation to and from such location site, the Producer agrees to purchase tickets refundable only to Producer.

(b) Accommodations

Employees on distant location shall be entitled to single room housing when it is reasonably available.

38. Distant Location Conditions of Employment

On distant location sites in the United States and Canada, on production units originating from the County of Los Angeles where work subject to this Agreement which has historically and customarily been performed by employees of Producer subject to this Agreement is to be performed at such location site, the Producer shall assign person(s) covered by this collective bargaining agreement as required to perform such work except as otherwise provided below:

(a) When no work is to be performed which would otherwise be performed by employees covered by this Agreement;

(b) To operate small portable generators where the total amperage does not exceed two hundred (200) amps;

(c) In a geographical area where a different labor organization has established jurisdiction in its collective bargaining agreements covering work which would otherwise be covered by this Agreement; or

(d) When the Union grants a waiver upon the specific request of the Producer due to special or unique conditions or circumstances existing on the location. The Union will not unreasonably refuse to grant such a waiver consistent with historical custom and practice in the industry. In such event, the Producer will endeavor to determine the qualified persons in the locality of any of its location sites within the United States and Canada who are available at the location site to meet the employment requirements of the Producer for such location in the job classifications covered hereunder. Such persons are not subject to this Agreement.

Nothing in the foregoing shall serve to limit, reduce or otherwise affect the jurisdiction the Union has historically enjoyed in the motion picture industry nor change the obligations of Producer which have historically existed in the motion picture industry under prior collective bargaining agreements with the Union.

39. Travel Time, Work-and-Travel Conditions and Pay Provisions

(a) An employee (other than an "on call" employee) who is transported by airplane, train, bus or other private or common carrier by the Producer to distant location on any day of the week (including holidays) and who is not required to work on such travel day shall receive an allowance of four (4) hours of pay at straight time or pay for time traveled, whichever is greater, but in no event more than eight (8) hours of pay at straight time. "On call" employees who travel only to or from distant location shall be paid an allowance of one-sixth (1/6) of the scheduled minimum weekly "on call" rate for any day so traveled.

(b) No clause.

(c) Travel-and-Work or Work-and-Travel

Travel time within the minimum call shall be paid for as work time and computed towards the commencement of Golden Hours, but shall not be paid for at the Golden Hour rate. If travel time occurs outside the minimum call, it shall be deemed to be "work time," but shall not be used in determining the commencement of Golden Hours. However, travel time occurring outside the minimum call and between the hours of 6:00 p.m. and 6:00 a.m., when sleeping accommodations are provided, shall not be deemed to be travel time or work time.

For example - (applicable only when the minimum call is nine and one-half (9½) hours):

(1) On day of departure, employee travels ten (10) hours, then works five and one-half (5½) hours. All hours are deemed work time and fifteen (15) hours are computed toward Golden Hours.

(2) On day of return, employee works eight (8) hours and travels seven (7) hours. All hours are deemed work time but only nine and one-half (9½) hours are computed toward Golden Hours.

(d) Other Travel Provisions

(1) Distant location working conditions shall apply on the day of departure, day of return and intervening days.

(2) Local Travel Time

There shall be no deduction from work time for local travel time on distant locations. For the purposes of this Paragraph, "local travel time" is defined as the actual time consumed at the beginning and end of each day's work in transporting the employee to and from the housing base at distant location and the shooting site or place of work.

(e) Time Spent Waiting to Travel on Day of Departure from Distant Location

On the day of departure from a distant location, when sleeping accommodations at the location are not available to the employee after 9:00 p.m., time spent after 9:00 p.m. in waiting for transportation, when the minimum call is not in effect, shall be compensated for as an allowance.

(f) Travel Insurance

The Producer shall provide accidental death insurance in a sum not less than one hundred thousand dollars ($100,000) for the benefit of the employee's designated beneficiary when the employee is required to travel at the request of the Producer in transportation furnished by the Producer.

Employees shall be permitted to fill out a form specifying a beneficiary. Such form shall be filed with the designated representative of the Producer.

An employee, by refusing in good faith to travel by airplane, will not jeopardize his future working opportunities on assignments which do not require travel by airplane.

(g) Truck Travel

An employee required to ride a truck and assigned to and responsible for the care of the cargo in transit shall be deemed working and not traveling for the purposes of Golden Hours.

40. No Clause.

41. Call-backs (Daily Rest Period)

The daily rest period following dismissal shall be eight (8) hours on distant location.

When the daily rest period is invaded, intervening time of less than four (4) hours between dismissal and call-back for work shall be work time; intervening time of four (4) or more hours shall not be work time. When intervening time is less than four (4) hours, such time may be applied as part of the "call-back" guarantee. All employees are paid at their scheduled Regular Basic Hourly Rates.

Minimum Guarantees for "Call-backs" During Daily Rest Periods Following Dismissal		
Classification	Days other than Holidays or the Seventh Day Worked in an Employee's Workweek	Holidays and Seventh Day Worked in an Employee's Workweek*
Daily Employees	4 hours at 1½; 1½ thereafter	3 hours at double time; double time thereafter
Weekly Employees	½ minimum call	½ minimum call

*The above "call-back" guarantees for holidays and the seventh day worked in an employee's workweek do not apply when employee reports to work on such days within the appropriate daily rest period following dismissal from work starting on the previous day. In such event, the "call-back" guarantee is the minimum call in hours as specified in Paragraph 31.

41.1 Weekend Rest Period on Distant Location[6]

Paragraph 10.1 shall apply on distant location, except that the weekend rest periods on distant location shall be measured “set-to-set” or, if the employee is not employed on a set, “worksite-to-worksite,”

[6] If the production’s first workweek is a partial workweek, the weekend rest period shall apply as if it were a full workweek.

meaning the measurement for the weekend rest period shall commence upon dismissal at the set (or at the worksite) and end at call time at the set (or at the worksite).

42. No Clause.

43. Sixth Day Worked on Distant Location

Subject to any overtime requirements of this Agreement, the sixth day worked in an employee's workweek on distant location is a straight time day.

44. Golden Hours on Distant Location

(a) Travel time to be used in the computation of Golden Hours shall be subject to the following:

If travel time, with other than truck transportation as above provided in Paragraph 39(g), added to recesses (if any) immediately before and after such travel, totals less than eight (8) hours, such interval shall be deemed an "interruption" for the purposes of Golden Hours, but if such interval equals eight (8) or more hours, it shall be considered a "full daily rest period."

(b) The rate for Golden Hours, as defined in Paragraph 11(a)(1), for distant location employment shall be as follows:

(1) For such employment occurring on any day other than a holiday or the seventh day worked in an employee's workweek, two and one-half (2½) times the employee's scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (including meal periods) from the time of reporting for work and, effective February 13, 2022, three (3) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

(2) For such employment occurring on a holiday or the seventh day worked in the employee's workweek, five (5) times the employee's scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (including meal periods) from the time of reporting for work and, effective February 13, 2022, six (6) times the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours.

(c) In addition, Paragraphs 11(b), (c) and (e), as modified in this Paragraph, shall apply.

45. Meal Periods on Distant Location

(a) Meal periods (not counted as time worked) shall be not less than one-half (½) hour nor more than one (1) hour. The first meal period after reporting for work shall be called not later than six (6) hours after reporting for work, and subsequent meal periods shall be called not later than six (6) hours after the expiration of the previous meal period, except the interval prior to the last meal period of the day may be extended to six and one-half (6½) hours without penalty provided the employee performs no work on the shooting site after such meal. There will be a twelve (12) minute grace period, which is not to be a scheduled grace period, prior to imposition of any meal penalty.

(b) If an employee works less than nine and one-half (9½) hours on a shift, only one meal is to be deducted. If he works nine and one-half (9½) hours or more, more than one meal period may be deducted.

(c) (1) Prior to February 13, 2022, the meal penalty for delayed meals shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof.....$10.00

Second one-half (½) hour meal delay or fraction thereof.....$12.50

Third and each succeeding one-half (½) hour meal delay or fraction thereof.....$15.00

(2) Effective February 13, 2022, the meal penalty for delayed meals shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof.....$10.00

Second one-half (½) hour meal delay or fraction thereof.....$12.50

Third and fourth one-half (½) hour meal delay or fraction thereof.....$15.00

Fifth and each succeeding one-half (½) hour meal delay or fraction thereof.....$25.00

For any workweek in which an employee is entitled to more than twenty (20) meal period penalties, all subsequent meal period penalties for that employee in that workweek shall be compensated at

one (1) hour of pay at the prevailing rate for each one-half (½) hour of meal delay or fraction thereof.

Such allowance shall be in addition to the compensation for work time during the delay and shall not be applied as part of any guarantee.

(d) As an alternative to the provisions of subparagraphs (a) through (c) above as they relate to "on production" employees, the Producer, at its option, may institute "French hours" on a daily basis for "on production" employees, so long as a "French hours" system applies to all crew members. Meal time shall not be deductible.

46. Night Premiums on Distant Location

There are no night premiums on distant location.

47. Time Cards on Distant Location

Time cards shall be approved by a representative of the Producer. The employee's classification and wage schedule, starting and finishing time, deductible meal periods, rate changes and penalties, if any, shall be shown on his time card. Any items changed after time card is approved must be reviewed by the employee.

48. Clean-Up Facilities on Location

With respect to employees who are required by Producer to travel on public transportation on a work-and-travel day, upon completion of work on the day of departure from a location, the Producer shall make available two (2) rooms where members of the crew who performed manual work may change and wash up, unless rooms are not available as a result of circumstances beyond the Producer's control.

With respect to employees who are required by Producer to travel on public transportation on a work-and-travel day, upon completion of work at the studio on the day of departure, an adequate opportunity shall be afforded members of the crew who performed manual work to change and wash up.

If such opportunity and facilities are not so made available to such employee as required above, each such employee shall be paid, in addition to other compensation, an allowance at straight time for the length of the return travel time.

49. No Clause.

50. Other Working Conditions

Unless modified by Paragraphs 31 to 49 inclusive, all other studio working conditions shall prevail on distant location.

VII. GENERAL CLAUSES

51. Hazardous Work

The employee selected to perform hazardous work and Producer are to negotiate and agree upon a rate in advance for such work and, if no agreement is so reached, the employee will not jeopardize working opportunities by refusing to perform work that is considered hazardous. The employee may request the assistance of the Business Representative of the Union in such negotiations.

When an employee covered by this Agreement is working in close proximity and is exposed to the same hazard with the same degree of risk to which another employee covered by the IATSE Basic Agreement is exposed who has negotiated a hazardous pay adjustment, the employee covered by this Agreement is entitled to that same hazard pay adjustment. In all other hazardous work situations, the amount of such adjustment shall be the subject of individual negotiations.

If an employee is required to sign a waiver due to hazardous conditions for any state or governmental agency or owner of private property and refuses to sign such waiver, such employee may be replaced, but such refusal shall not limit such employee's future employment opportunities with Producer.

When Producer knows in advance that such a waiver is required, Producer will advise the Union of the situation.

52. Allowances for Hazardous Work

The following allowances shall be paid for hazardous work:

(a) For taking motion pictures on aerial flights or submarine diving, employee shall receive sixty dollars ($60.00) per flight or dive, but with a maximum of payment in a single shift of one hundred eighty dollars ($180.00).

(b) Any employee designated by Producer to work completely under water using a diving mask, air helmet or diving suit, including skin diving, will be paid a bonus of twenty-five percent (25%) of his rate

in effect at the time of such performance, except when the total time required by the employee to perform such work, including diving, is less than one (1) hour. The provisions of Paragraph 13 shall apply when such work is one (1) hour or more.

(c) Any employee designated and required by Producer to dive to a depth of fifteen (15) feet or more in water using a diving mask, air helmet or diving suit, including skin diving, will be paid an allowance of sixty dollars ($60.00) for each dive, with a maximum payment in a single shift of one hundred eighty dollars ($180.00). Such allowance shall supersede and replace the twenty-five percent (25%) bonus referred to in subparagraph (b) above.

When an employee is required to dive under water twenty (20) feet or more, he shall be accompanied by another diver.

53. Abnormally Cold or Wet Work

(a) Producer will provide suitable wearing apparel for abnormally cold or wet work.

(b) When required by Producer to work in water three (3) feet or more in depth for a period of an aggregate of at least four (4) hours during any workday, employee will be paid a fifteen percent (15%) bonus. The provisions of Paragraph 13 shall apply when such work is for four (4) hours or more.

54. Overscale Employees

Rates of pay of overscale employees shall not be reduced by reason of this wage agreement.

55. Nearby and Distant Locations

Producer will notify Union of locations and names of crew assigned thereto.

In addition, Producer will notify Union of the names of Production Van Drivers/Operators (Occ. Code Nos. 3524 and 4631) employed on nearby or distant locations under the Agreement with Studio Transportation Drivers, Local 399 and the names of the production(s) to which they are assigned.

Notice of same shall be given twenty-four (24) hours in advance for work on distant locations. For work on nearby location, notice shall be given as soon as practicable.

56. Promotions

In filling positions subject to this Agreement which may be vacated or created from time to time, the Producer will, as far as practicable, give preference to such employees on the Studio Seniority Roster who are currently employed by Producer who, in the Producer's opinion, are qualified to fill such positions.

56.1 Photographed Employees

When an employee subject to the terms of this Agreement is photographed in a directed scene in front of a motion picture camera, he shall be employed under the appropriate terms of the Actors' contract. This provision shall not apply to an employee photographed in "behind-the-scenes" photography.

57. Earnings Reports

At the end of each quarter, the Producer will submit a list of its employees subject to this Agreement, showing each employee's earnings for that quarter.

58. No Clause.

59. Studio Pass

The duly authorized Business Representative of the Union shall be furnished a pass to the studio. Such Representative shall be permitted to visit any portion of the studio, lot or ranch necessary for the proper conduct of the business of the Union during working hours. Such pass will permit driving the Representative's car into the Producer's studio, lot or ranch, provided such is the custom and practice.

60. Stewards

The Business Representative of the Union may appoint two (2) Stewards at each studio, lot and/or location to inspect all working conditions affecting the terms of this Agreement.

It shall be the responsibility of the Steward to settle minor grievances with the head of the department in which the grievance arises and, in the event such grievance cannot be adjusted, to notify the Business Representative. Any member so appointed shall be permitted to perform these duties, but such duties shall not unduly interfere with his work and he shall not leave his station without notifying his immediate supervisor.

Notwithstanding the provisions for layoffs and recalls contained in subparagraph (b) of Paragraph 68, **"Seniority,"** herein, such Steward shall not be laid off, or when on layoff shall be the first to be rehired, so long as there is work available for him in his department; provided that: such Steward is willing to do, and is qualified physically and possesses the necessary ability and skill for, the particular work to be performed; such Steward shall not have any such preference in layoff or rehire over the Department Head, if there is any in the unit, or over any employee classified and paid as a foreman, gang or shift boss or supervisory employee; Producer's right to discharge such Steward for cause shall not be limited in any manner by this provision. Such Steward shall be subject to the provisions of Paragraph 68, **"Seniority."** Such Steward shall not have such preference over employees who have been specially rehearsed or cued for a job, nor over persons operating specialized equipment.

Under this provision, only one (1) such Steward may be designated who will have such preference in layoff and rehire as provided above. This does not preclude the Union from appointing a second Steward, but such employee shall not be considered, in any manner whatsoever, a Steward hereunder for the purpose of preference in layoff and rehire, as above provided. The Union shall notify Producer in advance of any such appointment.

Subject to the above provisions, when additional employees are working on a project in the studio on which such additional employees will then be on overtime, or when additional employees are working on a project in the studio on the sixth or seventh day in the Steward's workweek or a holiday, Producer shall make a reasonable effort to offer such employment to such Steward when practical; provided, however, that such Steward is not then otherwise employed on another project which is not then completed and provided he has just completed his previous shift and is still on the studio premises.

A telephone shall be made reasonably available for the use by Stewards for official Union business.

61. <u>Gang Bosses</u>

(a) A Gang Boss is an employee subject to this Agreement who is assigned by the Producer or who is held responsible by the Producer for the supervision of other employees or who, at the Producer's discretion, is designated to take charge of a special project. The Producer will not unreasonably fail to designate a Gang Boss on jobs that require Gang Boss supervision. A Gang Boss may be required to work with journeymen tools or to work with other persons in the performance of his duties. The foregoing shall not apply when an

employee assumes the responsibility of supervising other employees on his own initiative and without the specific approval of the Producer.

(b) When an employee subject to the terms and conditions of this Agreement supervises one (1) or more Gang Bosses, he shall receive the Foreman's rate of pay.

(c) When the employer has assigned persons in a Gang Boss classification on a regular basis, the continuity of such supervision shall be maintained. When a regularly-assigned Gang Boss position is vacant during a vacation period or due to an illness of an individual for one day or more, a temporary substitute Gang Boss shall be assigned, except when the person(s) absent was receiving the Gang Boss rate as an overscale.

61.1 Rest Break

(a) Laboratory

Producers agree, for the laboratories only, to provide a rest break not to exceed twenty (20) minutes approximately midway in each four (4) hour period.

(b) Studio

Producers agree to a rest break not to exceed fifteen (15) minutes approximately midway in each four (4) hour period.

62. Leave of Absence

A regular employee's request for a leave of absence, not to exceed six (6) months, will be given consideration by the Producer and Producer will not unreasonably refuse to grant such a leave of absence for good cause, provided the employee's services can be reasonably spared. All such leaves of absence will be in writing. No such leave of absence will be extended beyond six (6) months, except for compelling reasons.

63. Implementation of Work Training and Apprenticeship Programs

The parties recognize the establishment and ongoing implementation of the Apprenticeship Programs for Journeymen Wireman and for Air Conditioning Repair Mechanics. The parties intend that the Apprenticeship Program for Journeymen Wireman and the three-year Apprenticeship Program for Air Conditioning Repair Mechanics shall continue to be conducted in accordance with current practice, including with a commitment to seek underrepresented

individuals for the Apprenticeship Programs pursuant to Article 35. In addition, the parties have agreed to establish a four-year Apprenticeship Program for Air Conditioning Repair Mechanics effective for apprentices beginning on or after August 1, 2007.

In order to encourage greater utilization of the Apprenticeship Program, the parties agree that one (1) apprentice may be employed for each three (3) journeymen. The Union will also establish a pool of apprentices from which the Producers may select. The Union also agrees to meet with foremen and supervisors to encourage the employment of apprentices.

CSATF shall contribute the full cost of each Apprentice in the Work Training Program, up to a maximum of $3,000 per year. In exchange for CSATF contributing the full cost, the parties agree that the Apprentice Wireman (Occ. Code No. 3730) wage rates (*i.e.*, for persons in the four-year apprenticeship program) will be reduced by seventy-five cents ($.75) per hour, after applying the applicable yearly increases and determining the appropriate percentage rates. Such work training and/or apprenticeship programs may be established and administered pursuant to the regulations promulgated by the State of California Department of Industrial Relations Division of Apprenticeship Standards or may be jointly administered under regulations to be established by the AMPTP and the Union.

In addition, Journeyman Electricians covered by this Agreement shall be cross-trained as drivers in order to be Production Van Driver/Operators.

Furthermore, work training programs may be established and administered under the auspices of CSATF in conformance with the affirmative action program with the Department of Labor and may be jointly administered under regulations to be established by the AMPTP and the Union.

The existing Apprenticeship Program Committee shall examine the need to establish a Sound Apprenticeship Program. Should the Committee find that a need exists for such a Sound Apprenticeship Program, it shall develop the curriculum and standards for such a program.

63.1 <u>Assignment of Apprentices</u>

Apprentices may be assigned to perform general maintenance work for which they are qualified without a journeyman present to supervise such work.

64. Subcontracting Out Covered Work

The Producer shall not contract out to any individual, firm, partnership or corporation any work covered hereunder which, as a matter of Producer's historical custom and practice, has been performed by persons covered hereunder, which work would otherwise be performed by available qualified personnel subject to this Agreement, without first engaging in a meaningful discussion with the Union (which may include, when practicable, a meeting at the Union's request) of the reasons for the subcontracting.

65. Safety

(a) It is agreed by the parties that too great an emphasis cannot be placed on the need to provide a safe working environment. In that context, it shall be incumbent on each employer (herein referred to as the Producer) to furnish employment and a place of employment which are safe and healthful for the employees therein; to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful; to do every other thing reasonably necessary to protect the life, safety and health of employees. Correspondingly, no employer shall require or permit any employee to go or be in any employment or place of employment which is not safe and healthful. In addition, every employer and every employee shall comply with occupational safety and health standards and all rules, regulations and orders pursuant to applicable laws which are applicable to his own actions and conduct; no person (employer or employee) shall remove, displace, damage, destroy or carry off any safety device, safeguard, notice or warning, furnished for the use in any employment or place of employment; no person shall interfere with the use of any method or process adopted for the protection of any employee, including himself, in such employment or place of employment.

(b) Rigid observance of safety regulations must be adhered to and willful failure of any employee to follow safety rules and regulations can lead to disciplinary action including discharge; however, no employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life or limb, or for making a good faith report to his or her supervisor, the Department Head or the Unit Production Manager relating to the safety of another employee exposed to a clear and present danger to life or limb. No set of safety regulations, however, can comprehensively cover all possible unsafe practices of working. The Producer and the Union therefore undertake to promote in every way possible the realization of the responsibility of the individual employee with regard to preventing accidents to himself or his fellow employees. For

purposes of this subparagraph (b), the question whether an employee has made a report in good faith is subject to the grievance and arbitration procedure set forth in Article 7 of this Agreement.

(c) It is also agreed that when unresolved or continuing disputes exist regarding Safety and Health compliance, noncompliance or interpretation therein of Title 8, Chapter 4, Subchapter 7, General Industry Safety Orders, said disputes shall be referred to the AMPTP and CSATF-administered Labor-Management Safety Committee for review, investigation, interpretation and advisory recommendations to the Employer(s). It is understood that it is not the responsibility of the Safety Committee, or any member of the Committee, the IATSE or its Local Unions, the Basic Crafts, CSATF or the AMPTP to implement or comply with any such recommendations.

(d) The Labor-Management Safety Committee shall meet at least once a month.

(e) The cost of the Labor-Management Committee will be borne by CSATF.

(f) A separate bulletin shall be issued by the AMPTP to provide the following:

(1) The Producers reaffirm their commitment to regularly inspect the studio working areas and to establish preventive maintenance procedures to assure safe working conditions.

(2) Complaints of unsafe conditions will be promptly investigated by the Producer and appropriate action will be taken if the Producer finds that an unsafe condition does exist.

(3) Each Producer will designate an individual as the responsible safety officer for its respective studio, facility, laboratory or location site. Except on location, each safety officer will have a well-publicized "hot-line" phone number which employees can anonymously call to alert management to any existing safety problems which may require correction.

(4) The Producers will provide access to all working areas to the Safety Director of CSATF so that he will periodically inspect same.

(5) Communication regarding safety policy will be made available to all affected employees directly or by posting on bulletin boards.

65.1 Safety Issues

All safety issues shall be submitted to the Film Processing Laboratory Health and Safety Committee.

65.2 Physical Examinations

Annual physical examinations of film processing laboratory employees covered by this Agreement shall be administered through CSATF.

66. No Clause.

67. Relieving Daily Schedule Employees on Shooting Unit

Daily Schedule employees working with a shooting unit shall not be relieved for the purpose of avoiding overtime. Provided, however, when it is anticipated that the shooting unit will work into Golden Hours, the workday on such shooting unit may be divided into shifts and substitute employees may be called to relieve such employees on such shooting unit, provided such substitute employees are guaranteed a minimum call for work.

67.1 Foremen and Supervisory Employees

Notwithstanding anything contained in the Constitution and By-laws of the Union, or in the obligation taken by a person upon becoming a member of the Union, or otherwise, which directly, indirectly or impliedly places upon a foreman (or any person who is a supervisory employee within the meaning of that term as set forth in the Labor Management Relations Act of 1947, as amended), the duty or obligation to accord an unlawful employment preference to members of the Union, such foreman or supervisory employee shall not give or recommend any unlawful employment preference and the Union shall not in any manner discipline or threaten with discipline any such foreman or supervisory employee for failing or refusing to give or recommend any such unlawful employment preference.

67.2 Non-Discrimination

The parties agree to continue to comply with all applicable federal and state laws relating to non-discriminatory employment practices.

Except for those disputes described in footnote 1 to the first paragraph of Article 7, disputes arising under this provision are not subject to the provisions of Article 7, **"Grievance and Arbitration Procedure;"** such disputes are instead subject to non-binding mediation.

67.3 Documentaries and Industrials

The Producers and the Union will endeavor to arrive promptly at an agreement making provision for the problems encountered in producing documentaries, industrials and educationals under this Agreement.

68. Seniority

(a) Maintenance of the Seniority Roster

The Producer has established and will maintain a seniority roster composed of those employees who were on the Seniority Roster as of August 1, 2021 and those employees who are subsequently placed on such Seniority Roster in accordance with the provisions of Paragraph 68(e). Notwithstanding anything in this Paragraph 68 to the contrary, the number of slots available on each of the separate Seniority Rosters identified in subparagraph (e) of this Paragraph 68 shall be limited to that number in existence on August 1, 1991 for such respective separate seniority roster.

Each employee placed on the Seniority Roster prior to August 1, 1991 shall be listed on the Seniority Roster in the calendar year of his original employment with Producer, or the calendar year in which the employee completed the one hundred fifty (150) day work experience requirement under prior Local 40 Agreements, whichever is applicable. Each employee placed on the Seniority Roster after August 1, 1991 shall be listed on the Seniority Roster in the calendar year in which he is placed on the Seniority Roster. All persons classified in the same calendar year shall have equal seniority.

The maximum seniority credit to any employee as an employee of Producer prior to August 14, 1948 shall be eleven (11) calendar years. All such employees with seniority of eleven (11) or more calendar years shall be placed in the seniority calendar year of 1937. Any employee with less than eleven (11) calendar years of service shall be placed in the seniority calendar year of his original employment with Producer. For example, if he was so employed in 1939, he shall be classified in the seniority calendar year of 1939.

In determining such seniority year in which an employee shall be classified, any employee who has had a break of six (6) or more consecutive months in his employment with the Producer since the year 1937 (except for military service and for absence from work for a *bona fide* illness, which for this purpose shall be disregarded) shall be classified in the calendar year in which he is first employed by the Producer after the termination of the most recent break of six (6) or more consecutive months of employment with the Producer. Such year of

classification shall be deemed the year of his "original employment with Producer" for the purposes of this Paragraph 68. When claims for credit of time are made on account of a *bona fide* illness, the burden of proving such illness is on the employee.

(b) Layoffs and Recalls

Seniority shall prevail in layoffs and recalls to work, subject to the following exceptions and subparagraph (f) below. First preference of employment in calling and recalling to work shall be given to available qualified persons on the Seniority Roster who are classified in the earliest seniority calendar year, in the order listed; then, next, to employees who have completed the one hundred fifty (150) day work experience requirement needed to qualify for studio seniority but who have not yet been placed on the Seniority Roster. Thereafter, preference shall be given in accordance with the provisions of Paragraph 68(e).

In the event of layoffs, Producer shall lay off employees as follows: first, all employees hired pursuant to Paragraph 68(e) shall be laid off; then, next, such employees who have completed the one hundred fifty (150) work days required to obtain Studio Seniority but who have not been placed on a Seniority Roster; then, in the order listed, those employees on the Seniority Roster classified in the most recent seniority calendar year.

Employees on location may be retained out of seniority until the return of the company to the studio. Such employees shall be governed by the regular seniority provisions for layoff (including the application of the above exceptions) upon the completion of their special assignment.

(c) Discharges

(1) Discharges shall not be affected by the seniority provisions of this Agreement.

(2) Before an employee is discharged or given a disciplinary suspension, the Producer will meet with a representative of the Union before the employee's next shift if possible. A telephone conversation shall be considered a meeting and a Shop Steward shall be considered a representative of the Union.

(d) Superannuation

Employees who have had a seniority status of ten (10) or more years with the Producer and who are unable to fulfill normal working requirements by reason of any infirmity or incapacity may be placed upon a superannuated list for employment by the Producer at

wage scales and working conditions for such persons negotiated between the Producer and the Union.

In such cases, employees affected may protest such classification to the Director of Industrial Relations of the Producer or to the Director of Industrial Relations together with any other executive designated by Producer, and the decision of management shall be final, and such dispute is not subject to the grievance procedure set forth in Article 7 of this Agreement for the settlement of disputes.

Nothing contained in this section relating to superannuation shall in any manner whatsoever affect or limit the Producer's rights as provided in subparagraph (c) of this Paragraph 68 relating to discharges.

(e) Preference of Employment to Persons having Experience in the Motion Picture Industry

The Producer will give preference of employment in Los Angeles County in the job classifications covered by this Agreement to persons having six (6) months experience in any job classification hereunder in the motion picture industry in Los Angeles County.

When additional help is needed, the Producer will call and advise the Union of the open position and the skill and qualifications required. The Union shall advise the Producer of persons available for such work, as has been the practice over the years in the industry. The Producer may interview such available persons to determine their qualifications prior to hiring. In the event such persons are not deemed to be qualified in the opinion of the Producer, or are insufficient in number or unavailable to meet the employment requirements of the Producer, the Producer may secure employees from any source. If such persons do not, in the opinion of the Producer, possess sufficient skill and ability to perform the job for which they were hired, the Producer retains the right to discharge or lay off such persons.

Such persons shall be referred by the Union without discrimination because of or lack of Union membership.

Transfer to the Seniority Roster

The Producers will establish and maintain separate seniority rosters effective August 1, 1979 for the following categories of employees:

(1) Air Conditioning
(2) Electrical
(3) Sound
(4) Laboratory

As of August 1, 1991, any employee hired under this Agreement shall be required to have completed one hundred fifty (150) days of work for the Producer within a twelve (12) month period in order to be eligible for Seniority Roster status. When a slot on the appropriate Seniority Roster becomes available, the person who has first satisfied such work requirement shall be entitled to be placed on the Seniority Roster. Such person shall be assigned a seniority year based upon the calendar year in which he was placed on the Seniority Roster.

Until such an employee has been placed on such Seniority Roster, he shall have equal preference of employment with all other employees who have satisfied such one hundred fifty (150) day work experience requirement who have not been placed on the Seniority Roster.

Until an employee has satisfied the above work experience requirement, he shall have no seniority rights under this Agreement.

Incidental Work Duties

Notwithstanding anything in this Paragraph 68 to the contrary, an employee covered hereunder may perform work covered by a separate seniority roster in which he does not have seniority if such work is incidental to the employee's overall function and the employee is qualified to do such work. However, this provision shall not be used to displace an employee on payroll who is on the seniority roster covering such work.

(f) Hiring, Layoff and Rehire

In administering hiring, layoff and rehiring within the four (4) separate seniority rosters established August 1, 1979, as referred to in subparagraph (e) above, the Producer, upon giving advance notice to the Local Union, may (1) call, retain or recall out of Studio Seniority status an employee because of his special studio experience, skill and qualifications for the duties and/or equipment necessary for operation; or (2) call or recall, and thereafter retain, out of Studio Seniority status an employee because there are insufficient qualified available persons in the Seniority Roster as above provided.

In the event that it is not possible for the Producer to give such advance notice to the Local Union, Producer may so call, retain or recall out of Studio Seniority status, as above provided, but shall notify the Local Union as soon as possible thereafter. If no protest is presented to Producer by the Union Representative within twenty-four (24) hours after receipt of such notice, Saturdays, Sundays and recognized holidays excepted, the protest shall be deemed to be waived. If the Union shall protest, the Union Representative shall promptly discuss with the

Director of Industrial Relations of Producer the application of such exception and settle the dispute if at all possible.

In the event of a failure to settle the dispute in the discussion, as provided above, the matter shall be subject only to the expedited arbitration procedure provided for in Article 7, and shall be heard within three (3) working days from the time of notification by the Union to CSATF of the failure to settle such dispute. Such procedure shall be limited as herein provided. Failure or refusal of such representative of either party to meet at the appointed time shall constitute an automatic and final withdrawal or approval of the protest, as the case may be.

If, in such expedited arbitration procedure, it is determined there was no need so to call, retain or recall an employee out of Studio Seniority status, the arbitrator may require Producer to forthwith employ a person in Seniority status. If the matter is so determined, the individual may be immediately awarded back pay, if any, but in no event more than three (3) days back pay. No other penalty may be imposed on the Producer. The decision in such expedited arbitration shall be final and binding and the expedited arbitrator's authority to decide shall be limited to the issue and remedy herein provided. The above procedure shall be the exclusive remedy for any dispute arising under this Paragraph and such dispute shall not be subject to the provisions of Article 7 of this Agreement.

Any employee laid off out of Seniority status under these circumstances shall be the first rehired for his normal employment. Such employees shall be governed by the regular Seniority provisions for layoff (including the application of the above exceptions), upon the completion of their special assignment.

With respect to recalls, the Producer's call record shall be proof of the fact that such person is called and said call record shall be available for inspection by the Union.

(g) Removal from Seniority Roster

(1) An employee shall be removed by Producer from the Seniority Roster for any of the following reasons:

(i) Discharge by the Producer for cause. Producer will immediately notify employee and Local Union, and will reduce the cause for discharge into writing and mail or deliver to the employee and the Local Union and CSATF. In the event the discharge is not protested in writing within ten (10) calendar days from receipt by the Union of notice (excluding Saturdays, Sundays and holidays), the discharge shall be deemed to be for cause and shall not be subject to the grievance procedure hereunder or any other procedure. If such protest is made

within such ten-day period, it shall immediately be submitted to Step One of the grievance procedure in Article 7. Either party may, within the time provided in Step One, elect to go through either (A) Step Two and Step Three of the grievance procedure, or (B) directly to expedited arbitration. The selection by either party of expedited arbitration shall prevail. After three (3) such discharges for cause by signatory Producers under the above procedure, the employee and the Union shall be notified that the name of such employee is being automatically removed from all such rosters in the industry.

(ii) Voluntary resignation. The Union shall be notified of the employee's action.

(iii) Not hired or laid off and not rehired, under the terms and conditions of this Agreement, within a period of nine (9) consecutive months.

(iv) Absence because of illness exceeding one year, provided Union receives written notice before the employee is taken off the Roster.

(v) Retirement under the Motion Picture Industry Pension or private company pension plan; however, the employer may employ such employee as though he had not been removed from such roster.

(vi) Death.

(vii) Refusal to accept work offered by Producer, unless:

(A) he is currently employed elsewhere in the motion picture industry, or

(B) for any other reason approved by Producer in writing.

(viii) Unauthorized Leave of Absence

Absence from work with Producer due to a *bona fide* illness shall not terminate seniority, but the burden of proving such illness shall be on the employee.

(2) A person on the Studio Seniority Roster who fails to complete successfully legally-required industry safety courses within six (6) months after placement thereon (except that effective February 13, 2022, online courses must be completed within ninety (90) days after placement), or refresher Safety Pass training and/or harassment

prevention training by a date scheduled by CSATF, or a "hyphenate" driver/electrician who fails to renew all required forklift certifications within six (6) months after notice by CSATF of the recertification deadline, shall be suspended from the Studio Seniority Roster. During the time the person is so suspended from such Roster, the Producer is not obligated to call such person. Such person shall be reinstated to his former position on the Roster upon successful completion of said courses and/or training or upon renewal of all required forklift certifications, as applicable.

(h) Apprentices

(1) The foregoing provisions of Paragraph 68 shall not apply to Apprentices employed hereunder, except as specifically provided below.

(2) Producer shall establish separate studio seniority rosters for Apprentices in the following categories of employees: (i) Air Conditioning and (ii) Electrical, subject to this Agreement, and such Apprentices shall have studio seniority and preference of employment with the Producer only, as Apprentices, in accordance with the provisions of Article XII of the Apprenticeship Agreement.[7] The seniority of Apprentices shall be separate and apart from the seniority of any other classification in this Agreement. On the other hand, the seniority provisions applicable to the other classifications in this Agreement shall be separate and apart from the seniority applicable to Apprentices, as such.

(3) Only the following subparagraphs of this Paragraph 68 shall apply to Apprentices: subparagraphs (b), (c), (f) and (g).

(i) Eligibility and Availability

(1) In order for any eligible person to be placed on the Seniority Roster of Producer, such person shall make written application to be placed on such Roster on application forms provided for such purpose.

Satisfactory completion of the "A" safety training course and the harassment prevention training course through CSATF is required for placement on the Seniority Roster and to reflect as eligible for employment on the "online roster" maintained by CSATF.

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[7] The seniority standards are no longer set forth in Article XII. The Joint Apprenticeship Committee is currently drafting a new document setting forth those standards (including the agreement memorialized in the May 15, 2002 letter (attached as a sideletter hereto)), and the parties have agreed to change this reference at such time as the new seniority standards document has been completed and the bargaining parties have confirmed that the document accurately reflects the parties' agreement concerning placement of Apprentices on the Journeyman Studio Seniority Roster.

Any person claiming to have fulfilled the Seniority Roster requirements shall have the burden of establishing and proving such claims.

(2) With respect to calls for work, the Producer's call record shall be *prima facie* evidence of the fact that such person was called and said call record shall be available for inspection by the Union. Any person called to work shall be given a reasonable time to report.

(3) A person on the Producer's Seniority Roster who is called for work and is properly unavailable for work may be temporarily removed from such Roster until he notifies the Producer of his availability. During the time the person is so temporarily removed from such Roster, the Producer is not obligated to call such person.

69. Substituting for Department Head

Whenever the Producer designates an employee to substitute for a department head or assistant department head, for periods of time such as vacations, extended leave of absence or prolonged illness, such employee will be paid, during the substitution period, at the highest weekly rate in the wage schedule applicable to the classification in which the substitution occurs or, if the relieving employee is then receiving such highest weekly rate, he shall receive as additional compensation a bonus of fifteen percent (15%), but in no case more than the current rate of the person for whom he substitutes.

70. Reporting of Accidents

The nature and place of hospitalization of all accident cases requiring hospitalization shall be reported to the Union as soon as practicable after the accident. An employee who is injured while at work hereunder shall be credited with not less than a minimum call on the day of such injury.

71. Employees in the Armed Services

Recognizing the moral and legal responsibility to the employees subject to this Agreement who have entered into the Armed Services, the Producer and the Union agree that they have a joint responsibility (subject to the then-existing statutes) in the reinstatement of such employees to the jobs such employees held prior to their entry into the Armed Services.

Producers and the Union agree that employees temporarily holding such jobs will be displaced by such returning employees.

72. Vacations

Vacations with pay will be allowed as follows:

(a) Daily Schedule Employees

(1) Vacation pay for a person employed solely under a Daily Schedule shall be computed at the rate of four percent (4%) of total annual earnings for those hours worked at straight time, including hours worked on night premiums at straight time and hours paid as vacation time, during the employee's personal income tax reporting year.

(2) Employees must actually take time off from work for paid vacations in accordance with the following schedule:

For Daily Schedule Employees	
Straight time hours worked in preceding year:	Straight time working days required to be taken off:
1,928.0 and over (inclusive)	10
Between 1,734.4 and 1,927.9 (inclusive)	9
Between 1,540.8 and 1,734.3 (inclusive)	8
Between 1,347.2 and 1,540.7 (inclusive)	7
Between 1,153.6 and 1,347.1 (inclusive)	6
Between 960.0 and 1,153.5 (inclusive)	5
Between 766.4 and 959.9 (inclusive)	4
Between 572.8 and 766.3 (inclusive)	3
Between 379.2 and 572.7 (inclusive)	2
Between 185.6 and 379.1 (inclusive)	1
185.5 and under (inclusive)	0

Employees with 50% Additional Vacation Pay (See (e) below)	
1,888.0 and over (inclusive)	15
Between 1,761.6 and 1,887.9 (inclusive)	14
Between 1,635.2 and 1,761.5 (inclusive)	13
Between 1,508.8 and 1,635.1 (inclusive)	12
Between 1,382.4 and 1,508.7 (inclusive)	11
Between 1,256.0 and 1,382.3 (inclusive)	10
Between 1,129.6 and 1,255.9 (inclusive)	9
Between 1,003.2 and 1,129.5 (inclusive)	8
Between 876.8 and 1,003.1 (inclusive)	7
Between 750.4 and 876.7 (inclusive)	6
Between 624.0 and 750.3 (inclusive)	5
Between 497.6 and 623.9 (inclusive)	4
Between 371.2 and 497.5 (inclusive)	3
Between 244.8 and 371.1 (inclusive)	2
Between 118.4 and 244.7 (inclusive)	1
118.3 and under (inclusive)	0

(b) "On Call" Weekly Employees (including combinations of Weekly and Daily Schedule employment):

*Straight Time Days Worked in Preceding Year	Days of Vacation With Pay in Succeeding Year
Over 200	10 (maximum)
Between 181 and 200	9
Between 161 and 180	8
Between 141 and 160	7
Between 121 and 140	6
Between 101 and 120	5
Between 81 and 100	4
Between 61 and 80	3
Between 41 and 60	2
Between 21 and 40	1
**20 and under	0

*For vacation purposes only, full six-day weekly schedule workweeks on distant location shall be credited as five (5) days worked. In addition, one workday shall be counted for each paid vacation day.

**Employees who are employed less than twenty-one (21) days and who do not qualify for a day's vacation pay under this provision shall be paid vacation pay as follows:

Daily Schedule Employment: 4% of straight time earnings including hours worked on night premiums at straight time.

Weekly Schedule Employment: 4% of guaranteed weekly earnings.

(c) To determine, for vacation purposes, the number of days worked in any workweek, the following formulae shall be used:

(1) Daily Schedule Employees (who also worked under a weekly schedule in the preceding year):

Studio Employment

$\frac{5}{40}$ x Total hours worked at straight time (including hours worked on weekday night premiums) to a maximum of forty (40) hours.

(2) Cumulative Weekly or "On Call" Weekly Employees:

Days worked are equal to the number of minimum calls paid for days other than sixth or seventh days worked in the employee's workweek, subject to the provisions of Paragraph 72(b)*, above.

(d) To determine, for vacation purposes, the rate at which each vacation day shall be paid, the following formulae shall be used:

(1) Daily Schedule Employees (who also worked under a weekly schedule in the preceding year): One (1) day is equal to eight (8) hours average pay at straight time.

(2) Cumulative Weekly Schedule Employees: One (1) day is equal to one-fifth (1/5) of average weekly earnings limited each week to the hours specified under the employee's Weekly Wage Schedule.

(2.1) Combination Daily and Weekly Schedule Employees: One (1) day is equal to average daily pay based on total earnings as computed under subparagraphs (1) and (2) above, divided by total number of days worked.

(3) Rates of pay shall be those in effect during the year in which the vacation is earned ("preceding year").

(4) "On Call" Weekly Schedule employees: One (1) day is equal to pay of one-fifth (1/5) of the weekly rate in effect at start of vacation.

(e) Additional Vacation Provisions

The following additional vacation provisions shall apply to Weekly or Daily Schedule employees who meet the necessary eligibility qualifications:

(1) Eligibility Requirements

Commencing with vacations earned in the year 1979 and payable in the year 1980 and thereafter, eligible employees shall be those employees who actually worked for Producer for eight (8) consecutive "eligible" years, with an aggregate of not less than 1,600 "straight time" days worked with Producer in such eight (8) years.

As used in this provision, the term "year" shall mean the employee's personal income tax earnings year (also hereinafter referred to as "tax year"); the term "eligible year" shall mean a tax year in which the employee worked one hundred (100) or more "straight

time" days for Producer;[8] the term "straight time" days shall be deemed to include the five (5) or six (6) days of employment, as the case may be, specified under the respective five (5) or six (6) day cumulative weekly schedules.

Any tax year in which the employee actually works less than one hundred (100) "straight time" days for Producer shall be excluded in computing the required eight (8) "eligible" tax years, and the "straight time" days worked in such year shall not be counted in computing the required aggregate of 1,600 "straight time" days to be worked in such eight (8) tax years.

Employees who fail to work more than one hundred (100) "straight time" days for such employer in each of any two (2) consecutive tax years shall, at the end of such second year, be considered new employees hereunder with no previous employment credit with Producer for the purpose of establishing the above eligibility requirements. Provided, however, that in determining such two (2) consecutive years, no year shall be included (and the "straight time" days worked in such year shall not be counted for any eligibility purposes hereunder) in which the employee could not work one hundred (100) "straight time" days for Producer due to either or both of the following:

(i) The period of recorded leaves of absence granted by Producer;

(ii) For the period during which the employee was absent and physically unable to work for Producer solely as a result of an "industrial accident" occurring to such employee while employed by Producer.

(2) Vacation Days and Pay

Commencing with October 26, 1955, such weekly or daily employees who become eligible on or after such date, as above provided, shall, beginning with the date they so become eligible, earn with Producer fifty percent (50%) more in vacation time and money based upon the applicable weekly or daily employee[9] vacation schedule

[8] The term "eligible year" shall be applied in the following manner with respect to calendar year 1988 to take account of the WGA strike: As to calendar year 1988 only, an employee shall be deemed to have an "eligible year" if he has worked at least seven-twelfths (7/12) of the number of days otherwise required under Paragraph 72(c) to attain an eligible year. Thus, any employee who has worked 58 or more "straight time" days for Producer during calendar year 1988 shall be deemed to have an "eligible year" for purposes of the additional vacation provision.

[9] Vacation pay for such employee employed solely under a daily schedule shall be computed at the rate of 6.2762% instead of 4% as set forth in subparagraph (a)(1), above, of this Paragraph 72.

set forth above; any such employee shall be limited to earning a maximum of only fifteen (15) days vacation per year. Provided, that for the remainder of any such tax year in which such an employee becomes eligible, he shall only earn additional vacation time and money, as above provided, based solely on the "straight time" days he worked for Producer after he so became eligible and within the remaining portion of each year, to be computed separate and apart at the rate of one-half of the vacation benefit specified under the above applicable daily or weekly vacation schedule.

(3) Loss of Eligibility

Employees who become eligible, as above provided, but who thereafter either resign from employment with Producer or fail to work for Producer more than one hundred fifty (150) "straight time" days[10] in any one tax year shall, as of the last day of such tax year or, in the case of resignation, the date of such resignation, lose such eligibility and right to earn the additional vacation days and pay above provided; in such event, they shall thereupon be considered new employees hereunder with no previous employment credit with Producer for the purpose of subsequently establishing the above eligibility requirements.

In determining whether any employee loses his eligibility for failure to work for Producer more than one hundred fifty (150) "straight time" days in a tax year, as above provided, no such year shall be counted for this purpose in which the employee could not work at least one hundred fifty-one (151) "straight time" days for Producer due to either or both of the following:

(i) The period of recorded leaves of absence granted such employee by Producer;

(ii) The period during which such employee was absent and physically unable to work for Producer solely as a result of an "industrial accident" occurring to him while employed by Producer.

(4) Eligibility Credit

For the purposes of determining "eligible" years and "loss of eligibility" only, as above provided, employees who leave the employ of Producer to perform military service and who remain in the Armed Forces of the United States in accordance with the applicable National Selective Service Act (or other subsequently enacted comparable national legislation then in effect pertaining to such service), shall be credited as having worked for Producer the number of

[10] For purposes of calendar year 1988, the "more than one hundred fifty (150) 'straight time' days" requirement shall be reduced to "More than eighty-eight (88) 'straight time' days" to take account of the WGA strike.

applicable days the employee would normally have been employed by Producer for "straight time" days in each workweek of the period of such service.

(f) Daily and Weekly Schedule Employees

(1) Vacations are earned in one personal income tax earnings year and are paid for in the succeeding calendar year.

(2) Vacations shall not be cumulative between calendar years and shall be taken at times approved by the Producer.

(3) Days that would otherwise constitute the sixth or seventh day worked in the employee's workweek and holidays occurring during vacation periods are not counted as days granted.

(4) When any portion of the vacation period is less than a full payroll week, by mutual agreement between the Producer and the employee, the Producer may grant leave of absence without pay for the remaining fractional portion of the payroll week.

(5) Eligible employees who are no longer employed at the beginning of the calendar year in which their vacation pay for the preceding year is payable may obtain such vacation pay at any time subsequent to March 15 by notifying the Producer of their desire to obtain such vacation pay. Such notice shall set forth a date on or subsequent to the date of notice for the commencement of the period to which such vacation pay shall apply. The designation of such commencement date shall be at the sole discretion of such employees, and the Producer agrees to pay such employees the vacation pay due on or prior to such commencement date, but in no event shall the Producer be obligated to make such payment prior to March 15.

(6) In the event of a layoff, an employee eligible for vacation shall not be required to take vacation at time of layoff.

(7) Each eligible employee shall, if he so desires, submit to his department head, prior to June 1st, three (3) vacation dates in the order of his preference. In the event that none of the three (3) preferential dates is granted, the department head may establish date of vacation if conditions permit. However, he shall give any such employee not less than one week's notice as to date of vacation unless, upon the request of the employee, it is otherwise mutually agreed. Employees who do not submit preferential dates shall receive vacations on dates subject to the discretion of the department head.

(8) Producer shall pay an eligible employee his vacation pay check not later than noon of the pay day preceding the

commencement day of his vacation, provided the employee has made a request to Producer for such vacation check at least one week prior to such pay day preceding the commencement of such vacation.

(9) If a successor company buys out Producer and continues the operation of Producer's studio, and if the buying company continues the employment at the studio of an employee of Producer, such employee shall retain with the buying company his appropriate vacation pay experience credit accrued with the selling company. If such employee is not so continued in employment by the buying company, then only Producer is responsible for any vacation pay due the employee at the time of his termination. If such employee is offered employment by the buying company, but elects not to continue his employment with the buying company, he shall be entitled to his accrued vacation pay from Producer.

(10) Presentation of Claim for Vacation Pay

(i) Producers that currently pay for vacations on a weekly basis shall continue to adhere to their existing practice. Producers that currently pay for vacations pursuant to subparagraph (ii) below may instead elect on a production-by-production basis to pay on a weekly basis.

(ii) Producers that currently make vacation payments at the end of the calendar year shall elect one of the following procedures for employees on layoff and for employees on payroll:

(A) With respect to employees on layoff:

(1) On or after March 15 of the year following the calendar year in which vacation pay was earned, the Producer shall either:

(a) mail or deliver to such employee his vacation pay; or

(b) notify each such employee that he should claim his vacation pay pursuant to the provisions of this Agreement.

(2) In the event the Producer mails the employee's vacation paycheck and it is returned or if the employee fails, within thirty (30) days following the date of mailing of the notice referred to in subparagraph (ii)(A)(1)(b) above, to claim his vacation pay, the Producer shall notify the Union of the names of those employees who have not claimed vacation pay. In the case of

employees whose checks were returned, the Producer shall also forward the returned check(s) to the Union.

(3) The Union shall endeavor to locate any employee who has not claimed his vacation pay. If it does so, it shall forward to the employee his check or otherwise advise the employee of the department of the Producer to contact to claim such pay.

(4) If the Union is unable, within thirty (30) days following its receipt of the notice referred to in subparagraph (ii)(A)(2) above, to locate such employee(s), the Union shall so advise the Producer and return any unclaimed check(s) to the Producer.

(5) On or about March 15 of the second calendar year following the year in which vacation pay was earned ("the second calendar year"), employees who have not claimed their vacation pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Motion Picture Industry Pension Plan. On or about May 15 of the second calendar year, Producer will furnish to the Union a list showing the names of those employees who have not claimed vacation pay and the amount of vacation pay due to each, together with a notice that unless claimed by July 15, such vacation pay will be sent to the Motion Picture Industry Pension Plan.

(6) On or about July 15 of the second calendar year, unclaimed vacation pay will be contributed to the Motion Picture Industry Pension Plan and credited to the appropriate employee pension plan account. Money so contributed shall not be returned to the employee and shall fully discharge the Producer's and the Union's obligations hereunder to the employee with respect to the payment of vacation pay.

(B) With respect to employees on payroll:

(1) On or after March 15 of the year following the calendar year in which vacation pay was earned, the Producer shall either:

(a) mail or deliver to such employee his vacation pay; or

(b) notify each such employee that he should request vacation pay pursuant to the provisions of this Agreement and schedule his vacation according to this Agreement.

(2) In the event the employee fails to request such vacation pay and/or to schedule his vacation within thirty (30) days after the date of mailing of the notice referred to in

subparagraph (ii)(B)(1)(b) above, the Producer shall notify the Union of the names of those employees who have not claimed such pay.

(3) The Union shall, within thirty (30) days after receipt of the notice referred to in subparagraph (ii)(B)(2) above, endeavor to notify the employee and advise him to schedule his vacation.

(4) On or about March 15 of the second calendar year, employees who have not claimed their vacation pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Motion Picture Industry Pension Plan. On or about May 15 of the second calendar year, Producer will furnish to the Union a list showing the names of those employees who have not claimed vacation pay and the amount of vacation pay due to each, together with a notice that unless claimed by July 15, such vacation pay will be sent to the Motion Picture Industry Pension Plan.

(5) On or about July 15 of the second calendar year, unclaimed vacation pay will be contributed to the Motion Picture Industry Pension Plan and credited to the appropriate employee pension plan account. Money so contributed shall not be returned to the employee and shall fully discharge the Producer's and Union's obligations hereunder with respect to the payment of vacation pay.

(iii) New signatory Producers shall adhere to the practice of paying vacation pay currently on a weekly basis unless other arrangements are made by them with the Basic Crafts Unions.

73. Jurisdictional Disputes

The Union agrees to cooperate in good faith with the Producer and other Local Unions in the industry in working out a method for the determination of jurisdictional disputes without work stoppages. Appropriate clauses shall be incorporated in this Agreement to cover any method or means that shall be agreed upon.

74. Severance Pay

(a) General

(1) (i) An employee employed by the Producer under this Agreement or its predecessor agreements for one or more qualified years (as defined in subparagraph (f) hereof) whose employment is severed after August 1, 2021; or

(ii) An employee who had at least one (1) qualified year (as defined in Paragraph 68(f) of this Agreement) as of August 1,

1985 who has made the required application for retirement to the Motion Picture Industry Pension Plan at least sixty (60) days prior to retiring or has made the required application for retirement to any private retirement plan referred to in Article XV of the Trust Agreement of the Motion Picture Industry Pension Plan and who retires

shall receive the applicable severance pay set forth below (as modified by subparagraphs (c) and (d) hereof) unless such employee is disqualified for severance pay purposes pursuant to subparagraph (e) hereof.

Qualified Years	Number of Weeks of Severance Pay
1 - 2	1
3 - 4	2
5 - 8	3
9	4
10	5
11 - 12	6
13 - 14	7
15	8
16	9
17	10
18	11
19	12
20	13

The rate at which severance pay is payable shall be determined in the same manner as the rate at which vacation pay is determined under the vacation pay provisions of this Agreement; provided, however, that the base period used in computing the employee's average earnings shall, for the purpose of severance pay, be based on the twelve (12) consecutive month period ending on the date of severance, instead of the employee's personal income tax earnings year used in computing vacation pay.

(2) Ninety (90) elapsed days after severance occurs such employee shall be entitled to:

(i) one (1) week of said severance pay if he has two (2) or less qualified years as of date of severance;

(ii) two (2) weeks of said severance pay if he has three (3) or more qualified years as of date of severance;

provided, however, such employee shall not receive such severance pay if within such ninety (90) day period he receives the following employment by Producer:

(A) five (5) days' employment, not necessarily consecutive, if he has one (1) or two (2) qualified years as of the date of such severance;

(B) eight (8) days' employment, not necessarily consecutive, if he has three (3) qualified years as of the date of such severance;

(C) ten (10) days' employment, not necessarily consecutive, if he has four (4) or more qualified years as of the date of such severance.

(3) If such employee entitled to severance pay after ninety (90) elapsed days has five (5) or more qualified years as of the date of severance, he shall be entitled to the balance of his accrued severance pay ninety (90) elapsed days following the completion of the first ninety (90) day period, unless during the second ninety (90) day period he receives fifteen (15) days' employment by Producer, not necessarily consecutive.

(b) Payment of Full Severance Pay

Once an employee has received full accrued severance pay, pursuant to subparagraph (a) above, he shall thereafter be a new employee for severance pay purposes and future computation of qualified years shall apply only to employment by Producer, if any, after the receipt of such full severance pay.

(c) Offset

If an employee on the date of severance of employment with Producer after January 31, 1961 would otherwise already have five (5) or more qualified years with Producer, he shall be entitled to the total number of weeks of severance pay, as provided in (a) above, less an "offset" in the number of weeks of any severance pay he received from Producer before January 31, 1961 in connection with employment which is considered in the computation of such qualified years or with "bridged" years as referred to in subparagraph (f) hereof. This "offset" shall apply only towards payments due after the completion of the second of two ninety (90) day periods referred to in subparagraph (a)(3) above. In this instance, payment by Producer of full severance pay to employee prior to January 31, 1961 shall not break the employee's employment with such Producer for purposes of computing consecutive qualified years hereunder.

(d) Reduction of Severance Pay Amounts

Any severance pay paid to an employee after January 31, 1961 shall correspondingly reduce the total number of weeks of severance pay to which he is thereinafter entitled before again becoming a new employee hereunder. An employee who receives or has received full severance pay hereunder after January 31, 1961 shall be considered to be a new employee thereafter for severance pay purposes.

(e) Disqualification for Severance Pay

Employees hereunder shall be disqualified for severance pay in accordance with the provisions of subparagraphs (1) and (2) below.

(1) Refusal of Offers of Employment

If an employee rejects an offer of employment from Producer hereunder during either of the ninety (90) day periods referred to in subparagraph (a)(3) hereof, such employee shall lose his qualification for severance pay and, if subsequently rehired, shall be rehired as a new employee for severance pay purposes. If any employee was not available or could not be reached when called for work by Producer, he shall be deemed to have rejected an offer of employment; provided, however, that:

(i) Producer shall be obligated, in the event of such rejection or unavailability, to notify the Union on the same day by telephone unless the Union office is not open, in which case such notification must be made on the next following workday, and to confirm such call by letter posted on the day of such notification to the Union.

(ii) If Producer is unable to reach the employee (including such inability to reach because no one answers employee's phone), Producer shall be obligated to telephone the Union and request the Union to make the call, in which event the Union shall either promptly confirm to the Producer by telephone its inability to reach the employee or advise the Producer by telephone that it has reached the employee and of the results of such call.

(iii) It is recognized that in certain circumstances it may be difficult for an employee to accept a call immediately when he is currently employed at another studio. It is further recognized that in certain circumstances it may be difficult for the employee, as well as a hardship to the studio at which he is then employed, to be required to accept a call immediately without any notice to his then present employer. It is believed that in the great majority of cases reasonable consideration would be given so that the employee would not lose his

severance pay credits. To this end, it is the intent of the parties hereto that if an employee who is qualified for severance pay has been laid off by a studio and, within either of the ninety (90) day periods referred to, such studio recalls the employee at a time when such employee is unable to accept such recall because of other employment in the motion picture industry, then either of such ninety (90) day periods shall be deemed extended by a period equivalent to the period of employment for which the employee was being recalled, but in no event to exceed twenty (20) days. In the event such employee is again recalled within either of the ninety (90) day periods and does not accept such recall because of other employment in the motion picture industry, or for any other reason except as otherwise herein provided, then such employee shall lose his qualification for severance pay and, in the event he is subsequently rehired by the Producer, then such rehire shall be as a new employee for severance pay purposes, except that if the employee's call was on a daily basis, there may be two (2) extensions of either of the ninety (90) day periods by reason of inability to accept calls because of employment elsewhere in the motion picture industry.

(iv) If the employee is unavailable to accept such recall because of employment outside the motion picture industry at the time of such recall, he shall have a maximum of two (2) days after the date of such recall to make himself available and, if he fails to do so, then such employee shall lose his qualification for severance pay and, if he is subsequently rehired, shall be a new employee for severance pay purposes.

(2) Severance Beyond Control of Producer

In the event any severance is the result of a dismissal due to seniority requirements, a voluntary resignation or a layoff as a result of physical incapacity, epidemic, fire, action of the elements, strike,[11] walkouts, labor dispute, governmental order, court order or order of any other legally constituted body, act of God, public enemy, war, riot, civil commotion or for any other cause beyond the control of the Producer, whether of the same or any other nature, the employee shall not be entitled to any severance pay arising out of the completion of both of the ninety (90) day periods following such severance. In the event any severance is the result of dismissal for cause, the employee so severed shall be disqualified for severance pay.

[11] The 1988 strike by the Writers Guild of America shall not be considered a disqualifying event for purposes of severance pay. Instead, any periods provided in Paragraph 74 shall be tolled for the duration of the WGA strike (March 7, 1988 through August 7, 1988).

(f) Qualified Years

As used herein, the term "qualified years,"[12] with respect to any employee, shall refer to the number of consecutive periods of three hundred sixty-five (365) consecutive days each, calculated backward from the date of his severance, in each of which the employee has been employed by Producer for two hundred (200) or more work days (including paid vacation days as work days); it being understood and agreed that if, in any such three hundred sixty-five (365) day period, such employee was employed for less than two hundred (200) work days by Producer, such three hundred sixty-five (365) day period shall not be counted as a qualified year but shall be "bridged" for severance pay purposes, with the result that any such three hundred sixty-five (365) day period or periods prior to such "bridged" year in which employee was employed by Producer for two hundred (200) or more work days shall be counted as a qualified year; provided, however, that any three hundred sixty-five (365) day period in which employee received any authorized leave of absence without pay shall be extended by the length of such leave and provided, further, that the computation of qualified years shall be subject to the following exceptions:

(1) If an employee is determined to have less than two (2) qualified years, he shall be credited with a qualified year only if, in addition to having been employed for at least two hundred (200) or more days in the three hundred sixty-five (365) days immediately preceding his date of severance, he shall have been employed for at least one (1) day during the first six (6) months of the eighteen (18) month period immediately preceding his date of severance, in which case he shall be credited with one (1) qualified year.

(2) Any period of two hundred seventy (270) consecutive days commencing prior to January 31, 1961 in which such employee was not actually employed by Producer will be deemed to have broken the employment record of such employee and no period prior to the completion of such two hundred seventy (270) days shall be considered in determining qualified years of such employee.

(3) With respect to any severance of employment of an employee which occurred between February 1, 1961 and January 31, 1965, both dates inclusive, the passage of two hundred seventy (270) days following such severance in which such employee was not employed and did not receive an offer of comparable employment under

[12] The definition of a "qualified year," for purposes of this Paragraph 74(f), shall be applied in the following manner with respect to calendar year 1988 to take account of the Writers Guild of America strike: As to calendar year 1988 only, an employee shall be deemed to have a "qualified year" if he has worked at least seven-twelfths (7/12) of the number of days otherwise required under this Paragraph to attain a "qualified year." Thus, any employee who has worked one hundred seventeen (117) or more work days during calendar year 1988 shall be deemed to have a "qualified year" for purposes of this provision.

the terms and conditions specified in the predecessor collective bargaining agreement of this Agreement shall result in his being a new employee for severance pay purposes upon the completion of such two hundred seventy (270) day period.

(4) If an employee on the date of the severance of his employment under this Agreement after January 31, 1961 with Producer would otherwise have had one (1), two (2), three (3) or four (4) consecutive "qualified years" with Producer, but had received full severance pay prior to February 1, 1965, then he shall be deemed to be a new employee for severance pay purposes after being rehired and the applicable consecutive qualified years shall be based and computed only upon his employment with Producer after he so became such a new employee.

(g) Severance Obligation of Successor Company

If a successor company buys out Producer and continues the operation of Producer's studio, and if the buying company continues the employment at the studio of an employee of Producer, such employee shall retain with the buying company his appropriate severance pay experience credit accrued with Producer and his employment shall not be considered to be terminated for severance pay purposes as a result of such successor company's acquisition of Producer. If such employee is not so continued in employment by the buying company, then Producer is responsible for any severance pay due the employee at the time of his termination. If such employee is offered employment by the buying company, but elects not to continue his employment with the buying company, he shall not be entitled to any severance pay from either Producer or buying company.

(h) Presentation of Claim for Severance Pay

Any claim for the payment of severance pay, not presented to the Producer within three hundred sixty-five (365) calendar days after the date upon which the employee is qualified under this Paragraph for such severance pay, shall be deemed to be waived.

75. No Clause.

76. Re-employment of Former Labor Union Officers

Any employee who has been employed by the Producer for the twelve (12) consecutive months (and has actually received pay for two hundred (200) or more days in that period) immediately prior to the date of his election or appointment to a paid full-time job with a labor organization in the motion picture industry shall be re-employed in his former job within ninety (90) days after leaving his Union position, on

the same basis and seniority as though he had never left such job with Producer. Provided, however, that such job is available at the time of request for re-employment; that the job is not then held by an employee holding a personal service contract; that the employee, in the opinion of the Producer, is qualified and able to perform the duties required in such job, and that such employee has made application within thirty (30) days of leaving his Union position.

If such position has been abolished or the labor requirements of the Producer have materially changed, then subject to the above conditions, the Producer will give such employee preference of employment for any job available within the classifications of the bargaining unit.

77. Return of Transferred Employee to Bargaining Unit

Any employee of the Producer subject to this Agreement who is transferred or promoted to a position with Producer outside the classifications of the bargaining unit may, at the sole discretion of the Producer, upon the termination of such transfer or promotion, be restored to a position within the classifications of the bargaining unit on the same basis and seniority as though he had never been transferred or promoted from such bargaining unit. Provided, however, that such employee makes application with Producer for reinstatement to such position within the bargaining unit within ninety (90) days after severance from the position to which he had been transferred or promoted, as above described.

78. Technological Change

(a) Definition of Technological Change

As used herein, the term "technological change" means the introduction of any new or modified devices or equipment for the purpose of performing any work by employees covered by this Agreement which directly results in a change in the number of employees employed under this Agreement or which results, with respect to the performance of work in any classification hereunder, in materially changing the job description thereof, if any, provided herein, or in requiring substantially different training, qualification or skills therefor.

(b) Producer's Right to Institute Technological Changes

The parties hereto agree that Producer has the unrestricted right to make technological changes and that such right shall not be subject to grievance or arbitration or any other proceeding. However, Producer's right to make technological changes shall be subject to the provisions of subparagraphs (c), (d), (e) and (f) of this Paragraph 78.

(c) Notice of Technological Change

If Producer proposes to make any technological change, it shall give written notice thereof to Union and to any other Union affected by such change. Such notice shall be given as soon as possible but not less than thirty (30) days prior to instituting such change.

(d) Retraining

If any technological change permanently displaces any person in the performance of his job classification for Producer, and

(1) such person, as of the date of such displacement, is entitled under the provisions of Paragraph 74 hereof ("Severance Pay") to be credited with at least one (1) "qualified year" arising out of his employment by Producer; and

(2) such person is qualified to be retrained for an available job resulting from such technological change or for other jobs which Producer has available within Union's jurisdiction, or within the jurisdiction of any other Union which is a party to the Memorandum of Agreement of 1965, or for any other available job opportunity with Producer, then:

Producer agrees to endeavor to retrain such person for such available job at Producer's expense, in which event the provisions of subparagraph (e), below, shall not apply. Union agrees, notwithstanding anything in this Agreement to the contrary, to permit such retraining and to cooperate with Producer with respect thereto. Union further agrees, for the benefit of other Union parties to the Memorandum of Agreement of 1965, in consideration of the inclusion in their respective contracts of a clause identical with this Paragraph 78, to permit retraining within this Union's jurisdiction of employees displaced from jobs within the jurisdiction of such other Union parties; provided, however, that such other Union parties' displaced employees are qualified for retraining in this Union's jurisdiction and provided, further, that such permission shall be on condition (applicable to this Paragraph 78 only) that this Union has been notified of such available job and within forty-eight (48) hours thereafter (excluding Saturdays, Sundays and holidays) is unable to furnish competent available persons on the Industry Experience Roster or Studio Seniority Roster, if any (applicable to this Union), to fill such available job. Any such person offered retraining pursuant to this subparagraph (d) shall, of course, have the right to reject the same, but any such rejection shall discharge Producer's obligations under this Paragraph 78 unless the job opportunity for which Producer offered retraining was at a lower rate of pay than the job from which employee is being displaced.

(e) Displacement Pay

If any such technological change permanently displaces any person in the performance of his job classification for Producer, and

(1) such person, as of the date of such displacement, is entitled under the provisions of Paragraph 74 hereof ("Severance Pay") to be credited with at least one (1) "qualified year" arising out of his employment by Producer; and

(2) such person makes written application to Producer within thirty (30) days after such displacement to receive displacement pay (as herein defined), then:

Producer shall pay him the amount of compensation set forth in the following table and, upon such payment, he shall be removed from the Industry Experience Roster, so far as such Producer is concerned, and from the Studio Seniority Roster, if any.

Qualified Years as of the Date of Displacement	Number of Weeks of Displacement Pay Payable
1 or 2	1
3	1½
4	2
5 to 9 (inclusive)	3
10 or 11	5
12 or 13	6
14 or 15	7
16 or 17	8
18 or 19	9
20 or more	10

The payment of displacement pay, as above provided, shall be separate and apart from any obligation Producer may have to pay severance pay to such displaced person under the provisions of Paragraph 74 hereof ("Severance Pay"). Notwithstanding anything in this subparagraph (e) to the contrary, no such displaced person shall be eligible for displacement pay if:

(i) Producer offers the training referred to in subparagraph (d) above and such person rejects it, unless the training rejected is for a job at a lower rate of pay, or

(ii) such person is offered a job by Producer at an equal or better rate of pay, or

(iii) such person accepts any job with Producer even though such job is at a lower rate of pay.

(f) Negotiation of New Rates

If any technological change results, with respect to the performance of work in any classification hereunder, in materially changing the job description thereof, if any, provided herein, or in requiring substantially different training, qualification or skills therefor, and either the Producer or the Union desires to negotiate a new rate or classification for such job, the party desiring such negotiation shall give written notice to such effect to the other party within thirty (30) days following the date upon which any such job is so affected. Upon receipt of such notice, the parties shall immediately endeavor to agree upon the proper classification or rate for such job. Any such agreement shall be final and binding upon the parties concerned. If no such agreement is reached within thirty (30) days after such written notice is received, either party to this Agreement may, within thirty (30) days thereafter, invoke Step Two of the grievance procedure provided in Article 7 hereof or, if they mutually agree to waive Step Two, may proceed immediately to Step Three of the grievance procedure so provided. The rate or classification determined by such agreement or by any arbitration pursuant to Step Three of the grievance procedure shall be effective retroactive to the date upon which any employee commenced performing services in any such affected job, but no reduction in rate shall be retroactive.

(g) Experimental Technological Changes

The provisions of subparagraphs (c), (d), (e) and (f) above shall not apply to any experimental technological change except that if any such change becomes other than experimental and any increased rate for a job affected thereby is negotiated pursuant to subparagraph (f) above, such increased rate shall be retroactive to the date upon which an employee commenced performing the changed services in such affected job. As used herein, the term, "experimental technological change" shall mean a technological change which is instituted by Producer for the primary purpose of determining, under operating conditions, the feasibility and adequacy of performance of any new or modified device or equipment; provided, however, that the change shall no longer be considered experimental after the date upon which its operation by persons under the jurisdiction of this Agreement is no longer subject to supervision by the technicians or engineers concerned with its development. Nothing in this subparagraph (g) shall be construed to deprive Union of jurisdiction over any job over which it otherwise has jurisdiction hereunder.

(h) Disputes Concerning Retraining, Displacement Pay and Negotiation of New Rates

If a dispute arises between Union and Producer with respect to any determination required by subparagraphs (d), (e), (f) or (g) of this Paragraph 78, such dispute shall be subject to the grievance procedure set forth in Article 7 of this Agreement, but any award arising out of such grievance or arbitration shall be limited to the enforcement of the provisions of said subparagraphs hereof and shall not affect Producer's right to make technological changes.

79. Bulletin Boards

Producer will make available in an appropriate area in the studio (such as Department Headquarters) a glass-enclosed bulletin board which can be locked. It shall be at least 3 x 2 feet in size. The material posted shall be subject to review by Producer.

80. Cell Phone Allowance

Effective February 13, 2022, when a Producer requires an employee to use the employee's personal cell phone in order to perform the duties of the job, the Producer shall pay the employee an allowance of three dollars ($3.00) per day, not to exceed fifteen dollars ($15.00) per week. This provision is not applicable when the Producer provides a cell phone or other device (*e.g.*, an iPad) to the employee for work-related purposes or when the Producer makes other arrangements with the employee for payment as allowed under applicable law.

VIII. DUTIES AND DIVISIONS OF WORK

81. Duties and Divisions of Work

The work described and defined below shall be performed by persons who are subject to the terms and conditions of this Agreement:

(a) All temporary or permanent installation work.

(b) All generator rooms and rectifier rooms when such rectifiers are used in place of and instead of generators.

(c) All portable generator sets and prime movers therefor, where consistent with established custom and practice, and rectifier sets when such rectifier sets are used in place and in stead of generators, except that the foregoing does not apply where the amperage rating of the generator does not exceed 200 amps.

(d) The laying of all electrical conduit.

(e) Installation of all motors or generators when same are under the supervision of the electrical department of the studio.

(f) All repair and maintenance work in and around the studio and all shop work, the same to apply to the manufacturing of new equipment and repairing of all electrical equipment.

(g) The operation of all electrically-driven wind machines if a person is hired specifically for that purpose or, in the studio, if a currently-employed person from the Electrical Department is readily available to perform such work.

(h) The installation, excluding that pursuant to a sales or a construction agreement, and maintenance, excluding work covered by warranty, of permanent or portable refrigeration and air conditioning systems and heating systems consistent with Producer's historical custom and practice and normal operation of such equipment and systems consistent with Producer's historical custom and practice.

(i) (A) Installing of permanent equipment used in the recording, re-recording or reproduction of sound in connection with the making of motion pictures (excluding engineering work and minor alterations of equipment and circuits).

(B) Manufacturing of studio electrical sound equipment (excluding engineering work and minor alterations of equipment and circuits).

NOTE: In subparagraphs (A) and (B) above, the use of the words "minor alterations" shall be construed to include any changes, modifications, alterations and replacements of component parts of sound and/or electronic equipment, channels and systems; such as, for example, tubes, pads, condensers, transformers, resisters and the like.

(C) All operation, maintenance and repairs on permanent generators, portable generators for which amperage exceeds 200 amps and storage batteries, except wet cell batteries used on production, and except battery charging on trucks or compact portable recording units or channels where the charging of batteries or other operations necessitates only the turning of switches, such as when a tungar charger is used. All repair in the shop of portable generators with amperage of 200 amps or less.

NOTE: A Sound Engineer and/or Service Recorder shall be permitted at all times to service and maintain his truck and associated units, and portable units and equipment, on location.

(D) All repair work on power equipment, such as motors, battery-charging rectifiers, alternators and primary power equipment (excluding audio and higher frequency equipment).

(E) Making up of all cables in Sound Departments; service and repair of power cables when not on production.

(F) Manufacture, installation, maintenance, service and repair, excluding that pursuant to a sales, construction or service agreement, of the following permanent and fixed installations in the administration building and offices: intercommunicating systems, telephones, dictographs and buzzers (except those used in connection with sound recording and those used on production).

(G) Manufacture of public address units: installation of permanent and fixed public address units.

81.1 Committee to Update Paragraph 81

A Labor-Management Committee shall be convened to update Paragraph 81. It is understood that any changes made to Paragraph 81 as a result of such updating are not intended, nor should they be construed, to vary or alter the Union's existing work jurisdiction.

82. Jurisdiction Over Incidental Work

Employees other than those covered by this Agreement may perform plug-ins of extension cords, trailers or electrical appliances into convenience outlets, if such work is incidental. This provision shall not be utilized to displace an individual who is covered by this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

FOR THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS ON BEHALF OF THE COMPANIES LISTED ON EXHIBIT "A" ATTACHED HERETO

By: _____ Date: September 12, 2023
Carol A. Lombardini
President, AMPTP

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 40

By: _____ Date: September 11, 2023
Stephan Davis
Business Manager/Financial Secretary

APPROVED
INTERNATIONAL OFFICE - I.B.E.W.
October 24, 2023
Kenneth Cooper,
International President
This approval does not make the International a party to this agreement.

EXHIBIT "A"

AUTHORIZATION LIST
2021 IBEW LOCAL 40 NEGOTIATIONS

20th Century Studios, Inc.
40 North Productions, LLC
1440 Productions LLC

ABC Signature, LLC fka Touchstone Television Productions, LLC
Alameda Productions, LLC dba Legendary Alameda Productions, LLC
Alive and Kicking, Inc.
Apple Studios LLC
Artcraft Productions Inc.

Big Indie Pictures, Inc.
Bronson Avenue, LLC

Carnival Row Productions, LLC
Cast & Crew Production Payroll, LLC
CBS Studios Inc.
Columbia Pictures Industries, Inc.
CPT Holdings, Inc.

DAE Light Media, LLC
Dyminium Productions, LLC

EPSG Management Services
Eye Productions Inc.

Fox Studio Lot, LLC
Frank & Bob Films II, LLC
FTP Productions, LLC

HBO Entertainment, Inc.
HBO Films, Inc.
Hop, Skip & Jump Productions, Inc.
Hydronaut Productions, LLC

Jax Media, LLC

Kapital Productions, LLC

Legendary Features Productions US, LLC
Legendary Pictures Productions, LLC

Media Services Processing, LLC
Metro-Goldwyn-Mayer Pictures Inc.
MGM Television Entertainment Inc.
Milk Street Productions, LLC
Minim Productions, Inc.

Netflix Productions, LLC
Netflix Studios, LLC
New Regency Productions, Inc.
Next Step Productions LLC
North Center Productions, Inc.

Olive Productions, LLC
Open 4 Business Productions LLC
Orchard Road Productions, LLC
Over the Pond Productions, Inc.

Pacific 2.1 Entertainment Group, Inc.
Paramount Pictures Corporation
Paramount Worldwide Productions Inc.
Picrow, Inc.
Picrow Streaming Inc.

Radford Studio Center Inc.
Revolution Business Services, LLC
Ruff Draft Productions, LLC

Salty Pictures, Inc.
Screen Gems Productions, Inc.

Sony Pictures Studios, Inc.
Stage 6 Films, Inc.
Stu Segall Productions, Inc.

Theatrical Resources, LLC
Tribune Media Company
TVM Productions, Inc.
Twentieth Century Fox Film
Corporation dba 20th Television

Universal City Studios LLC
Universal Content Productions
LLC

Walt Disney Pictures
Warner Bros. Pictures
Warner Bros. Studio Operations

XOF Studios, LLC

EXHIBIT "B"

LETTER OF UNDERSTANDING

This letter of understanding is executed in conjunction with the 1985 negotiations between the Producers represented by the Alliance of Motion Picture & Television Producers and the International Brotherhood of Electrical Workers, AFL-CIO, Local Union 40.

The parties to this letter of understanding agree that where there is a #399/#40 production van driver operator or a person covered by this Agreement operating a production generator, and there is work on production which is incidental or de minimis for an additional person covered by this Agreement, such additional person need not be assigned. For example, if incidental or de minimis work is involved in plugging in of extension cords, trailer plug-ins, the charging of batteries, or the operation of small portable generators (such as the Honda), an additional person covered by this Agreement need not be assigned. In situations covered by this Agreement involving the tying into power and lighting panels, 3 phase hook-ups and other technical areas, such work shall be performed by a Journeyman Electrician covered under this Agreement.

ON BEHALF OF THE COMPANIES REPRESENTED BY THE ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS, INC.

By: _____
J. Nicholas Counter III
President, AMPTP

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL #40

By: _____
Russell J. Bartley
Business Manager

CBS INC.

By: _____
John McLean

EXHIBIT "C"

PAYROLL COMPANIES' AGREEMENT

This Agreement is made and entered into between _____ (herein "The Payroll Company"), and International Brotherhood of Electrical Workers, Local 40 (herein "Union"), an unincorporated association, upon the following terms, conditions and recitals:

I. The Payroll Company is a payroll service for the motion picture and television industries and is an employer member of the multi-employer bargaining unit represented by the Alliance of Motion Picture and Television Producers, Inc., described in the Producer - International Brotherhood of Electrical Workers, Local 40 Agreement (hereinafter "Agreement") to which The Payroll Company is a signatory.

II. The Payroll Company's employment of persons subject to the Agreement and its responsibility to the Union therefor shall be governed by the following:

A. The Payroll Company shall give advance notice to the Union of its involvement in connection with any motion picture or television production when services falling within the work jurisdiction of the Agreement are to be performed. Said advance notice shall be given as soon as practicable, but in no event later than the Monday immediately following the issuance of the first payroll covering employees under the Agreement. Said notice may be oral and confirmed in writing within two (2) working days thereafter and shall include the following:

1. Name of production company and producer;
2. Title of production;
3. Nature of production (Theatrical, Television, Commercial, Videotape);
4. Scheduled pre-production, production, and post-production dates;
5. Production locations; and
6. Whether The Payroll Company is the "primary" or "secondary" employer as those terms are herein defined.

The Payroll Company, in addition to the foregoing notice to the Union, shall also, on its own behalf as a "primary" employer, comply with any notification provisions contained within the Agreement or, when the Payroll Company is the "secondary" employer, require the "primary" employer to comply therewith.

In the event a Payroll Company consistently fails to give notice as required by this Section, then an arbitrator in an arbitration proceeding shall have the authority to issue an appropriate remedy.

Absent receipt of the aforementioned notice from the Payroll Company, The Payroll Company will not be deemed to have any responsibility for any production merely because someone other than a designated representative of The Payroll Company represents to the Union that it is utilizing the services of The Payroll Company unless The Payroll Company is in fact providing such services and failed to give the notice called for herein. Notwithstanding any other provision herein, in the event The Payroll Company fails to give the advance notice as above required as to more than one (1) production, the Union shall have the right to cancel this Payroll Companies' Agreement as to such Payroll Company upon fifteen (15) days' written notice. The Union shall notify The Payroll Company of the first violation, which may be oral and confirmed in writing later.

B. The scope of The Payroll Company's responsibility to the Union and to persons performing services subject to the Agreement shall be based on whether The Payroll Company is deemed a "primary" employer or a "secondary" employer insofar as the employees performing such services are concerned.

1. The Payroll Company shall be deemed the "primary" employer when it is providing services to a customer producer/employer which is not a member of the multi-employer bargaining unit described in the Agreement.

(a) In its position as a "primary" employer, The Payroll Company shall provide services to a customer producer/ employer only on the basis that persons working in the crafts and classifications designated in the Agreement are employed under the Agreement to the same extent as would be required of any other Producer signatory to the Agreement.

Notwithstanding any other provision, in the event a Payroll Company violates the above requirement as a "primary" employer as to more than one (1) production, the Union shall have the right to cancel this Agreement as to such Payroll Company upon fifteen (15) days' written notice. The Union shall notify The Payroll Company of the first violation, which may be oral and confirmed in writing later.

In the event a Payroll Company fails to provide coverage to employees under the Agreement as required above,

an arbitrator shall have the authority to issue an award as to the full measure of damages.

(b) When a client requests a Payroll Company to act as the primary employer for a theatrical or television motion picture with respect to those employees engaged in covered classifications under the Agreement, The Payroll Company shall notify the Union of that fact within one (1) business day after the client requests The Payroll Company to so act as the primary employer for that picture. In the event the Union is engaged in negotiations with said client, the Union shall notify The Payroll Company and the AMPTP of that fact within one (1) business day after receipt of said notice from The Payroll Company. Thereafter, The Payroll Company shall not act as the primary employer under this Agreement without the consent of the Union. If The Payroll Company does not receive an objection from the Union within said one (1) business day, The Payroll Company may act as the primary employer under this Agreement.

(c) No contributions will be accepted from The Payroll Company on behalf of employees employed by an employer which is not a signatory to a collective bargaining agreement requiring contributions to the Plans if the non-signatory employer employs one or more "controlling employees."

A "controlling employee" is defined as any employee who performs work within any job classification covered by a collective bargaining agreement with a Union party to the Motion Picture Industry Pension and/or Health Plans ("Plans") requiring contributions to be made to the Plans and who is also an officer or controlling shareholder of the non-signatory employer or the spouse of such an officer or controlling shareholder. The term "controlling shareholder" means a person who owns ten percent (10%) or more of the voting power of the corporation.

The Payroll Company shall be required to submit a completed Non-Signatory Employer Data Sheet in the form required by the Plans with respect to each production or other project on which The Payroll Company is to act as the primary employer.

2. The Payroll Company shall be deemed a "secondary" employer when it is providing services to a customer producer/employer which is a member of the multi-employer bargaining unit described in Agreement and The Payroll Company's customer producer/employer shall be deemed the "primary" employer in such instances.

C. In those situations in which The Payroll Company is the primary employer, The Payroll Company shall be deemed the producer and shall have full responsibility for compliance with all of the terms and conditions of the Agreement, including compliance with requirements in the Local Agreements relating to deal memos and personal services contracts, until such time as The Payroll Company gives the Union written notice of cancellation of its agreement with its customer producer/employer and notwithstanding said notice of cancellation, The Payroll Company shall remain responsible for all wages (including wages for reasonable time spent by an employee in returning equipment or properties for which he is responsible), fringe benefits and conditions of employment to the effective date of the cancellation and notice to the Union and, on distant location, all expenses due and costs of transportation and salaries for such transportation time, and for any residual payments (Post '60 payments or Supplemental Market payments) resulting from the performance of services prior to the notice of said cancellation unless and until The Payroll Company shall be relieved of responsibility for such residual payments pursuant to the procedures set forth in this Exhibit "C." In addition to all other required information, The Payroll Company shall specify in all reports to the Motion Picture Industry Pension Plan and the Motion Picture Industry Health Plan the name of the customer/producer employer, the title of the production and the classification(s) of employees covered by the Trust Fund payments.

When acting as the "primary employer" for a theatrical motion picture, The Payroll Company shall be prohibited from processing and/or issuing any payroll checks for or on behalf of its customer producer/employer until such time as The Payroll Company has secured from its customer producer/employer an executed Assumption Agreement, as provided below, and delivered same to the Administrator of the Motion Picture Industry Pension and Health Plans. The Assumption Agreement shall be substantially in the following form:

> "In consideration of the Agreement between the undersigned Producer, _____(herein
> *(insert name of Producer)*
> for convenience referred to as 'Producer'), and
>
> _____
> *(insert name of Payroll Company)*
> (herein for convenience referred to as 'The Payroll Company'), under which The Payroll Company has agreed to furnish payroll services for the theatrical motion picture presently entitled, '_____'
> *(insert name of motion picture)*
> (hereinafter for convenience referred to as 'the motion picture'), the Producer hereby agrees that the motion picture

is covered by and subject to the following agreements (check the box(es) of those that are applicable):

□ The Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2021 ('the IATSE Basic Agreement');

□ The Animation Guild, Local 839 Agreement of 2021 ('the Cartoonists Agreement');

□ The Producer - Studio Transportation Drivers, Local 399 Agreement of 2021 ('the Teamsters Agreement');

□ The Producer - International Brotherhood of Electrical Workers, Local 40 Agreement of 2021 ('the IBEW Agreement');

□ The Producer - United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 Agreement of 2021 ('the Plumbers Agreement');

□ The Producer - International Hod Carriers, Building and Common Laborers Union, Studio Utility Employees, Local 724 Agreement of 2021 ('the Laborers Agreement');

□ The Producer - Operative Plasterers and Cement Masons International Association of the United States and Canada, Local 755 Agreement of 2021 ('the Plasterers Agreement')

"Producer further agrees that the motion picture is covered by and subject to the provisions of Article 15 of the Agreement, *'Post '60 Theatrical Motion Pictures,'* and/or the corresponding provisions of the other applicable Agreements referred to above (*i.e.*, the applicable provisions of The Animation Guild Agreement, Article XIX of the IATSE Basic Agreement, Article 15 of the Teamsters Agreement, Article 15 of the IBEW Agreement, Article 15 of the Plumbers Agreement, Article 15 of the Laborers Agreement and Article 15 of the Plasterers Agreement), pertaining to payments due when theatrical motion pictures, the principal photography of which commenced in the period August 1, 2021 through July 31, 2024, are released to free television and to the provisions of Article 21 of the Agreement, *'Supplemental Markets,'* and/or the corresponding provisions of the other applicable Agreements referred to above (*i.e.*, the applicable provisions of The Animation Guild Agreement,

Article XXVIII of the IATSE Basic Agreement, Article 21 of the Teamsters Agreement, Article 21 of the IBEW Agreement, Article 21 of the Plumbers Agreement, Article 21 of the Laborers Agreement and Article 21 of the Plasterers Agreement), pertaining to payments due for the release of theatrical motion pictures in Supplemental Markets.

"Producer hereby agrees, expressly for the benefit of the Motion Picture Industry Pension and Health Plans ('the Plans') to assume the obligations of said provisions and to make the payments to the Plans required thereby. It is expressly understood and agreed that the rights of Producer to exhibit or license the exhibition of such motion pictures on free television and/or in Supplemental Markets shall be subject to and conditioned upon payment to the Plans as provided in the respective applicable provisions referred to hereinabove. It is agreed that such Plans shall be entitled to injunctive relief and damages against Producer in the event such payments are not made.

"The Producer agrees to keep or have access to complete records showing the income derived from the distribution of such motion pictures to free television and/or Supplemental Markets and the Plans shall have the right at all reasonable times to inspect such records. The Producer shall give the Plans prompt written notice of the date on which the motion picture is first telecast on free television and/or is first released in Supplemental Markets. An inadvertent failure to comply with said notice requirements shall not constitute a default by the Producer, provided that such failure is cured promptly after notice thereof from the Plans.

"Producer further agrees that in the event of a sale, transfer, license or assignment of the free television distribution rights or the Supplemental Markets distribution rights to the above-referenced motion picture, Producer will obtain from the buyer, transferee, licensee or assignee an Assumption Agreement substantially in the form set forth above and shall provide an executed copy of such Assumption Agreement to the Plans. In such event, Producer shall give notice to the Plans, within thirty (30) days of each sale, transfer, license or assignment of such distribution rights, with the name and address of the buyer, transferee, licensee or assignee."

Upon the execution and delivery of such Assumption Agreement to the Administrator of the Motion Picture Industry Pension and Health

Plans, The Payroll Company shall not be further liable to the Plans for the keeping of any records required under the *"Post '60 Theatrical Motion Pictures"* provisions or the *"Supplemental Markets"* provisions nor for the payments required thereunder for the exhibition of the motion picture in Supplemental Markets and/or on free television, and the Plans shall look exclusively to the Producer or any subsequent party last executing such an Assumption Agreement for the keeping of such records and compliance with such payment obligations.

D. In those situations in which The Payroll Company is a secondary employer, The Payroll Company's responsibility shall be limited to the monies advanced by the primary employer to The Payroll Company for wage payments, allowances, penalties, fringe benefits and payroll taxes for payment to or on behalf of persons who performed services subject to the Agreement. Provided, however, that should the primary employer default in its payment obligations to The Payroll Company and The Payroll Company not promptly cancel its agreement with the primary employer and simultaneously notify the Union of said termination, as hereinafter provided, then The Payroll Company shall be responsible for the wage payments, allowances, penalties, fringe benefits and payroll taxes owing to or on behalf of individuals who performed services subject to said Agreement for all hours worked by said persons through the end of the workday on which said notice or cancellation is given to the Union. In such event, The Payroll Company shall also be responsible for the payment of expenses and costs of transportation and salaries for transportation time, but only if The Payroll Company has expressly assumed responsibility therefor. When The Payroll Company acts only as a secondary employer, the Union shall deem The Payroll Company an agent of the primary employer and The Payroll Company shall have no responsibility for matters outside of its control such as, but not limited to, staffing requirements, seniority, work rules, jurisdictional problems or residual payments (Post '60 payments or Supplemental Market payments). With reference to such items, the Union shall look exclusively to the primary employer for responsibility. Furthermore, nothing contained in this Agreement shall in any way reduce, diminish or prejudice any legal or equitable right or claim that the Union could assert directly against any primary employer if this Agreement did not exist.

E. Once having given the notice to the Union described in Paragraph A., the scope of The Payroll Company's responsibility as delineated herein shall continue until such time as The Payroll Company serves a notice of contract termination upon its customer producer/employer and simultaneously delivers a copy of said termination notice to the Union.

Except as otherwise expressly provided in Paragraph C. above, upon delivery of said notice of termination to the Union, The Payroll Company shall forthwith be relieved of all further responsibility for services to be performed in connection with the production therein involved on and after the day immediately following the workday on which said notice of termination is delivered to the Union.

On distant location productions, reasonable notice of termination, whenever possible, must be given to the Union, and employees covered by the Agreement shall be paid, in addition to their salaries and conditions, all hotel and meal expenses and costs of transportation and salaries for such transportation time.

F. The Payroll Company shall remit vacation and holiday pay payments to the employees either on a weekly basis with their paychecks or by payment in full no later than with their final paycheck at the end of production. Any payments of unworked holiday pay made to an employee on a production shall be credited against the 3.719% accrual (4% accrual effective January 1, 2022). For the purpose of this provision, the "end of production" is defined as: (1) for television series, upon conclusion of the production season for episodes ordered and produced; (2) on television "movies of the week" and theatrical features, upon conclusion of principal photography; and (3) for post-production, upon conclusion of post-production work.

G. This Agreement is effective for a term coinciding with the term of the Agreement to which The Payroll Company is a party and shall be extended and renewed from time to time to the same extent that said Agreement is hereafter extended or renewed.

EXHIBIT "D"

BASIC CRAFTS-PRODUCER PROJECT INFORMATION SHEET

Please complete the following, if known, for each project employing employees covered by one or more of the Basic Crafts Agreements and working in the United States.

Please send completed form to callboard@ht399.org and contracts@csatf.org.

PROJECT TITLE:_____

SIGNATORY EMPLOYER:_____

PRODUCTION COMPANY (if different than signatory entity):_____

PRODUCTION LOCATIONS:_____

PRODUCTION OFFICE ADDRESS: _____

Tel:_____ Email: _____

PAYROLL COMPANY: _____

LABOR RELATIONS CONTACT:_____

Tel:_____ Email: _____

LINE PRODUCER: _____

Tel:_____ Email: _____

UPM:_____

Tel:_____ Email: _____

PRINCIPAL PHOTOGRAPHY START DATE:_____

TRANSPORTATION COORDINATOR:_____

Tel:_____ Email: _____

TRANSPORTATION CAPTAIN:_____

Tel:_____ Email: _____

LOCATION MANAGER:_____

Tel:_____ Email: _____

CASTING DIRECTOR:_____ ASSOCIATE CASTING:_____

PROJECT TYPE (pick one):

☐ **FEATURE:**

BUDGET: ☐ $8 Million or Less ☐ More Than $8 Million

☐ **TELEVISION:**

INTENDED FOR EXHIBITION ON: ☐ Network ☐ Basic Cable ☐ Pay TV ☐ Other:_____

LENGTH OF EPISODE: ☐ ½ hour ☐ 1 hour ☐ Other:_____

TYPE: ☐ Pilot ☐ Series ☐ Long-Form ☐ Other:_____

☐ **SCRIPTED DRAMATIC SVOD:** Platform Name:_____

☐ Pilot:

Length: ☐ 20-35 minutes ☐ 36-65 minutes ☐ 66+ minutes

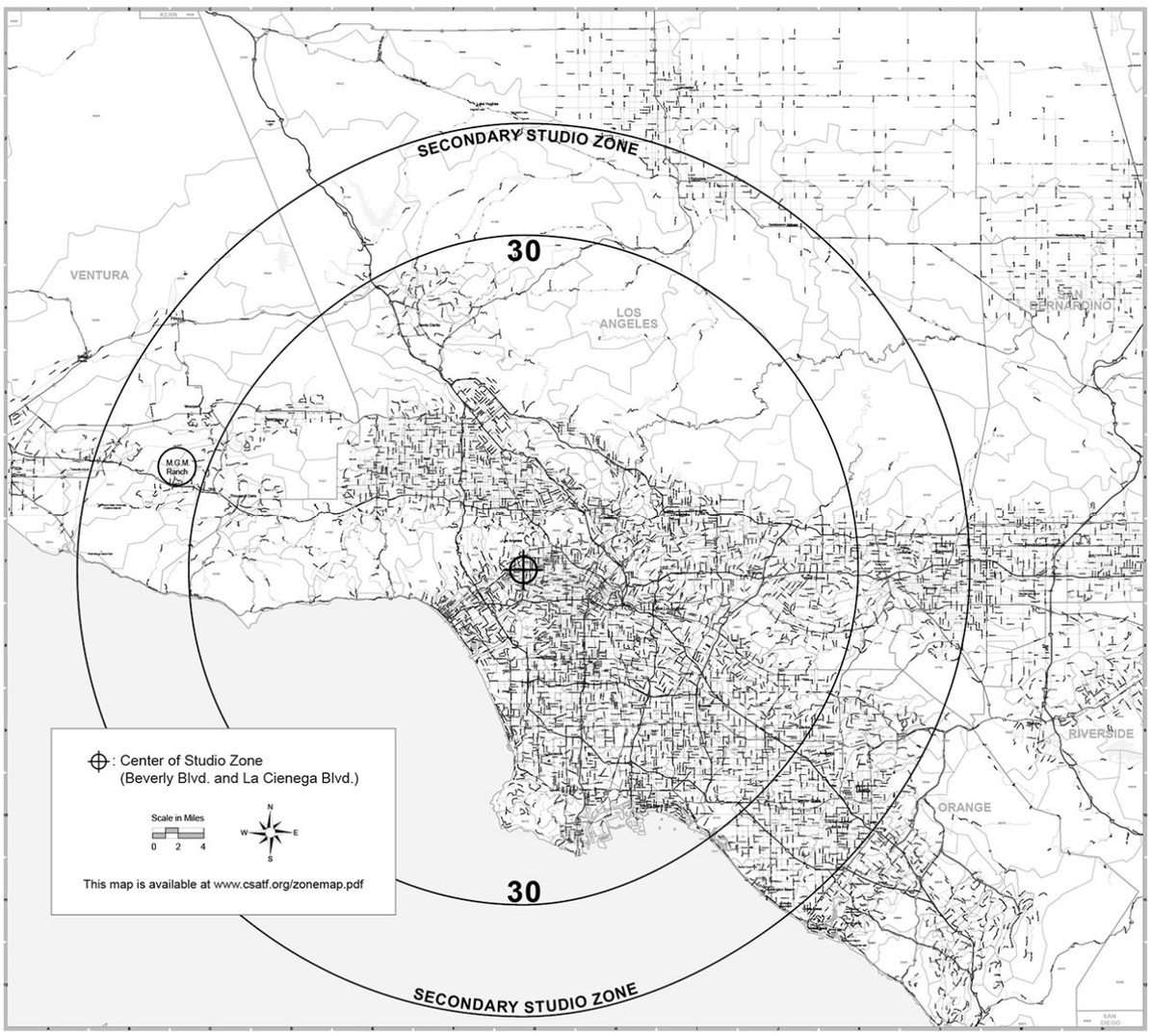
☐ One-Time Program (Other Than a Pilot):

20-35 minutes	**☐ less than $1.5 million**	**☐ $1.5 million but less than $5 million**	**☐ $5 million or more**
36-65 minutes	**☐ less than $1.5 million**	**☐ $1.5 million but less than $10 million**	**☐ $10 million or more**
66+ minutes	**☐ less than $3 million**	**☐ $3 million but less than $10 million**	**☐ $10 million or more**

☐ Episodic Series/Mini-Series: Total # of Episodes/Parts:_____

20-35 minutes	**☐ less than $1.5 million**	**☐ $1.5 million but less than $5 million**	**☐ $5 million or more**
36-65 minutes	**☐ less than $1.5 million**	**☐ $1.5 million but less than $10 million**	**☐ $10 million or more**
66+ minutes	**☐ less than $2 million**	**☐ $2 million but less than $10 million**	**☐ $10 million or more**

EXHIBIT "Z"
STUDIO ZONE AND SECONDARY STUDIO ZONE MAP



Studio Zone Defined - The Studio Zone shall be the area within a circle thirty (30) miles in radius from Beverly Blvd. and La Cienega Blvd., Los Angeles, California and includes Agua Dulce, Castaic (including Lake Castaic), Leo Carillo State Beach, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fair Grounds). The Metro-Goldwyn-Mayer, Inc. Conejo Ranch property shall be considered as within the Studio Zone.

Secondary Studio Zone Defined - The Secondary Studio Zone extends ten (10) miles from the perimeter of the Studio Zone and includes John Wayne Airport and the city of Huntington Beach.

This map is available at www.csatf.org/zonemap.pdf.

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
14144 VENTURA BOULEVARD
SHERMAN OAKS, CALIFORNIA 91423
(818) 995-3600

J. NICHOLAS COUNTER III
PRESIDENT

As of August 1, 1985

Russell Bartley
International Brotherhood of Electrical
Workers, Local #40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Holiday Pay for Daily Employees

Dear Russell:

This will confirm the understanding reached during the 1985 negotiations between the Producers represented by the Alliance of Motion Picture & Television Producers and the International Brotherhood of Electrical Workers, Local #40, with respect to payment of unworked holiday pay to Daily Schedule employees working in the film processing laboratories.

At the commencement of those negotiations, Local #40 proposed that a "pay-as-you-go" system similar to that of the Film/Video Technicians, Local #683, of paying Daily Schedule employees their unworked holiday pay during the payroll period in which the holiday falls, be extended to persons employed under the Local #40 Agreement. The Producers agreed to incorporate the "pay-as-you-go" principle in the Local #40 Agreement.

Although language reflecting that agreement has been added to Paragraph 9 of the 1985 Local #40 Agreement, several questions arose with respect to the manner in which this aspect of the parties' agreement would be administered. One question related to the conditions under which payment for the unworked holiday will be made during the payroll period in which the holiday falls. In this area, the parties intended to apply the same conditions to employees covered under the Local #40 Agreement as have been applied in the past to employees covered under the Local #683 Agreement. In the past, an employee covered under the Local #683 Agreement has been paid for an unworked holiday during the week of the holiday, provided that the employee worked a full workweek for the Producer, excluding the holiday, and provided further that the employee had accumulated sufficient straight time earnings to generate the equivalent of a full day's holiday

pay based on the percentage accrual formula set forth in Paragraph 9(c) of the Local #40 Agreement. (It should be noted that an employee who has an excused absence during a week in which a recognized holiday falls is deemed to have worked the full week, excluding such holiday.) In accordance with the understanding reached in negotiations, these conditions will also be applied to individuals employed in the film processing laboratories under the Local #40 Agreement.

In light of the application of these conditions, a second question was raised as to whether any employee would ever receive payment for a holiday such as New Year's Day in that payroll period since the employee could not, at that time, have accumulated sufficient straight time earnings to generate the equivalent of a full day's holiday pay. The film processing laboratories' past practice in this area with respect to employees covered under the Local #683 Agreement is also to be extended to employees covered under the Local #40 Agreement. These persons have traditionally been advanced holiday pay for holidays such as New Year's Day despite their failure at that time to have accrued sufficient straight time earnings to generate a full day's holiday pay. Such advances are made subject to a right of offset in the event the individual ultimately fails to generate sufficient straight time earnings to accumulate a full day's holiday pay.

Sincerely,

J. Nicholas Counter III

JNC:sjk

ACCEPTED AND AGREED:

Russell J. Bartley

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
15503 Ventura Boulevard
Encino, California 91436
(818) 995-3600
Direct Dial (818) 382-1710
Fax (818) 382-1793

J. Nicholas Counter III
President

As of October 31, 1988
Revised as of August 1, 2004

William Brinkmeyer
Business Manager/Financial Secretary
International Brotherhood of Electrical Workers, Local #40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Guidelines for Implementation of New Workweek Provisions

In implementing the new workweek provision with respect to "off production" employees, the parties agree to conduct themselves in a manner that is consistent with the purposes of this provision as expressed in the following guidelines:

(i) The Producer shall notify the Local Union if employees are employed on a regular workweek schedule that includes Saturday and/or Sunday. Upon request of the Local Union, the Producer shall discuss with the Local Union its reasons for scheduling work on those days.

(ii) With respect to facilities maintenance work, assignments to regularly-scheduled, five-day-per-week positions shall be considered bid jobs and shall be assigned to the senior qualified bidder. If no employee bids for such assignment, the assignment shall be made in inverse order of seniority. Such bids shall be in effect for a period of twelve (12) months, at which point they will be rebid. Employees employed in such bid jobs may be retained out of Studio Seniority at time of layoff.

(iii) This new workweek provision is intended to be used for improving efficiencies and economies or where there is a necessity to perform the work outside the Monday through Friday period.

Sincerely,

J. Nicholas Counter III

ACCEPTED AND AGREED:

William Brinkmeyer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
15503 Ventura Boulevard
Encino, California 91436-3140
(818) 995-3600
Fax (818) 382-1793

J. Nicholas Counter III
President

As of August 1, 1994

Leo Reed
Chairman, Basic Crafts Unions
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

Re: Article 16

Dear Leo:

This will confirm our agreement that within ninety (90) days after ratification, a subcommittee of representatives of the Basic Crafts Unions and the AMPTP shall complete discussions relating to: (a) compliance with the notice requirements of Article 16; and (b) a mutually-agreeable definition of the term *"bona fide"* production-distribution transactions.

Please indicate your concurrence with the foregoing by executing this letter in the space below reserved for your signature.

Sincerely,

J. Nicholas Counter III

JNC:sjk

ACCEPTED AND AGREED:

Leo Reed
Chairman, Basic Crafts Unions

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
15503 Ventura Boulevard
Encino, California 91436-3140
(818) 995-3600
Direct Dial (818) 382-1710
Fax (818) 382-1793

J. Nicholas Counter III
President

As of August 1, 1994

Tim Dixon
Business Manager and Financial Secretary
International Brotherhood of
Electrical Workers, Local #40
5643 Vineland Avenue
North Hollywood, CA 91601

Dear Tim:

This will confirm the agreement reached in the course of negotiations leading to the 1994 Producer-International Brotherhood of Electrical Workers, Local #40 Agreement that the Union may, on an individual company-by-company basis, discuss work opportunities for employees covered by this Agreement in fiber optics/telecommunications.

Sincerely,

J. Nicholas Counter III

JNC:sjk

ACCEPTED AND AGREED:

Tim Dixon

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2004
Revised as of August 1, 2007
Revised as of August 1, 2010
Revised as of August 1, 2012
Revised as of August 1, 2015
Revised as of August 1, 2018
Revised as of August 1, 2021

Stephan Davis
Business Manager/Financial Secretary
International Brotherhood of Electrical Workers, Local 40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to August 1, 2003, and for One-Half Hour and One-Hour Pilots

Dear Stephan:

This will confirm the agreement reached in the 2004 negotiations and confirmed in the 2007, 2010, 2012, 2015, 2018 and 2021 negotiations, to apply the following special conditions to pre-production and production of new one-hour episodic television series, the production of which commenced prior to August 1, 2003, and all pilots (half-hour or one-hour) which are committed to be produced in Los Angeles:

a. Wages - For pilots and the first year of any series, except series which receive a short order of seven or fewer episodes in the first year, the wage rates set forth in the Agreement for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wages for the period August 1, 2021 to July 30, 2022 shall apply);* thereafter, the wage rates in the Agreement shall apply.

For series which receive a short order of seven (7) or fewer episodes in the first year, the wage rates set forth in the Agreement for the period immediately preceding the period in question shall apply for the first two (2) years of the series; thereafter, the wage rates in the Agreement shall apply.

* For convenience, the wage rates for productions covered under this Sideletter appear on pages 207 through 217.

b. Vacation - No vacation pay shall be payable for a pilot and the first year of any series; in the second year of the series, vacation will be payable at one-half of the applicable percentage in the Agreement; thereafter, the vacation provisions in the Agreement shall apply.

c. Holidays Not Worked - No unworked holiday pay shall be payable for a pilot and the first year of any series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Agreement; thereafter, the unworked holiday provisions in the Agreement shall apply.

d. Holidays Worked - Each employee working on a holiday shall be paid a minimum of eight (8) hours at double time for such holiday.

e. Overtime - Daily overtime for hours worked shall be paid at the rate of time-and-one-half for each hour worked after eight (8) work hours; golden hours shall be paid for each hour worked after twelve (12) work hours.

f. Transportation Allowance - With respect to employees reporting to a "studio zone location," as described in the Agreement, Producer shall not be required to pay a transportation allowance to any employee who travels to any location in Los Angeles County within a ten (10) mile radius from a point to be determined by the Producer. Producer shall give prior notice to the Chair of the Basic Crafts (with copies to the other Basic Crafts Unions) of the point so designated. Such point may be changed by Producer at the beginning of each season. Commencing outside the ten (10) mile radius, a transportation allowance will be paid pursuant to the Agreement. Secured parking will be provided at such locations in accordance with the Agreement.

If the foregoing comports with your understanding of our agreement, please so indicate by executing this sideletter in the space reserved for your signature.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Stephan Davis
Business Manager/Financial Secretary

The following minimum wage scale for one-half hour and one-hour pilots covered under Sideletter No. 5 and for the first and second seasons of series covered under Sideletter No. 6 shall be effective for the period commencing with August 1, 2021 to and including July 30, 2022.

International Brotherhood of Electrical Workers, Local 40 **8/1/21 - 7/30/22** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,657.79
3705 Sound Installation		2,657.79
3705 Maintenance		2,657.79
3703 Air Conditioning		2,657.79
Gang Boss:		
3711 Electrical Gang Boss	$46.14	
3713 Air Cond. Gang Boss	46.14	
3714 Electronic Gang Boss[1]	47.91	
3737 Construction Gang Boss[2]	50.53	
Other Classifications:		
3716 Cable Splicer	46.14	
3717 Electronic Technician[1]	45.44	
3721 Journeyman Wireman	43.72	
3722 Journeyman Wireman[3]	46.93	
3726 Journeyman Wireman[6]	42.45	
3723 Air Conditioning Engineer	43.72	
3727 Air Conditioning Engineer[7]	42.45	
3724 Production Van Driver/Operator[4]	48.36	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **8/1/21 - 2/12/22**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code No.	Classification	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
		Per Hour	Per Hour	Per Week
3735	Sound Installation and/or Maintenance Man	$50.55	$47.61	$2,518.57
3736	Sound Gang Boss[9]	54.45	51.09	2,702.66
3732	*Apprentice Wireman[10]			
	1st 1000 hours worked, 45%	19.67		
	2nd 1000 hours worked, 50.5%	22.08		
	3rd 1000 hours worked, 56%	24.48		
	4th 1000 hours worked, 61.5%	26.89		
	5th 1000 hours worked, 67%	29.29		
	6th 1000 hours worked, 72.5%	31.70		
	7th 1000 hours worked, 78%	34.10		
	8th 1000 hours worked, 83.5%	36.51		
	9th 1000 hours worked, 89%	38.91		
	10th 1000 hours worked, 94.5%	41.32		
*An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):				
	1st 1000 hours worked, 45%	21.12		
	2nd 1000 hours worked, 50.5%	23.70		
	3rd 1000 hours worked, 56%	26.28		
	4th 1000 hours worked, 61.5%	28.86		
	5th 1000 hours worked, 67%	31.44		
	6th 1000 hours worked, 72.5%	34.02		
	7th 1000 hours worked, 78%	36.61		
	8th 1000 hours worked, 83.5%	39.19		
	9th 1000 hours worked, 89%	41.77		
	10th 1000 hours worked, 94.5%	44.35		

(continued)

(continued)

International Brotherhood of Electrical Workers, Local 40 **8/1/21 - 2/12/22**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code		Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No.	Classification	Per Hour	Per Hour	Per Week
3733	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
	1st 1000 hours worked, 56%	$24.48		
	2nd 1000 hours worked, 61.5%	26.89		
	3rd 1000 hours worked, 67%	29.29		
	4th 1000 hours worked, 72.5%	31.70		
	5th 1000 hours worked, 78%	34.10		
	6th 1000 hours worked, 83.5%	36.51		
	7th 1000 hours worked, 89%	38.91		
	8th 1000 hours worked, 94.5%	41.32		

International Brotherhood of Electrical Workers, Local 40 **2/13/22 - 7/30/22**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code		Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No.	Classification	Per Hour	Per Hour	Per Week
3735	Sound Installation and/or Maintenance Man	$50.55	$47.61	$2,518.57
3736	Sound Gang Boss[9]	54.45	51.09	2,702.66
3732	*Apprentice Wireman[10]			
	1 to 1,000 hours worked, 50%	21.86		
	1,001 to 2,000 hours worked, 55%	24.05		
	2,001 to 2,750 hours worked, 60%	26.23		
	2,751 to 3,500 hours worked, 65%	28.42		
	3,501 to 4,250 hours worked, 70%	30.60		
	4,251 to 5,000 hours worked, 75%	32.79		
	5,001 to 5,750 hours worked, 80%	34.98		
	5,751 to 6,500 hours worked, 85%	37.16		
	6,501 to 7,250 hours worked, 90%	39.35		
	7,251 to 8,000 hours worked, 95%	41.53		
*An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):				
	1 to 1,000 hours worked, 50%	23.47		
	1,001 to 2,000 hours worked, 55%	25.81		
	2,001 to 2,750 hours worked, 60%	28.16		
	2,751 to 3,500 hours worked, 65%	30.50		
	3,501 to 4,250 hours worked, 70%	32.85		
	4,251 to 5,000 hours worked, 75%	35.20		
	5,001 to 5,750 hours worked, 80%	37.54		
	5,751 to 6,500 hours worked, 85%	39.89		
	6,501 to 7,250 hours worked, 90%	42.24		
	7,251 to 8,000 hours worked, 95%	44.58		

(continued)

(continued)

International Brotherhood of Electrical Workers, Local 40 **2/13/22 - 7/30/22**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code		Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No.	Classification	Per Hour	Per Hour	Per Week
3733	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
	1 to 1,000 hours worked, 60%	$26.23		
	1,001 to 2,000 hours worked, 65%	28.42		
	2,001 to 3,000 hours worked, 70%	30.60		
	3,001 to 4,000 hours worked, 75%	32.79		
	4,001 to 5,000 hours worked, 80%	34.98		
	5,001 to 6,000 hours worked, 85%	37.16		
	6,001 to 7,000 hours worked, 90%	39.35		
	7,001 to 8,000 hours worked, 95%	41.53		

Footnotes applicable to this wage schedule begin on page 96.

The following minimum wage scale for one-half hour and one-hour pilots covered under Sideletter No. 5 and for the first and second seasons of series covered under Sideletter No. 6 shall be effective for the period commencing with July 31, 2022 to and including July 29, 2023.

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,737.52
3705 Sound Installation		2,737.52
3705 Maintenance		2,737.52
3703 Air Conditioning		2,737.52
Gang Boss:		
3711 Electrical Gang Boss	$47.52	
3713 Air Cond. Gang Boss	47.52	
3714 Electronic Gang Boss[1]	49.35	
3737 Construction Gang Boss[2]	52.05	
Other Classifications:		
3716 Cable Splicer	47.52	
3717 Electronic Technician[1]	46.80	
3721 Journeyman Wireman	45.03	
3722 Journeyman Wireman[3]	48.34	
3726 Journeyman Wireman[6]	43.72	
3723 Air Conditioning Engineer	45.03	
3727 Air Conditioning Engineer[7]	43.72	
3724 Production Van Driver/Operator[4]	49.81	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code		Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No.	Classification	Per Hour	Per Hour	Per Week
3735	Sound Installation and/or Maintenance Man	$52.07	$49.04	$2,594.22
3736	Sound Gang Boss[9]	56.08	52.62	2,783.60
3732	*Apprentice Wireman[10]			
	1 to 1,000 hours worked, 50%	22.52		
	1,001 to 2,000 hours worked, 55%	24.77		
	2,001 to 2,750 hours worked, 60%	27.02		
	2,751 to 3,500 hours worked, 65%	29.27		
	3,501 to 4,250 hours worked, 70%	31.52		
	4,251 to 5,000 hours worked, 75%	33.77		
	5,001 to 5,750 hours worked, 80%	36.02		
	5,751 to 6,500 hours worked, 85%	38.28		
	6,501 to 7,250 hours worked, 90%	40.53		
	7,251 to 8,000 hours worked, 95%	42.78		
	*An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):			
	1 to 1,000 hours worked, 50%	24.17		
	1,001 to 2,000 hours worked, 55%	26.59		
	2,001 to 2,750 hours worked, 60%	29.00		
	2,751 to 3,500 hours worked, 65%	31.42		
	3,501 to 4,250 hours worked, 70%	33.84		
	4,251 to 5,000 hours worked, 75%	36.26		
	5,001 to 5,750 hours worked, 80%	38.67		
	5,751 to 6,500 hours worked, 85%	41.09		
	6,501 to 7,250 hours worked, 90%	43.51		
	7,251 to 8,000 hours worked, 95%	45.92		

(continued)

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International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code		Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No.	Classification	Per Hour	Per Hour	Per Week
3733	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
	1 to 1,000 hours worked, 60%	$27.02		
	1,001 to 2,000 hours worked, 65%	29.27		
	2,001 to 3,000 hours worked, 70%	31.52		
	3,001 to 4,000 hours worked, 75%	33.77		
	4,001 to 5,000 hours worked, 80%	36.02		
	5,001 to 6,000 hours worked, 85%	38.28		
	6,001 to 7,000 hours worked, 90%	40.53		
	7,001 to 8,000 hours worked, 95%	42.78		

Footnotes applicable to this wage schedule begin on page 96.

The following minimum wage scale for one-half hour and one-hour pilots covered under Sideletter No. 5 and for the first and second seasons of series covered under Sideletter No. 6 shall be effective for the period commencing with July 30, 2023 to and including July 31, 2024.

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
3701 Electrical		$2,819.65
3705 Sound Installation		2,819.65
3705 Maintenance		2,819.65
3703 Air Conditioning		2,819.65
Gang Boss:		
3711 Electrical Gang Boss	$48.95	
3713 Air Cond. Gang Boss	48.95	
3714 Electronic Gang Boss[1]	50.83	
3737 Construction Gang Boss[2]	53.61	
Other Classifications:		
3716 Cable Splicer	48.95	
3717 Electronic Technician[1]	48.20	
3721 Journeyman Wireman	46.38	
3722 Journeyman Wireman[3]	49.79	
3726 Journeyman Wireman[6]	45.03	
3723 Air Conditioning Engineer	46.38	
3727 Air Conditioning Engineer[7]	45.03	
3724 Production Van Driver/Operator[4]	51.30	
3725 "Hyphenate" Driver/Electrician[5]		

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24**		Studio Minimum Rates		
		Schedule A Daily Employees[11]	Schedule B-1[8]	
		8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code		Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No.	Classification	Per Hour	Per Hour	Per Week
3735	Sound Installation and/or Maintenance Man	$53.63	$50.51	$2,671.98
3736	Sound Gang Boss[9]	57.76	54.20	2,867.18
3732	*Apprentice Wireman[10]			
	1 to 1,000 hours worked, 50%	23.19		
	1,001 to 2,000 hours worked, 55%	25.51		
	2,001 to 2,750 hours worked, 60%	27.83		
	2,751 to 3,500 hours worked, 65%	30.15		
	3,501 to 4,250 hours worked, 70%	32.47		
	4,251 to 5,000 hours worked, 75%	34.79		
	5,001 to 5,750 hours worked, 80%	37.10		
	5,751 to 6,500 hours worked, 85%	39.42		
	6,501 to 7,250 hours worked, 90%	41.74		
	7,251 to 8,000 hours worked, 95%	44.06		
*An Apprentice (Occ. Code No. 3732) working with a Journeyman Wireman who is receiving the Occ. Code No. 3722 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):				
	1 to 1,000 hours worked, 50%	24.90		
	1,001 to 2,000 hours worked, 55%	27.38		
	2,001 to 2,750 hours worked, 60%	29.87		
	2,751 to 3,500 hours worked, 65%	32.36		
	3,501 to 4,250 hours worked, 70%	34.85		
	4,251 to 5,000 hours worked, 75%	37.34		
	5,001 to 5,750 hours worked, 80%	39.83		
	5,751 to 6,500 hours worked, 85%	42.32		
	6,501 to 7,250 hours worked, 90%	44.81		
	7,251 to 8,000 hours worked, 95%	47.30		

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International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24**	Studio Minimum Rates		
	Schedule A Daily Employees[11]	Schedule B-1[8]	
	8 hours 1½ after 8 Minimum Call 8 Hours	Weekly Guarantee 48.6 Cumulative hours 5 Consecutive days Minimum Call - 8 Hours[9]	
Occ. Code	Regular Basic Hourly Rate	Regular Basic Hourly Rate	Weekly Guarantee
No. Classification	Per Hour	Per Hour	Per Week
3733 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)			
1 to 1,000 hours worked, 60%	$27.83		
1,001 to 2,000 hours worked, 65%	30.15		
2,001 to 3,000 hours worked, 70%	32.47		
3,001 to 4,000 hours worked, 75%	34.79		
4,001 to 5,000 hours worked, 80%	37.10		
5,001 to 6,000 hours worked, 85%	39.42		
6,001 to 7,000 hours worked, 90%	41.74		
7,001 to 8,000 hours worked, 95%	44.06		

Footnotes applicable to this wage schedule begin on page 96.

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2004
Revised as of August 1, 2007
Revised as of August 1, 2010
Revised as of August 1, 2012
Revised as of August 1, 2015
Revised as of August 1, 2018
Revised as of August 1, 2021

Stephan Davis
Business Manager/Financial Secretary
International Brotherhood of Electrical Workers, Local 40
5643 Vineland Avenue
North Hollywood, CA 91601

Re: <u>Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences On or After August 1, 2003 and For One-Half Hour Digital or Videotape Single Camera Dramatic Television Series and Digital or Videotape Non-Dramatic Series of Any Length, the Production of Which Commences on or After October 1, 2006</u>

Dear Stephan:

This will memorialize the agreement reached in the 2004 negotiations and confirmed in the 2007, 2010, 2012, 2015, 2018 and 2021 negotiations, to apply the following special conditions to pre-production and production of one-hour episodic television series, the production of which commences on or after August 1, 2003, and to one-half hour digital or videotape single camera dramatic television series and to digital or videotape non-dramatic series of any length, the production of which commences on or after October 1, 2006, which are committed to be produced in Los Angeles:

a. <u>Wages</u> - For the first two (2) production seasons of any series, the wage rates set forth in the Agreement for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply);* thereafter, the wage rates in the Agreement shall apply.

b. <u>Vacation</u> - No vacation pay shall be payable for the first year of any series; in the second year of the series, vacation will be payable at one-half of the applicable percentage in the Agreement; thereafter, the vacation provisions in the Agreement shall apply.

* For convenience, the wage rates for productions covered under this Sideletter appear on pages 207 through 217.

c. Holidays Not Worked - No unworked holiday pay shall be payable for a pilot and the first year of any series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Agreement; thereafter, the unworked holiday provisions in the Agreement shall apply.

d. Holidays Worked - Each employee working on a holiday shall be paid a minimum of eight (8) hours at double time for such holiday.

e. Overtime - Daily overtime for hours worked shall be paid at the rate of time-and-one-half for each hour worked after eight (8) work hours; golden hours shall be paid for each hour worked after twelve (12) work hours.

f. Transportation Allowance - With respect to employees reporting to a "studio zone location," as described in the Agreement, Producer shall not be required to pay a transportation allowance to any employee who travels to any location in Los Angeles County within a ten (10) mile radius from a point to be determined by the Producer. Producer shall give prior notice to the Chair of the Basic Crafts (with copies to the other Basic Crafts Unions) of the point so designated. Such point may be changed by Producer at the beginning of each season. Commencing outside the ten (10) mile radius, a transportation allowance will be paid pursuant to the Agreement. Secured parking will be provided at such locations in accordance with the Agreement.

If the foregoing comports with your understanding of our agreement, please so indicate by executing this sideletter in the space reserved for your signature.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Stephan Davis
Business Manager/Financial Secretary

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2004
Revised as of August 1, 2007
Revised as of August 1, 2010
Revised as of August 1, 2012
Revised as of August 1, 2015
Revised as of August 1, 2018
Revised as of August 1, 2021

Stephan Davis
Business Manager/Financial Secretary
International Brotherhood of Electrical Workers, Local 40
5643 Vineland Avenue
North Hollywood, CA 91601

Re: Special Conditions for Movies for Television and Long-Form Television Motion Pictures, Made for DVD Productions and Low Budget Theatrical Productions

Dear Stephan:

This will confirm the agreement reached by the ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, on behalf of the Producers listed in the 2021 International Brotherhood of Electrical Workers, Local 40 Agreement (hereinafter referred to individually as "the Producer") and INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 40.

WHEREAS the Producer is a signatory party to the Producer-International Brotherhood of Electrical Workers, Local 40 Agreement of 2021; and

WHEREAS special conditions exist regarding movies for television (also referred to as "movies-of-the-week") and long-form television productions; and

WHEREAS special conditions exist in order to preserve and maintain employment for Local 40 members;

THEREFORE, it is agreed as follows:

1. This sideletter and its special conditions shall apply to those made for television long-form projects (including movies-of-the-week and mini-series) which are

produced by the Producer in Los Angeles between August 1, 2021 and July 31, 2024.

2. All of the terms and conditions of the Local 40 Agreement of 2021 shall apply, except as provided in the special conditions in this sideletter.

3. These special conditions shall not apply to any post-production work on the productions covered hereunder, and all post-production and lab work shall be performed in accordance with the International Brotherhood of Electrical Workers, Local 40 Agreement of 2021.

4. The roster provisions of the Local 40 Agreement are fully applicable; however, prospective employees are free to accept or refuse a call to work on any production covered hereunder and any refusal to accept a call will not count as a refusal under the roster provisions of Paragraph 68(g) of the Agreement.

5. The special conditions applicable to the productions covered hereunder are:

   (i) Notwithstanding any wage rate changes made in the future in the Agreement, wages are as listed on the attached "Long-Form Television Minimum Wage Schedules."

   (ii) Overtime will be paid at the rate of time and one-half after eight (8) hours worked; double time to be paid after fourteen (14) elapsed hours; and, effective February 13, 2022, triple time to be paid after sixteen (16) elapsed hours. Overtime pay for weekly employees shall be based on one-fortieth (1/40) of the weekly rate.

   (iii) Meal periods - The time for breaking for the meal period may be extended by up to one-half hour beyond the time specified in the Agreement without penalty at the request of the Director. Notice for such a delayed break must be given no later than one (1) hour before the meal period and the extension may not be scheduled.

   (iv) Producer will not be required to pay the percentage of salaries for the specified contractual holidays; however, any employee working on such holiday will be paid double time. "On Call" employees will be paid for any holiday not worked during their period of employment.

   (v) Producer will not be required to pay the percentage of salaries as vacation pay.

(vi) Producer will not be required to pay any allowance, such as that specified in Paragraphs 21(c) and 23(b)(2) of the Agreement.

6. Prior to actual employment, Producer shall inform and provide written information to each employee to be hired of the special conditions applicable to the production.

7. Producer will provide to the Union the name of the project and, upon request, the names and classifications of the employees who will be employed under the special conditions of this sideletter.

8. The parties hereby confirm that the terms and conditions of this Sideletter also apply to direct-to-video productions and to "low budget" theatrical productions. For this purpose, a "low budget" theatrical production is one for which the budget does not exceed $8,000,000.

9. The Basic Crafts Unions shall have the right to audit any such "low budget" theatrical production to ensure that its budget falls within the aforesaid limitation. If the budget cap is exceeded, the wages, terms and conditions of this Sideletter shall not apply and, instead, the wages, terms and conditions of the Agreement shall apply retroactive to the date of hire of employees covered by this Agreement.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Stephan Davis
Business Manager/Financial Secretary

WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING CONDITIONS

I. TV LONG-FORM MINIMUM WAGE SCALE

The following television long-form minimum wage scale shall be effective from August 1, 2021 through July 30, 2022.

International Brotherhood of Electrical Workers, Local 40 **8/1/21 - 7/30/22** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
4601 Electrical		$2,326.89
4602 Sound Installation		2,326.89
4602 Maintenance		2,326.89
4603 Air Conditioning		2,326.89
Gang Boss:		
4604 Electrical Gang Boss	$40.39	
4605 Air Cond. Gang Boss	40.39	
4606 Electronic Gang Boss[1]	41.95	
4607 Construction Gang Boss[2]	44.24	
Other Classifications:		
4608 Cable Splicer	40.39	
4609 Electronic Technician[1]	39.78	
4610 Journeyman Wireman	38.28	
4611 Journeyman Wireman[3]	41.09	
4691 Journeyman Wireman[6]	37.16	
4612 Air Conditioning Engineer	38.28	
4692 Air Conditioning Engineer[7]	37.16	
4613 Production Van Driver/Operator[4]	42.34	
4614 "Hyphenate" Driver/Electrician[5]		
4615 Sound Installation and/or Maintenance Man	44.26	
4616 Sound Gang Boss[9]	47.67	

International Brotherhood of Electrical Workers, Local 40 **8/1/21 – 2/12/22**	Studio Minimum Rates	
	Schedule A Daily Employees[11]	
	8 hours 1½ after 8 Minimum Call - 8 Hours	
Occ. Code No. Classification	Regular Basic Hourly Rate	
	Per Hour	
4617 *Apprentice Wireman[10]		
1st 1000 hours worked, 45%		$17.23
2nd 1000 hours worked, 50.5%		19.33
3rd 1000 hours worked, 56%		21.44
4th 1000 hours worked, 61.5%		23.54
5th 1000 hours worked, 67%		25.65
6th 1000 hours worked, 72.5%		27.75
7th 1000 hours worked, 78%		29.86
8th 1000 hours worked, 83.5%		31.96
9th 1000 hours worked, 89%		34.07
10th 1000 hours worked, 94.5%		36.17
*An Apprentice (Occ Code No. 4617) working with a Journeyman Wireman who is receiving the Occ. Code No. 4611 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):		
1st 1000 hours worked, 45%		18.49
2nd 1000 hours worked, 50.5%		20.75
3rd 1000 hours worked, 56%		23.01
4th 1000 hours worked, 61.5%		25.27
5th 1000 hours worked, 67%		27.53
6th 1000 hours worked, 72.5%		29.79
7th 1000 hours worked, 78%		32.05
8th 1000 hours worked, 83.5%		34.31
9th 1000 hours worked, 89%		36.57
10th 1000 hours worked, 94.5%		38.83

International Brotherhood of Electrical Workers, Local 40 **8/1/21 - 2/12/22**		Studio Minimum Rates
		Schedule A Daily Employees[11]
		8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No.	Classification	Regular Basic Hourly Rate Per Hour
4690	Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)	
	1st 1000 hours worked, 56%	$21.44
	2nd 1000 hours worked, 61.5%	23.54
	3rd 1000 hours worked, 67%	25.65
	4th 1000 hours worked, 72.5%	27.75
	5th 1000 hours worked, 78%	29.86
	6th 1000 hours worked, 83.5%	31.96
	7th 1000 hours worked, 89%	34.07
	8th 1000 hours worked, 94.5%	36.17

International Brotherhood of Electrical Workers, Local 40 **2/13/22 - 7/30/22**	Studio Minimum Rates
	Schedule A Daily Employees[11]
	8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No. Classification	Regular Basic Hourly Rate
	Per Hour
4617 *Apprentice Wireman[10]	
1 to 1,000 hours worked, 50%	$19.14
1,001 to 2,000 hours worked, 55%	21.05
2,001 to 2,750 hours worked, 60%	22.97
2,751 to 3,500 hours worked, 65%	24.88
3,501 to 4,250 hours worked, 70%	26.80
4,251 to 5,000 hours worked, 75%	28.71
5,001 to 5,750 hours worked, 80%	30.62
5,751 to 6,500 hours worked, 85%	32.54
6,501 to 7,250 hours worked, 90%	34.45
7,251 to 8,000 hours worked, 95%	36.37
*An Apprentice (Occ Code No. 4617) working with a Journeyman Wireman who is receiving the Occ. Code No. 4611 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):	
1 to 1,000 hours worked, 50%	20.55
1,001 to 2,000 hours worked, 55%	22.60
2,001 to 2,750 hours worked, 60%	24.65
2,751 to 3,500 hours worked, 65%	26.71
3,501 to 4,250 hours worked, 70%	28.76
4,251 to 5,000 hours worked, 75%	30.82
5,001 to 5,750 hours worked, 80%	32.87
5,751 to 6,500 hours worked, 85%	34.93
6,501 to 7,250 hours worked, 90%	36.98
7,251 to 8,000 hours worked, 95%	39.04

International Brotherhood of Electrical Workers, Local 40 **2/13/22 - 7/30/22**	Studio Minimum Rates
	Schedule A Daily Employees[11]
	8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No. Classification	Regular Basic Hourly Rate
	Per Hour
4690 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)	
1 to 1,000 hours worked, 60%	$22.97
1,001 to 2,000 hours worked, 65%	24.88
2,001 to 3,000 hours worked, 70%	26.80
3,001 to 4,000 hours worked, 75%	28.71
4,001 to 5,000 hours worked, 80%	30.62
5,001 to 6,000 hours worked, 85%	32.54
6,001 to 7,000 hours worked, 90%	34.45
7,001 to 8,000 hours worked, 95%	36.37

Footnotes applicable to this long-form television minimum wage schedule begin on page 96.

The following television long-form minimum wage scale shall be effective from July 31, 2022 through July 29, 2023.

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman:		
4601 Electrical		$2,396.70
4602 Sound Installation		2,396.70
4602 Maintenance		2,396.70
4603 Air Conditioning		2,396.70
Gang Boss:		
4604 Electrical Gang Boss	$41.61	
4605 Air Cond. Gang Boss	41.61	
4606 Electronic Gang Boss[1]	43.21	
4607 Construction Gang Boss[2]	45.57	
Other Classifications:		
4608 Cable Splicer	41.61	
4609 Electronic Technician[1]	40.97	
4610 Journeyman Wireman	39.42	
4611 Journeyman Wireman[3]	42.32	
4691 Journeyman Wireman[6]	38.28	
4612 Air Conditioning Engineer	39.42	
4692 Air Conditioning Engineer[7]	38.28	
4613 Production Van Driver/Operator[4]	43.61	
4614 "Hyphenate" Driver/Electrician[5]		
4615 Sound Installation and/or Maintenance Man	45.59	
4616 Sound Gang Boss[9]	49.10	

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23**	Studio Minimum Rates
	Schedule A Daily Employees[11]
	8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No. Classification	Regular Basic Hourly Rate
	Per Hour
4617 *Apprentice Wireman[10]	
1 to 1,000 hours worked, 50%	$19.71
1,001 to 2,000 hours worked, 55%	21.68
2,001 to 2,750 hours worked, 60%	23.65
2,751 to 3,500 hours worked, 65%	25.62
3,501 to 4,250 hours worked, 70%	27.59
4,251 to 5,000 hours worked, 75%	29.57
5,001 to 5,750 hours worked, 80%	31.54
5,751 to 6,500 hours worked, 85%	33.51
6,501 to 7,250 hours worked, 90%	35.48
7,251 to 8,000 hours worked, 95%	37.45
*An Apprentice (Occ. Code No. 4617) working with a Journeyman Wireman who is receiving the Occ. Code No. 4611 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):	
1 to 1,000 hours worked, 50%	21.16
1,001 to 2,000 hours worked, 55%	23.28
2,001 to 2,750 hours worked, 60%	25.39
2,751 to 3,500 hours worked, 65%	27.51
3,501 to 4,250 hours worked, 70%	29.62
4,251 to 5,000 hours worked, 75%	31.74
5,001 to 5,750 hours worked, 80%	33.86
5,751 to 6,500 hours worked, 85%	35.97
6,501 to 7,250 hours worked, 90%	38.09
7,251 to 8,000 hours worked, 95%	40.20

International Brotherhood of Electrical Workers, Local 40 **7/31/22 - 7/29/23**	Studio Minimum Rates
	Schedule A Daily Employees[11]
	8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No. Classification	Regular Basic Hourly Rate
	Per Hour
4690 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)	
1 to 1,000 hours worked, 60%	$23.65
1,001 to 2,000 hours worked, 65%	25.62
2,001 to 3,000 hours worked, 70%	27.59
3,001 to 4,000 hours worked, 75%	29.57
4,001 to 5,000 hours worked, 80%	31.54
5,001 to 6,000 hours worked, 85%	33.51
6,001 to 7,000 hours worked, 90%	35.48
7,001 to 8,000 hours worked, 95%	37.45

Footnotes applicable to this long-form television minimum wage schedule begin on page 96.

The following television long-form minimum wage scale shall be effective from July 30, 2023 through July 31, 2024.

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24** Occ. Code No. Classification	Studio Minimum Rates	
	Schedule A Daily Employees[11]	Schedule C
	8 hours 1½ after 8 Minimum Call - 8 Hours	Weekly "On Call"
	Regular Basic Hourly Rate	
	Per Hour	Per Week
Foreman: 4601 Electrical		$2,468.60
4602 Sound Installation		2,468.60
4602 Maintenance		2,468.60
4603 Air Conditioning		2,468.60
Gang Boss: 4604 Electrical Gang Boss	$42.86	
4605 Air Cond. Gang Boss	42.86	
4606 Electronic Gang Boss[1]	44.50	
4607 Construction Gang Boss[2]	46.94	
Other Classifications: 4608 Cable Splicer	42.86	
4609 Electronic Technician[1]	42.20	
4610 Journeyman Wireman	40.60	
4611 Journeyman Wireman[3]	43.59	
4691 Journeyman Wireman[6]	39.42	
4612 Air Conditioning Engineer	40.60	
4692 Air Conditioning Engineer[7]	39.42	
4613 Production Van Driver/Operator[4]	44.91	
4614 "Hyphenate" Driver/Electrician[5]		
4615 Sound Installation and/or Maintenance Man	46.95	
4616 Sound Gang Boss[9]	50.57	

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24**	Studio Minimum Rates
	Schedule A Daily Employees[11]
	8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No. Classification	Regular Basic Hourly Rate
	Per Hour
4617 *Apprentice Wireman[10]	
1 to 1,000 hours worked, 50%	$20.30
1,001 to 2,000 hours worked, 55%	22.33
2,001 to 2,750 hours worked, 60%	24.36
2,751 to 3,500 hours worked, 65%	26.39
3,501 to 4,250 hours worked, 70%	28.42
4,251 to 5,000 hours worked, 75%	30.45
5,001 to 5,750 hours worked, 80%	32.48
5,751 to 6,500 hours worked, 85%	34.51
6,501 to 7,250 hours worked, 90%	36.54
7,251 to 8,000 hours worked, 95%	38.57
*An Apprentice (Occ. Code No. 4617) working with a Journeyman Wireman who is receiving the Occ. Code No. 4611 rate pursuant to footnote 3 shall receive the applicable Apprentice percentage (shown below):	
1 to 1,000 hours worked, 50%	21.80
1,001 to 2,000 hours worked, 55%	23.97
2,001 to 2,750 hours worked, 60%	26.15
2,751 to 3,500 hours worked, 65%	28.33
3,501 to 4,250 hours worked, 70%	30.51
4,251 to 5,000 hours worked, 75%	32.69
5,001 to 5,750 hours worked, 80%	34.87
5,751 to 6,500 hours worked, 85%	37.05
6,501 to 7,250 hours worked, 90%	39.23
7,251 to 8,000 hours worked, 95%	41.41

International Brotherhood of Electrical Workers, Local 40 **7/30/23 - 7/31/24**	Studio Minimum Rates
	Schedule A Daily Employees[11]
	8 hours 1½ after 8 Minimum Call - 8 Hours
Occ. Code No. Classification	Regular Basic Hourly Rate
	Per Hour
4690 Apprentice Maintenance Air Conditioning Mechanic (4 Yr. prog.)	
1 to 1,000 hours worked, 60%	$24.36
1,001 to 2,000 hours worked, 65%	26.39
2,001 to 3,000 hours worked, 70%	28.42
3,001 to 4,000 hours worked, 75%	30.45
4,001 to 5,000 hours worked, 80%	32.48
5,001 to 6,000 hours worked, 85%	34.51
6,001 to 7,000 hours worked, 90%	36.54
7,001 to 8,000 hours worked, 95%	38.57

Footnotes applicable to this long-form television minimum wage schedule begin on page 96.

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
15503 Ventura Boulevard
Encino, California 91436
(818) 995-3600
Direct Dial (818) 382-1710
Fax (818) 382-1793

J. Nicholas Counter III
President

As of August 1, 1994
Revised as of August 1, 1997

Leo Reed
Secretary Treasurer
Studio Transportation Drivers
Local #399
P.O. Box 6017
North Hollywood, CA 91603

Tim Dixon
Business Representative
International Brotherhood of
Electrical Workers, Local #40
5643 Vineland Avenue
North Hollywood, CA 91601

Earl Brendlinger
Business Representative
Studio Utility Employees
Local #724
6700 Melrose Avenue
Los Angeles, CA 90038

Mark Seay
Business Representative
Ornamental Plasterers, Modelers
and Sculptors, Local #755
13949 Ventura Blvd., Suite 305
Sherman Oaks, CA 91423

Re: 1997 Basic Crafts Memoranda of Agreement

Gentlemen:

This will confirm that the interchange language in the Sideletter re Special Conditions for Movies for Television and Long-Form Television Motion Pictures (Sideletter No. 6) and in the Sideletter re Special Conditions for One-Hour Episodic Television Series and One-Half Hour and One-Hour Pilots (Sideletter No. 5) covering movies-for-television and long-form television productions and new one-hour episodic television series and pilots, respectively, has been deleted as unnecessary. All parties agree that each of the Basic Crafts Agreements already provides for complete interchange within the bargaining unit on such productions.

Sincerely,

J. Nicholas Counter III

JNC:sjk

WOHLNER KAPLON PHILLIPS YOUNG & CUTLER

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
15760 VENTURA BOULEVARD
SUITE 1510
ENCINO, CALIFORNIA 91436

(818) 501-8030

FACSIMILE: (818) 501-5306

Jeffrey L. Cutler
Lourdes M. Garcia
Kathryn J. Halford
Joseph J. Kaplon

Ralph M. Phillips
Elizabeth Rosenfeld
Jeffrey S. Wohlner
Kenneth P. Young

March 12, 2001

VIA FACSIMILE AND REGULAR U.S. MAIL

J. Nicholas Counter, III, President
Alliance of Motion Picture and Television Producers
15503 Ventura Boulevard
Encino, California 91436-3140

Re: Studio Transportation Drivers, Local 399, I.B.T., AFL-CIO; International Brotherhood of Electrical Workers, Local 40; Studio Utilities Employees, Local 724, Laborers International, AFL-CIO and the Alliance of Motion Picture and Television Producers - (Letter of Commitment)

Dear Mr. Counter:

Pursuant to the agreement reached on November 29, 2000 regarding the above-captioned unions, the following sets forth the commitments of Teamsters Local 399, IBEW Local 40 and Laborers Local 724 to minimize grievances and increase cooperation by implementing the following understandings in the areas of concern listed below:

1. **Studio Transportation Drivers, Local 399**

   a. **Grouping** - The following procedure shall be applicable to productions produced or financed by the "Studio" members of the AMPTP and shall pertain only to grouping grievances alleging that the Producer failed to give preference to the appropriate seniority group in hiring as provided in Paragraph 62(e)[1] of the Agreement.

      (i) Local 399 will officially notify Labor Relations at those Studios which retain responsibility for employment on a particular production of a violation of Paragraph 62 of the collective bargaining agreement. This notification shall be sent either by mail or facsimile.

---

[1] This procedure does not apply when the Producer claims to have hired the individual in accordance with Paragraph 62(e)(9).

(ii) If the Studio involved acknowledge a violation of Paragraph 62, the Studio shall have three (3) business days after receipt of the notice from Local 399 to correct the improper hiring under Paragraph 62. If the Studio corrects same within the three (3) business day period, there shall be no penalty. If the Studio does not correct the improper hire within (3) business days, the Studio shall pay to Local 399, in liquidated damages, double the amount paid to the improperly-hired employee for all hours worked by guaranteed to the improperly hired employee from the first day that such employee began work on the production.

(iii) If the parties do not agree that there was a violation of Paragraph 62. Local 399 may proceed through the contractual grievance procedure for a remedy.

2. **IBEW Local 40**

a. **Operation of Generators** - IBEW Local 40 will work with the Producers to minimize grievances regarding the staffing of generator.

b. **Seniority** - IBEW Local 40 will work with the Producers to resolved issues with individual members who occupy positions on the Producers' seniority lists.

c. **Construction Rate** - IBEW Local 40, upon notice from Labor Relations, shall have a discussion with Labor Relations prior to the performance of any work under the Local 40 Agreement in connection with construction work by an outside Building Trades contractor to determine whether or not the construction rate is applicable. In any even, Local 40 will cooperate with the Studio in determining the appropriate time span for which the construction rate would apply.

d. **Hiring Preference, Foremen, and Wind Machines** - IBEW Local 40 and the AMPTP-represented Producers maintain their respective positions regarding the interpretation of these contractual provisions in the collective bargaining agreement between the parties. IBEW Local 40 will work with the Producers to increase cooperation and minimize/grievances in these areas.

3. **Laborers Local 724**

Gardeners - Laborers Local 724 will work with the Producers to reduce their gardening costs by encouraging the Producers, when work which does not require special skills, is available, to supplement the regular gardening crew ("core employees") with laborers who may be hired at the laborer rate, either journeymen or entry level as applicable.

If any of the above Unions fail to substantially comply with its commitments herein, the AMPTP, on behalf of its member companies, may reopen the Union's contract for the purpose of renegotiating any and all provisions contained therein. If it does so, the Agreement shall expire sixty (60) days after the date of the reopening notice. Following the expiration date, the "no strike - no lockout" provisions of the collective bargaining agreement shall not be applicable.

I trust the above sufficiently sets forth our agreement herein. If so, please affix your signature to the space provided below.

Very truly yours,

WOHLNER KAPLON PHILLIPS
YOUNG & CUTLER

By Joseph J. Kaplon
Joseph J. Kaplon

JJK:sdg
cc: Leo T. Reed, Teamsters Local 399
Rick DesJardins, IBEW Local 40
Earl Brendlinger, Laborers Local 724

ACCEPTED AND AGREED:

J. Nicholas Counter, III, President
AMPTP

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
15503 Ventura Boulevard
Encino, California 91436-3103
(818) 995-3600
Fax (818) 382-1793

Carol A. Lombardini
Senior Vice President
Legal and Business Affairs

May 15, 2002

Rick P. DesJardins
Business Manager
International Brotherhood of Electrical Workers, Local #40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Apprentice Seniority

Dear Rick:

This letter memorializes the parties' resolution of an ambiguity in the language covering seniority in the 1991 International Brotherhood of Electrical Workers, Local #40 Agreement ("the 1991 Local #40 Agreement") and in the Apprenticeship Standards in effect prior to December 1, 1999.

In the 1991 Local #40 Agreement, the parties agreed to cap the number of available slots on the Producer's Seniority Roster, in effect creating a waiting list for the next available slot when all slots are filled. Despite this change in the seniority system, the Apprenticeship Standards remained unchanged until December 1, 1999, incorporating what appeared to be internally inconsistent provisions. On the one hand, the Apprenticeship Standards provided that once an apprentice served his or her full apprenticeship and was given journeyman rating by the Joint Apprenticeship Committee, the apprentice would be transferred to the Producer's Seniority Roster with seniority as of the year he or she first attained Apprentice seniority. This was, of course, inconsistent with the notion that if all slots on a Producer's Seniority Roster were already filled as a result of the new cap on the number of seniority slots, new applicants for placement on the Producer's Seniority Roster would be placed on a waiting list until a vacancy occurred. On the other hand, the Apprenticeship Standards also provided that any changes in the collective bargaining agreement with respect to wages, hours and working conditions are made part of the Apprenticeship Standards. That clause would appear to require that the Apprenticeship Standards relating to seniority be interpreted to conform to the 1991 Local #40 Agreement.

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In order to resolve any ambiguity with respect to this issue, the parties have determined to enter into this Letter of Understanding to memorialize their intent with respect to these matters. After deliberation, the parties have agreed as follows:

1. An apprentice's seniority date for purposes of his or her position on the waiting list for the Producer's Journeyman Seniority Roster shall be the date the apprentice completed one hundred fifty (150) days of work within a twelve (12) month period as an apprentice.

2. However, once placed on the Producer's Journeyman Seniority Roster, the apprentice's seniority date shall be the year that he or she is actually placed on said Roster.

The provisions of this letter agreement shall govern apprentice seniority as of May 1, 2002. Any apprentice who was placed on a Producer's Journeyman Seniority Roster prior to May 1, 2002 shall continue to have the seniority date which he or she was assigned at the time of placement.

Sincerely,

Carol A. Lombardini

CAL:wjs

ACCEPTED AND AGREED:

5/20/02

Rick P. DesJardins
Business Manager
I.B.E.W. Local 40

G:\Data\WP51\BC\40-2002\Correp\Seniority 515

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini

Direct: 818.935.5930

As of August 1, 2004
Revised as of August 1, 2021

Stephan Davis
Business Representative/Financial Secretary
International Brotherhood of Electrical Workers, Local 40
5643 Vineland Avenue
North Hollywood, CA 91601

Re: Decisions Regarding the Staffing of Generators

Dear Stephan:

This will confirm the agreement reached during the negotiations leading up to the 2004 Producer-International Brotherhood of Electrical Workers, Local 40 Agreement. Although Paragraph 81 of the Agreement requires that the operation of all portable generators 200 amps and larger be performed by persons who are covered by this Agreement, all decisions regarding the number of electricians (which includes Production Van Driver/ Operators) assigned to operate such generators shall be made by the Producers.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Stephan Davis
Business Manager/Financial Secretary

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2004
Revised as of August 1, 2007
Revised as of August 1, 2010
Revised as of August 1, 2012
Revised as of August 1, 2015
Revised as of August 1, 2018
Revised as of August 1, 2021

Stephan Davis
Business Representative/Financial Secretary
International Brotherhood of Electrical Workers, Local 40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Disputes Over the Staffing of Wind Machines/Generators

Dear Stephan:

This will confirm the agreement reached during the 2004 negotiations and confirmed during the 2007, 2010, 2012, 2015, 2018 and 2021 negotiations, that disputes concerning the staffing of wind machines or generators shall be resolved in accordance with the following procedure: Any such dispute shall first be submitted to Step 1 of the grievance procedure. If the grievance is not resolved in Step 1, then the aggrieved party may proceed to Step 2. If either party objects to submission of the grievance to Step 2, or if the Conciliation Committee fails to reach a decision in Step 2, then, in lieu of proceeding to arbitration under this Agreement, the aggrieved party may instead refer the dispute to a panel consisting of Tim Dixon and Carol A. Lombardini for resolution. This procedure shall be the sole and exclusive procedure for resolving such disputes.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Stephan Davis
Business Manager/Financial Secretary

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS
15503 Ventura Boulevard
Encino, California 91436
(818) 995-3600
Direct Dial (818) 382-1710
Fax (818) 382-1793

J. Nicholas Counter III
President

As of August 1, 2007

William Brinkmeyer
Business Representative/Financial Secretary
International Brotherhood of Electrical Workers, Local #40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Productions Made for Basic Cable

Dear Bill:

The following terms and conditions shall be applied to productions made for basic cable:

Employees working on the pilot or first season of any made-for-basic-cable series, or on any one-time program made for basic cable, shall be subject to the terms and conditions of the Long-Form Television Sideletter to the Agreement. Employees working on the second and third seasons of any such series shall be subject to the terms and conditions of the New One-Hour Series Sideletter to the Agreement (except that the reference in subparagraph a. of that Sideletter to "the first two production seasons" shall be changed to "the second and third production seasons" and the references in subparagraphs b. and c. of that Sideletter to "the first year" and "the second year" shall be changed to "the second year" and "the third year," respectively). The terms and conditions of the Agreement shall apply to all subsequent seasons of such series.

Sincerely,

J. Nicholas Counter III

JNC:jrs

ACCEPTED AND AGREED:

William Brinkmeyer

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2018

Marc Flynn
Business Manager and Financial Secretary
I.B.E.W., Local #40
5643 Vineland Avenue
North Hollywood, California 91601

Re: Coverage Under the Agreement

Dear Marc:

During the 2018 negotiations, the parties discussed whether an individual hired under this Agreement by a Producer in Los Angeles County to perform services elsewhere within the United States – for example, in Atlanta – who remains in Atlanta following completion of his/her assignment on that production and then immediately accepts employment with the same or another Producer on a second project in Atlanta will be covered under the Agreement on the second project.

The parties agree that the mere fact that the individual in question was not furnished transportation from Los Angeles to Atlanta by the second production shall not disqualify the individual from coverage under the Agreement, provided that the second production furnishes the individual transportation to Los Angeles at the conclusion of the second production.

If the foregoing comports with your understanding of our agreement, please so indicate by executing this sideletter in the space reserved for your signature.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Marc Flynn
Business Manager

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403
Tel: 818.995.3600 • Fax: 818.285.4450 • www.amptp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2021

Stephan Davis
Business Manager and Financial Secretary
International Brotherhood of Electrical Workers, Local 40
5643 Vineland Avenue
North Hollywood, California 91601

Re: New Media Productions

Dear Stephan:

This Sideletter confirms the understanding of the International Brotherhood of Electrical Workers, Local 40 (hereinafter "Local 40" or "the Union"), on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of the Producers it represented in the negotiations for a successor agreement to the 2018 Producer-IBEW, Local 40 Agreement (hereinafter the "Agreement"), on the other hand (hereinafter collectively "the parties"), concerning the terms and conditions applicable to certain scripted dramatic motion pictures of the type traditionally covered under the Agreement that are made for a subscription video-on-demand consumer pay new media platform ("SVOD").

1. Coverage. This Sideletter applies only to scripted dramatic programs made for SVOD that are 20 minutes or more in length and meet the budget thresholds set forth in Paragraph 3 of this Sideletter. Except as otherwise provided in this Sideletter, the Agreement does not cover programs made for new media.

2. Effective Date. This Sideletter shall be effective as of February 13, 2022, but will not apply to any SVOD program or series that, as of that date, is subject to an existing agreement between the Producer and one or more of the Basic Crafts Unions.[1]

[1] The Basic Crafts Unions are: Studio Transportation Drivers, Local 399 of the International Brotherhood of Teamsters; Local 40 of the International Brotherhood of Electrical Workers; Local 724 of the Laborers' International Union of North America; Local 755 of the Operative Plasterers and Cement Masons International Association of United States and Canada; and United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78.

3. Terms and Conditions

a. Pilots. Sideletter No. 5 of the Agreement shall apply to pilots made for SVOD. (This provision shall not apply to the first episode of a series that is produced as a straight-to-series-order. In that instance, the provisions of Paragraph 3.b. of this Sideletter shall apply.)

b. Episodic Series and Mini-Series.

i. Sideletter No. 6 of the Agreement shall apply to episodic series and mini-series that are:

(1) 20-35 minutes in length and budgeted at $1,500,000 or more but less than $5,000,000 per episode for the first season of the series or per part of the mini-series; or

(2) 36-65 minutes in length and budgeted at $1,500,000 or more but less than $10,000,000 per episode for the first season of the series or per part of the mini-series; or

(3) 66 minutes or more in length and budgeted at $2,000,000 or more but less than $10,000,000 per episode for the first season of the series or per part of the mini-series.

Once Sideletter No. 6 applies to an episodic series, it shall continue to apply for the duration of the series. It is understood that the special conditions set forth in subparagraphs a. ("Wages"), b. ("Vacation") and c. ("Holidays Not Worked") of Sideletter No. 6 shall not apply after the second season of the series.

ii. A variance in the "program length" category of up to three (3) minutes is permitted without the episode of the series or part of a mini-series becoming subject to the terms and conditions applicable to the next highest program length.

For example, should episodes of a series typically fall within the "program length" category of 20-35 minutes, any episode that is 38 minutes in length will still be subject to the rates and terms and conditions applicable to a program between 20 and 35 minutes in length.

Similarly, should episodes of a series typically fall within the "program length" category of 36-65 minutes, any episode that is 68 minutes in length will still be subject to the rates and terms and

conditions applicable to a program between 36 and 65 minutes in length

iii. The standard terms and conditions (*i.e.*, feature terms and conditions) shall apply to episodic series and mini-series that are 20 minutes or more in length and exceed the budget thresholds set forth in subparagraph i. above for the SVOD programs described.

c. One-Time Programs (Other than Pilots)

i. Sideletter No. 6 of the Agreement shall apply to one-time programs that are:

(1) 20-35 minutes in length and budgeted at $1,500,000 or more but less than $5,000,000;

(2) 36-65 minutes in length and budgeted at $1,500,000 or more but less than $10,000,000; or

(3) 66 minutes or more and budgeted at $3,000,000 or more but less than $10,000,000;

ii. The standard terms and conditions (*i.e.*, feature terms and conditions) shall apply to one-time programs that are 20 minutes or more in length and exceed the budget thresholds set forth in subparagraph i. above for the SVOD programs described.

d. Budget Information. The budget shall be determined by the production costs, including the "above" and "below the line" costs and "pre-production" and "post-production" costs. Production costs shall not include: (a) the costs of the premium for a completion bond; (b) a contingency fund not to exceed ten percent (10%) of the budget; (c) costs reimbursed by insurance; and (d) overages caused by a *force majeure* event or governmental action.

In the case of an episodic series or mini-series, the budget shall be determined by reference to the pattern budget. If the pattern budget for an episodic series or mini-series is expressed as an aggregate budget for all episodes of the series or for all parts of the mini-series, the budget per episode or per part shall be determined by dividing the aggregate budget by the number of episodes in the season or the number of parts in the mini-series.

A designated representative of the Basic Crafts Unions shall have the right to review the budget of a covered new media production solely for the purpose of determining whether the covered new media production falls within the budget thresholds set forth in Paragraph 3 above. Producer agrees to cooperate and provide requested relevant additional information about the budget that is reasonably available to it. All information received or reviewed shall be kept confidential, and neither the Basic Crafts Unions nor their representatives nor retained professionals shall disclose any such information, except as necessary to enforce their rights under this Sideletter.

The Union will give good faith consideration on a case-by-case basis to a Producer's request to apply Sideletter No. 6 terms and conditions, even if a production exceeds the budget thresholds specified in Paragraph 3 above for coverage under Sideletter No. 6.

4. Low Budget Productions.

a. For productions of the type described in Paragraph 1 which fall below the budget thresholds specified in Paragraph 3, Producer shall notify the Union of its intention to produce such a program at least thirty (30) days prior to commencement of production.

b. Either the Union or Producer may, at any time, notify the other that it wishes to bargain concerning rates and other conditions of employment to be applicable to such programs. The parties agree to commence such negotiations promptly within fifteen (15) days of receipt of such notice for any one-time program ninety (90) minutes or longer or within thirty (30) days of receipt of such notice for all other such programs. In the event the parties reach agreement, days worked on those productions shall be counted toward placement on the applicable Studio Seniority Roster.

5. Incorporated Gross-Receipts Residuals Obligation to MPIPHP

a. The gross receipts-based residual contributions provided for new media productions under the IATSE's Basic Agreement with the AMPTP apply to productions covered by this Sideletter. It is intended by the parties that the Producer shall be responsible for only a single gross receipts-based residual payment to the Motion Picture Industry Pension and/or Health Plans for the reuse of the SVOD programs on behalf of all unions that negotiated or will negotiate such payments, including the IATSE and the Basic Crafts Unions. It is understood that payment of the gross receipts residual obligations required under the IATSE "Productions Made

for New Media" Sideletter to the 2021 or subsequent IATSE Basic Agreement, or under this Sideletter or a corresponding Sideletter in any of the Basic Crafts Agreements, shall satisfy any obligation under this Sideletter to make residual payments for the reuse of SVOD programs covered under this Sideletter and vice versa. For example, at no time shall the Producer be required to pay the Motion Picture Industry Pension and/or Health Plans more than the aggregate amount of 5.4% of "Producer's gross" as that term is defined in the 2021 IATSE "Productions Made for New Media" Sideletter, when payment of 5.4% of "Producer's gross" is required under the 2021 IATSE "Productions Made for New Media" Sideletter for an SVOD program covered under this Sideletter.

b. It is also understood that the tests for triggering Post '60s and Supplemental Markets payments set forth in Articles 15 and 21 of the Agreement, including the understandings set forth in subparagraph (f) of those Articles, and the proration provisions in those Articles, shall also apply to residual payments due under the terms of this Sideletter.

6. Other Terms. Except as expressly provided above, all terms and conditions of the Agreement, including the roster provisions of Paragraph 68, apply to productions covered by this Sideletter.[2]

If the foregoing comports with your understanding of our agreement, please so indicate by executing this letter in the space below reserved for your signature.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Stephan Davis
Business Manager/Financial Secretary

[2] Days worked between August 1, 2021 and February 12, 2022 on scripted dramatic programs made for SVOD that are 20 minutes or more in length shall be counted toward placement on an applicable Seniority Roster. Individuals who previously made application for placement on such Roster on the basis of any such days, and who had such days denied, shall reach out to the Producer for reconsideration of the individual's application.

Exhibit to New Media Sideletter
Summary of Budget Thresholds in New Media Sideletter

Applicable Terms and Conditions	**Program Type**
Sideletter No. 5	Pilots (other than the first episode of a series that is produced as a straight-to-series order)
Sideletter No. 6	*Episodic Series and Mini-Series (including the first episode of a series that is produced as a straight-to-series order)*: • 20-35 minutes, budgeted at $1.5 million to < $5 million; • 36-65 minutes, budgeted at $1.5 million to < $10 million; and • 66 minutes or more, budgeted at $2 million to < $10 million. *One-Time Programs (other than pilots)*: • 20-35 minutes, budgeted at $1.5 million to < $5 million; • 36-65 minutes, budgeted at $1.5 million to < $10 million; and • 66 minutes or more, budgeted at $3 million to < $10 million.
Standard (*i.e.*, full feature rates, terms and conditions)	*Episodic Series and Mini-Series (including the first episode of a series that is produced as a straight-to-series order)*: • 20-35 minutes, budgeted at $5 million or more • 36-65 minutes, budgeted at $10 million or more; and • 66 minutes or more, budgeted at $10 million or more. *One-Time Programs (other than pilots)*: • 20-35 minutes, budgeted at $5 million or more; • 36-65 minutes, budgeted at $10 million or more; and • 66 minutes or more, budgeted at $10 million or more.