

January 16, 2019

**MEMORANDUM OF AGREEMENT OF OCTOBER 1, 2018
FOR THE PRODUCER – I.A.T.S.E. AND M.P.T.A.A.C.
VIDEOTAPE ELECTRONICS SUPPLEMENTAL BASIC AGREEMENT**

This Memorandum of Agreement is entered into between the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada, on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of those Producers listed on Exhibit “A” attached hereto, on the other hand, and reflects the complete understanding reached between the parties as to the terms of the successor Agreement to the Producer-I.A.T.S.E. and M.P.T.A.A.C. Videotape Electronics Supplemental Basic Agreement of 2015 (“the 2015 Videotape Agreement”).

Provided that the AMPTP receives notice of ratification on or before _____, the provisions herein shall be effective upon notice of ratification, unless a contrary date is specified, in which case such provision shall be effective as of the date so specified.

All of the terms and conditions of the 2015 Videotape Agreement shall remain unchanged, except as modified below and subject to conforming changes:

1. Term

The term of the 2018 Videotape Agreement shall be for three (3) years, commencing on October 1, 2018 and terminating on September 30, 2021.

2. Wage Rates

- a. Increase wage rates for all productions covered under the Videotape Agreement to which the Videotape Agreement wage rates apply as follows:

By 3% effective September 30, 2018;
By an additional 3% effective September 29, 2019; and
By an additional 3% effective October 4, 2020.

These increases shall be compounded.

b. Housekeeping

- i. Eliminate “tape” from “tape editors” in all wage schedules.
- ii. Change “Video Cameramen” to “Video Camerapersons” in all wage schedules.

3. **Pension, Welfare and Miscellaneous**

a. *Modify Article 34 (Pension, Welfare and Miscellaneous) as follows:*

“34. PENSION, WELFARE AND MISCELLANEOUS

“The provisions of Article VI (‘Insignia of IATSE’), VIII (‘Foremen and Supervisory Employees’), XII (‘Health Plan’), XIII (‘Pension Plan’), XIII A (‘Motion Picture Industry Individual Account Plan’), XIV (‘Motion Picture Industry Health Plan - Retired Employees Fund’), XV (‘Producer Retirement Plans’), XVI (‘Report of Locations and Production Schedules’), XX (‘Policy, Applicability of Agreement and Subcontracting’) and XXV (‘Contract Services Administration Trust Fund’), as contained in the ‘Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of ~~2018~~ 2015’ shall be deemed incorporated herein with the same force and effect as if fully set forth herein for the period October 1, ~~2018~~ 2015 through September 30, ~~2021~~ 2018, except that the increases in the contribution rates to the Health Plan shall be effective September 30, 2018 (in lieu of July 29, 2018), September 29, 2019 (in lieu of August 4, 2019) and October 4, 2020 (in lieu of August 2, 2020); and the increases in the contribution rates to the Contract Services Administration Trust Fund shall be effective September 30, 2018 (in lieu of July 29, 2018) and October 4, 2020 (in lieu of August 2, 2020).⁶

~~the Producer contribution rate to the Pension Plan shall increase by an additional by eighteen cents (\$0.18) per hour to one dollar forty-five and sixty-five hundredths cents (\$1.4465) effective October 4, 2015 (in lieu of August 2, 2015); by an additional eighteen cents (\$0.18) per hour to one dollar sixty-two and sixty-five hundredths cents (\$1.6265) effective October 2, 2016 (in lieu of July 31, 2016); and by an additional eighteen cents (\$0.18) per hour to one dollar eighty and sixty-five hundredths cents (\$1.8065) effective October 1, 2017 (in lieu of July 30, 2017).~~

“(a) Pay Television, Videodisc/Videocassette Markets

“If and when a program which has been produced primarily for the pay television and/or the videodisc/videocassette markets is subsequently broadcast on free television, the Producer will pay to the Motion Picture Industry Pension Plan four and five-tenths percent (4.5%) of the ‘Producer’s gross,’ as that term is defined in Article XXVIII(b)(1)(ii) of the ‘Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of ~~2018~~ 2015.’”

Make conforming changes.

⁶ The pension contribution rate increases specified herein are effective on the date(s) specified in the Basic Agreement for employees employed on one-half hour prime time dramatic programs recorded digitally.

b. Update the references to the “2015 Basic Agreement” as provided in Item 3.a. above and as follows:

i. First “Whereas Clause” on page 5 of the Videotape Agreement:

“WHEREAS, the Producer and the IATSE have heretofore mutually executed agreements entitled the ‘**Producer-I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2018 2015**,’ effective August 1, **2018 2015**, and a Memorandum of Agreement for the Producer-I.A.T.S.E. and M.P.T.A.A.C. Videotape Electronics Supplemental Basic Agreement of **2018 2015**; and”

ii. Article 1(f)(1) of the Videotape Agreement:

“(1) Wage scales shall be as set forth in the Basic Agreement and in the **2018 2015** West Coast Studio Local Agreements;

“(2) Working conditions shall be as set forth in this Agreement, except that the ‘Call backs’ and ‘Night Premiums’ provisions of the **2018 2015** West Coast Studio Local Agreements shall apply to employees (other than "on call" employees) employed on one-half hour single camera prime time dramatic television motion pictures recorded digitally;”

iii. First paragraph of Article 4 of the Videotape Agreement:

“4. **RECOGNITION**

“The Producer recognizes the IATSE as the exclusive collective bargaining representative of all classifications of employees covered by this Agreement, employed by Employer members of the single multi-employer bargaining unit who are parties to this Agreement. The IATSE makes this Agreement on behalf of such employees, the majority of whom the IATSE warrants are members of the IATSE in good standing. The employees covered hereunder are part of the collective bargaining unit established by the ‘**Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2018 2015**.”

4. **Notification of Production**

Modify Article 7 of the Videotape Agreement as follows (and make conforming changes):

“7. **NOTIFICATION OF PRODUCTION**

“The Producer shall provide written notice to the IATSE General Office with the following information, if known (or may submit the information, if known, in the form of a Project Information Sheet, attached as Exhibit ‘B’ to this Agreement) for each program

covered under this Agreement no later than two (2) weeks after opening a production office for such motion picture or production.

“Such 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) Type of Television Program Recorded Digitally (i.e., non-dramatic, other than prime time dramatic, or one-half hour prime time dramatic);
- “(e) Applicable Special Conditions sideletter or New Media sideletter, if any;
- “(f) Whether the covered New Media production is a ‘Mid-Budget SVOD’ Program covered by the Sideletter re: Productions Made for New Media;
- “(g) Applicable ‘High Budget SVOD’ budget tier and subscriber tier for a ‘High Budget SVOD’ Program covered by the Sideletter re: Productions Made for New Media;
- “(h) Number of episodes in the initial order for a dramatic series;
- “(i) Production office address and phone number;
- “(j) First Assistant Director/Associate Director or UPM/Executive In Charge/Labor Relations contact(s) with phone number(s) and email address(es);
- “(k) Payroll service, if applicable.

“The foregoing requirement is satisfied by providing a notice (or Project Information Sheet) at the commencement of production of the first season of the program.

“It is understood and agreed that only one (1) notice or Project Information Sheet need be submitted for said production.

“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.

“Producer shall give a minimum of forty-eight (48) hours advance notice to the IATSE of the scheduled production of those videotape electronic motion pictures subject to this Agreement.”

5. Courtesy Housing/Alternative Transportation

- a. *Add a new paragraph (5) to Article 23(a) of the Videotape Agreement (and renumber existing paragraphs (5)-(6) and make conforming changes):*

“(a) Studio Zone

“(5) Courtesy Housing—Upon request of an employee who is required to work in excess of fourteen (14) hours in the studio zone and who advises the Producer that he/she is too tired to drive home safely, Producer shall provide the employee either courtesy housing or round trip transportation from the designated crew parking area to home and return at the Producer’s expense. Producer shall have no responsibility for the personal vehicle of an employee who elected to use his or her personal vehicle in lieu of Producer-provided transportation.”

- b. *Modify Article 23(b) of the Videotape Agreement as follows (and make conforming changes):*

“(b) Secondary Studio Zone

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

“(iii) Courtesy housing shall be offered to those employees who work in excess of twelve (12) hours in the secondary studio zone. In the alternative, the Producer may provide round trip transportation to home and return at the Producer’s expense.”

- c. *Add a new Article 23(c) to the Videotape Agreement as follows (and rename existing paragraph (c) and make conforming changes):*

“(c) Courtesy Housing and Transportation within New York Thirty (30) Mile Zone and Production Centers

“Upon request of an employee who is required to work in excess of fourteen (14) hours within a radius of thirty (30) miles of Columbus Circle in the New York metropolitan area or in a ‘Production Center’ (as defined below) and who advises the Producer that he/she is too tired to drive home safely, Producer shall provide the employee either courtesy housing or round trip transportation from the designated crew parking area to home and return at the Producer’s expense.⁵ The Producer shall have no responsibility for the personal vehicle of an employee who elected to use his or her personal vehicle in lieu of Producer-provided transportation.

“A ‘Production Center’ means the area within a thirty (30) mile radius of City Hall in: Anchorage, Alaska; Phoenix, Arizona; Tuscon, Arizona; Sacramento, California; San Diego, California; Denver, Colorado; Fort Lauderdale, Florida; Miami, Florida; Orlando, Florida; Atlanta, Georgia; Honolulu, Hawaii; New Orleans, Louisiana; Shreveport, Louisiana; Baltimore, Maryland; Boston, Massachusetts; Detroit, Michigan; Minneapolis - St. Paul, Minnesota; St. Louis, Missouri; Las Vegas, Nevada; Albuquerque, New Mexico; Santa Fe, New Mexico; Charlotte, North Carolina; Wilmington, North Carolina; Cleveland, Ohio; Portland, Oregon; Pittsburgh, Pennsylvania; San Juan, Puerto Rico; Nashville, Tennessee; Austin, Texas; Dallas - Ft. Worth, Texas; Houston, Texas; San Antonio, Texas; Salt Lake City, Utah; Richmond, Virginia; Washington, D.C.; Seattle, Washington; and any other place where a television pilot or series is based.”

Make conforming changes.

⁵ “Round trip transportation may include public transportation if reasonable under the circumstances.”

6. Rest Periods

Modify Article 28 (“Call-backs”) regarding rest periods (other than on distant location) as follows (and make conforming changes):

“28. CALL-BACKS⁶

“(a) (1) The rest period for production employees employed on an awards show or on the second or subsequent season of a program (other than a daytime serial), which show or program commences recording after [insert date that is ninety (90) days following the AMPTP’s receipt of notice of ratification], shall be:

“(A) Ten (10) hours following dismissal when employed at a studio. If the foregoing rest period is invaded by no more than two (2) hours, the employee shall be paid additional straight time for all such invaded time. If the rest period is invaded by more than two (2) hours, then the penalty shall be as provided in Article 26 above.

“(B) Ten (10) hours for report-to-assignments outside a studio, but within the thirty (30) mile zone. The penalty for an invasion of the foregoing rest period shall be as provided in Article 26 above.

“(C) Ten (10) hours when transported from a studio to a location within the thirty (30) mile zone or the secondary studio zone. If the foregoing rest period is invaded by no more than one (1) hour, the employee shall be paid additional straight time for all such invaded time. If the rest period is invaded by more than one (1) hour, then the penalty shall be as provided in Article 26 above.

“(D) Ten (10) hours from the time the employee is deemed to have reached the perimeter of the thirty (30) mile zone for employees working in the secondary studio zone. The penalty for an invasion of the foregoing rest period shall be as provided in Article 26 above.

“(E) Ten (10) hours from the time the employee is deemed to have reached the place of reporting when working on a nearby location outside the secondary studio zone. If the foregoing rest period is invaded by no more than one (1) hour, the employee shall be paid additional straight time for all such invaded time. If the rest period is invaded by more than one (1) hour, then the penalty shall be as provided in Article 26 above.

⁶ The ‘Call-backs’ provisions of the West Coast Studio Local Agreements apply, to the extent provided therein, to employees employed on one-half hour single camera prime-time dramatic television motion pictures recorded digitally.

“(2) The rest period for production employees employed on a one-time program (other than an awards show) that commences recording after [insert date that is 90 days following the AMPTP’s receipt of notice of ratification] and who work fourteen (14) or more hours on two (2) consecutive days for the same Producer on the same production shall be ten (10) hours on the second consecutive day so worked and continuing each day thereafter that the employee works for the same Producer on the same production until the employee either works a day of fewer than fourteen (14) hours or the employee has a day off.

“The rest period shall be measured from dismissal when the employee is employed in the studio or studio zone, from the time the employee is deemed to have reached the perimeter of the thirty (30) mile zone for employees working in the secondary studio zone or from the time the employee is deemed to have reached the place of reporting when working on a nearby location.

“If the foregoing rest period is invaded by no more than two (2) hours following dismissal from work at a studio or by more than one (1) hour in all other circumstances (except when the employee reported to a location within the studio zone or the secondary studio zone), the employee shall be paid additional straight time for all such invaded time. If the rest period is invaded by more than one (1) hour or two (2) hours as provided in the previous sentence, or the rest period follows a day when the employee reported to a location within the studio zone, then the penalty shall be as provided in Article 26 above.

“(3) The rest period for post-production employees who are assigned to an awards show or the second or subsequent season of a program (other than a daytime serial), which show or program commences recording after [insert date that is ninety (90) days following the AMPTP’s receipt of notice of ratification], shall be:

“(A) Nine (9) hours following dismissal when employed at a studio. If the foregoing rest period is invaded by no more than one (1) hour, the employee shall be paid additional straight time for all such invaded time. If the rest period is invaded by more than one (1) hour, then the penalty shall be as provided in Article 26 above.

“(B) Ten (10) hours for report-to-assignments outside a studio, but within the thirty (30) mile zone. The penalty for an invasion of the foregoing rest period shall be as provided in Article 26 above.

“(C) Nine (9) hours when transported from a studio to a location within the thirty (30) mile zone or the secondary studio zone. The penalty for an invasion of the foregoing rest period shall be as provided in Article 26 above.

“(D) Nine (9) hours from the time the employee is deemed to have reached the perimeter of the thirty (30) mile zone for employees working in the secondary studio zone. The penalty for an invasion of the foregoing rest period shall be as provided in Article 26 above.

“(E) Nine (9) hours from the time the employee is deemed to have reached the place of reporting when working on a nearby location outside the secondary studio zone. The penalty for an invasion of the foregoing rest period shall be as provided in Article 26 above.

“(4) The rest period for post-production employees assigned to work within the studio on a one-time program (other than an awards show) that commences recording after [insert date that is 90 days following the AMPTP’s receipt of notice of ratification] and who work fourteen (14) or more hours on two (2) consecutive days for the same Producer on the same production shall be nine (9) hours on the second consecutive day so worked and continuing each day thereafter that the employee works for the same Producer on the same production until the employee either works a day of fewer than fourteen (14) hours or the employee has a day off.

“If the foregoing rest period as provided in this Article 28(a)(2) is invaded by no more than one (1) hour following dismissal from work at a studio, the employee shall be paid additional straight time for all such invaded time. If the rest period is invaded by more than one (1) hour as provided in the previous sentence, then the penalty shall be as provided in Article 26 above.

“(5) Rest periods following dismissal shall be eight (8) hours for work within the studio; ten (10) hours for report-to assignments outside a studio, but within the thirty (30) mile zone; and nine (9) hours for work on a nearby location or when transported from a studio to a location within the thirty (30) mile zone (or secondary studio zone):

“(A) for employees employed on a pilot or the first season of a program;

“(B) for employees assigned to a one-time program (other than an awards show) who work fewer than fourteen (14) hours on two (2) consecutive days for the same Producer on the same production (i.e., production employees and post-production employees assigned to work in the studio who do not qualify for the rest periods set forth in subparagraphs (a)(2) or (4) above);

“(C) for post-production employees assigned to work outside the studio on a one-time program (other than an awards show) (i.e., post-production employees who do not qualify for the rest period set forth in subparagraph (a)(4) above);

“(D) before the effective date of the rest period provisions in subparagraphs (a)(1) through (4) above) (i.e., during the period commencing October 1, 2018 and concluding ninety (90) days after the IATSE provides notice of ratification to the AMPTP); and

“(E) any other circumstance not covered by subparagraphs (a)(1), (2), (3) and (4) above.

“(b) Intervening time of less than five (5) hours between dismissal and call-back to work shall be work time; intervening time of five (5) or more hours shall not be work time. When intervening time is less than five (5) hours, such time may be applied as part of the ‘call-back’ guarantees below. All employees are paid at their scheduled Regular Basic Hourly Rates as provided in Article 15.

Minimum Guarantees for ‘Call-backs’ Within Eight (8) Hours of Dismissal		
Classification	Weekdays	Sixth or Seventh Day Worked in an Employee’s Workweek and 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 do not apply when employee reports to work on such days within eight (8) hours of time of dismissal from work starting on the previous day. In such event, the ‘call-back’ guarantee is the minimum call in hours as scheduled in Article 22.

“(c) By way of clarification, the parties agree that forced calls are triggered by time worked, rather than by time paid.”

Make conforming changes.

7. Safety

- a. *Rename and modify Article 36 of the Videotape Agreement as follows (and make conforming changes):*

“36. SAFETY REPORTING OF ACCIDENTS

“The nature and place of hospitalization of all accident cases requiring hospitalization shall be reported by the Producer to the IATSE as soon as practicable after the accident. An employee who is injured while at work hereunder shall be credited with no less than a minimum call on the day of such injury.

“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 the First Assistant Director/Associate Director or the Unit Production Manager/Executive In Charge or his or her supervisor relating to the safety of another employee exposed to a clear and present danger to life or limb.”

b. Radio Frequency Exposure

The Industry-Wide Labor-Management Safety Committee shall convene a meeting to develop and issue, within six (6) months of the date of ratification, a Safety Bulletin regarding the use of radio frequency transmitters and receivers (particularly in connection with motion picture camera and sound equipment) and guidelines for the safe use of such equipment.

c. Ergonomic Concerns re Extended or Successive Takes

Create a subcommittee of the Industry-Wide Labor-Management Safety Committee, including representatives of Local #600, Local #695 and the Producers, to consult with mutually agreed-upon ergonomic experts for the purpose of reviewing and updating the Safety & Health Awareness Sheet regarding "Extended or Successive Takes" (which will be converted into a Safety Bulletin), including recommending appropriate rest intervals for employees required to support a weighted load or work in awkward positions. The subcommittee will hold its first meeting within 90 days of the date of ratification.

d. IATSE Training Trust Fund Contributions

Producers shall make contributions to the IATSE Training Trust Fund at the then-current rate required in the IATSE Theatrical and Television Motion Picture Area Standards Agreement for each employee for whom contributions are not required to be made to CSATF under the Videotape Agreement.

8. **Sideletter re Productions Made for New Media**

a. **“Mid-Budget SVOD Programs”**

Modify Paragraph D. of the Sideletter re Productions Made for New Media as follows:

“D. Terms and Conditions of Employment on Original New Media Productions (Other than an Original ‘High Budget SVOD Program’)

“(1) Terms and conditions of employment on Original New Media Productions (other than a ‘Mid-Budget SVOD Program’ as defined in Paragraph D.(2) below and other than an Original ‘High Budget SVOD Program’ as defined in Paragraph G. below) are freely negotiable between the employee and the Producer, except for those provisions identified in Paragraph E. below which shall be automatically applicable to employees.

“(2) (a) The terms and conditions set forth in this Paragraph D.(2) shall be applicable prospectively only. They shall not apply to:

“(i) any program or series that would otherwise qualify as a ‘Mid-Budget SVOD Program’ within the meaning of this Sideletter, for which the principal recording of the program, in the case of a one-time program, or the principal recording of the first episode, in the case of a series, commenced prior to October 1, 2019; or

“(ii) any program or series that would otherwise qualify as a ‘Mid-Budget SVOD Program’ within the meaning of this Sideletter, for which the principal recording of the program or the first episode of the series commenced after October 1, 2019, if such program or series was produced pursuant to the terms of a *bona fide* license agreement with fixed and definite terms entered into by the Producer prior to October 1, 2019.

“However, if such license agreement is entered into subject to conditions precedent, then all such conditions must be satisfied prior to October 1, 2019.

“Any program or series described in subparagraphs (i) or (ii) above shall be subject to Paragraph D.(1) of this

Sideletter. However, with respect to any such program or series described in subparagraphs (i) or (ii) above, if the licensee orders additional programs or episodes pursuant to the terms of the license agreement on or after October 1, 2019 and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then such additional programs or episodes shall be subject to this Paragraph D.(2).⁵

“Notwithstanding the foregoing, the Producer shall not reduce the terms and conditions of employment previously provided to IATSE-represented employees on programs or series covered by subparagraphs (i) or (ii) above.

“(b) Mid-Budget SVOD Programs Defined

“The terms and conditions set forth in Paragraph D.(2)(c) of this Sideletter shall be applicable only to original live action dramatic new media productions of the type traditionally covered by the Videotape Agreement⁶ made for initial exhibition on a subscription video-on-demand consumer pay platform which meet the following criteria (hereinafter ‘Mid-Budget SVOD Programs’):

<u>“Length of Program as Initially Exhibited*</u>	<u>‘Mid-Budget’ Threshold</u>
<u>20-35 Minutes</u>	<u>\$900,000 or more but less than \$1,300,000</u>
<u>36-65 Minutes</u>	<u>\$1,750,000 or more but less than \$2,500,000</u>

⁵ “In the event that Producer asserts that a program or series is grandfathered under the provisions of the second paragraph of Paragraph D.(2)(a) above, a limited number of representatives of the IATSE, subject to the execution of a confidentiality agreement satisfactory in form to Producer, may inspect those portions of the license agreement that are relevant to determine whether the Producer had the right to renegotiate with respect to the material terms and conditions of the license for the additional programs or episodes. All information received or reviewed by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.”

⁶ Paragraph D.(2) of this Sideletter to this Agreement applies to digitally recorded Mid-Budget SVOD Programs (as described herein) of the type which, if produced for television, would be considered “non-prime time,” such as *iCarly* and *Saved by the Bell*.

66 Minutes or more \$2,100,000 or more but less than \$3,000,000

“* Original live action dramatic new media productions of the type traditionally covered by the Videotape Agreement which are less than 20 minutes in length and made for initial exhibition on a subscription video-on-demand consumer pay platform are not subject to this Paragraph D.(2), and, instead, are subject to Paragraph D.(1) of this Sideletter, regardless of their budgets.

“(c) Terms and Conditions

“The terms and conditions applicable to employees employed on a Mid-Budget SVOD Program shall be as provided in this Agreement, except that:

“(A) Wage rates shall be freely negotiable between the employee and the Producer;

“(B) Overtime will be paid at the rate of time and one-half after eight (8) hours worked, and double time will be paid after fourteen (14) elapsed hours. Overtime pay for weekly employees shall be based on one-fortieth (1/40) of the weekly rate;

“(C) 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. Weekly employees will be paid for any holiday not worked during their period of employment;

“(D) Producer will not be required to pay the percentage of salaries as vacation pay;

“(E) Producer will not be required to pay any transportation allowance;

“(F) Paragraph E.(3) of this Sideletter shall apply; and

“(G) Paragraph E.(5) of this Sideletter shall apply.

[***]

“H. Representatives of the IATSE 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 definition of a Mid-Budget SVOD Program as set forth in Paragraph D.(2) above or a High Budget SVOD Program, and, if so, whether the production meets the budget break in Tier 1 or Tier 2 as set forth in Paragraph G.(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 by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.”

b. **New Media Roster**

Modify Paragraph E.(3) of the Sideletter Re: Productions Made for New Media as follows:

“(3) Preference of Employment/Industry Experience Roster/New Media Roster

“There shall be no preference of employment of any kind or nature in the employment of employees on New Media Productions hereunder. The provisions of this the Videotape Agreement relating to Preference of Employment and to the Industry Experience Roster shall not be applicable to New Media Productions, except to the extent provided below. An employee need not be on the Industry Experience Roster, nor on the New Media Roster described below, in order to be employed on a New Media Production.

“Work under this Agreement on a covered New Media Productions twenty (20) minutes or more in length in a job classifications covered by and within the geographic scope of this the Videotape Agreement, for which the same work, if done on a television motion picture, would qualify for placement on the Industry Experience Roster, shall be counted for purposes of placement on a New Media Roster to be established by the parties such Industry Experience Roster, subject to the eligibility requirements set forth in the applicable West Coast Studio Local Agreement. Any individual with thirty (30) days of such work experience shall be added to such New Media Roster. If an individual has worked under this Agreement in more than one classification on a single covered New Media Production, the Producer of such covered New Media Production shall identify the employee’s primary skill for purposes of determining the classification to which such person’s workdays shall be credited for purposes of placement on the New Media Roster Industry Experience Roster.

“Each applicant for placement on the New Media Roster shall have the burden of establishing his or her eligibility. The applicant must file an application with Contract Services Administration Trust Fund (“CSATF”) within six (6) months after the completion of the work experience required for eligibility. Such application must be perfected no later than one (1) year following the date of the last work day to be considered as qualifying experience. Such application shall be subject to appropriate verification by CSATF. The applicant shall provide I-9 information to CSATF as a condition of placement on the New Media Roster.

“Notwithstanding the foregoing, any individual on the New Media Roster as of the date of ratification of the 2018 Agreement August 1, 2015 shall be transferred to the Industry Experience Roster as soon as practicable thereafter on that date, provided that he has satisfied any licensing, testing and training requirements for the roster classification(s) in which he is to be placed. Any person placed on the New Media Roster after August 1, 2015 who works an additional one hundred twenty (120) days on New Media Productions covered under this Sideletter, or a combined total of one hundred twenty (120) days on New Media Productions covered under this Sideletter and on motion pictures of the type traditionally covered under the Basic or Videotape Agreement, in the same classification in which he/she is listed on the New Media Roster following placement thereon shall be entitled to be transferred to the Industry Experience Roster in that classification.”

Make conforming changes, including deleting all references to the New Media Roster (e.g., in Paragraph B. of the Sideletter re: Productions Made for New Media), and making the following changes to Paragraph G.(4)(c):

“(c) Preference of employment under the provisions of Paragraph 8 of this the Videotape Agreement shall apply on a High Budget SVOD Program to the same extent required on a free television motion picture. Persons on the New Media Roster shall have equal preference with those listed in the same classification on the Industry Experience Roster. Days worked on a High Budget SVOD Program shall count towards placement on the Industry Experience Roster and the New Media Roster.”

c. **Grandfathering and Inspection of License Agreement for “Grandfathered Series”**

Revise Paragraph G.(1) of the Sideletter No. 3 as follows:

“(1) Prospective Application

“The terms and conditions set forth in this Paragraph G. ~~shall be applicable prospectively only. They shall not apply to: any program or series that continues in production on or after October 1, 2018 and was grandfathered, and remains grandfathered, pursuant to Paragraph G.(1)(a) or (b) of the Sideletter re Productions Made for New Media to the 2015 Videotape Agreement.~~

“In addition, the terms and conditions set forth in this Paragraph G. shall not apply to a High Budget SVOD Program or episodes of a High Budget SVOD series, the principal recording of which commences on or after October 1, 2018 pursuant to a license agreement entered into prior to October 1, 2018.⁷ Paragraph G. of the Sideletter re Productions Made for New Media to the 2015 Videotape Agreement shall apply instead, except that minimum wage and fringe rates shall be subject to the increases negotiated during the 2018 negotiations.

~~“(a) any program or series that would otherwise qualify as a “High Budget SVOD Program” within the meaning of this Sideletter, for which the principal photography of the program, in the case of a one-time program, or the principal photography of the first episode, in the case of a series, commenced prior to November 1, 2015; or~~

⁷ If the licensee orders additional High Budget SVOD Programs or episodes of a High Budget SVOD series, the principal recording of which will commence on or after October 1, 2018, pursuant to a license agreement entered into prior to October 1, 2018, and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the High Budget SVOD Program or episodes of the High Budget SVOD series shall be subject to the terms of the Sideletter re Productions Made for New Media to the 2018 Agreement. In the event that Producer asserts that a High Budget SVOD Program is grandfathered under the provisions of the second paragraph of Paragraph G.(1) above, a limited number of representatives of the IATSE, subject to the execution of a confidentiality agreement satisfactory in form to Producer, may inspect those portions of the license agreement that are relevant to determine whether the Producer had the right to renegotiate with respect to the material terms and conditions of the license for the additional programs or episodes. All information received or reviewed by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

~~“(b) any program or series that would otherwise qualify as a “High Budget SVOD Program” within the meaning of this Sideletter, for which the principal photography of the program or the first episode of the series commenced after November 1, 2015, if such program or series was produced pursuant to the terms of a *bona fide* license agreement with fixed and definite terms entered into by the Producer prior to November 1, 2015. However, if such license agreement is entered into subject to conditions precedent, then all such conditions must be satisfied prior to November 1, 2015.~~

~~“Any program or series described in subparagraphs (a) or (b) above shall continue to be subject to the terms of Sideletter Re: Productions Made for New Media under the 2012 Videotape Agreement. However, with respect to any such program or series described in subparagraphs (a) or (b) above, if the licensee orders additional programs or episodes pursuant to the terms of the license agreement after November 1, 2015 and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then such additional programs or episodes shall be subject to the terms of this Sideletter.~~

~~“Notwithstanding the foregoing, the Producer shall not reduce the terms and conditions of employment previously provided to IATSE-represented employees on programs or series covered by subparagraphs (a) or (b) above.”~~

Make conforming changes.

d. **Subscriber Count for High Budget SVOD Programs**

i. Change the subscriber threshold in Paragraph G.(4) of the Sideletter re Productions Made for New Media from 15 million subscribers to 20 million subscribers.

ii. *Add a new subparagraph (6) to Paragraph G. of the Sideletter re Productions Made for New Media as follows:*

“(6) The number of subscribers in the United States and Canada shall be determined as of July 1st of each year of the Agreement. For a High Budget SVOD series, the number of subscribers that applies to the first episode of the season shall apply to the entire season in perpetuity.”

e. **Housekeeping re Script Coordinators/Writers' Room Assistants**

Modify the last sentence of the second paragraph of Paragraph B. of Sideletter re Productions Made for New Media as follows:

“Notwithstanding the preceding two sentences, in determining whether fewer than four (4) such employees are employed on the production, the following employees shall not be counted: employees not specifically charged to the production or who are included in general overhead; script coordinators and writers' room assistants; projectionists and in-house publicists (but not unit publicists); and employees engaged in post-production or distribution functions, including, but not limited to, editing and looping, regardless of where or when those functions are performed, but excluding the editor, provided that such editor is working in conjunction with the shooting company.”

f. *Update the third paragraph of the opening to Sideletter No. 3 to reflect the parties' modifications to Paragraph G. as follows:*

~~“The parties mutually recognize~~ When the parties entered into the 2015 negotiations, they mutually understood that the economics of New Media production are presently were uncertain and that greater flexibility in terms and conditions of employment ~~is~~ was therefore mutually beneficial. The parties understood that if one or more business models developed such that New Media production ~~becomes~~ became an economically viable medium, then the parties would mutually recognize that fact in future agreements should reflect that fact.

“During the 2018 negotiations, in recognition of emerging subscription video-on-demand services exhibiting mid-budget and high budget dramatic productions, the parties agreed to modify the terms and conditions for ‘mid-budget’ dramatic productions made for subscription video-on-demand consumer pay New Media platforms as provided in Paragraph D. below and the terms and conditions for ‘high budget’ dramatic productions made for subscription video-on-demand consumer pay New Media platforms as provided in Paragraph G. below.”

g. *Renew the “sunset” clause in Paragraph I. of Sideletter No. 3 re: Productions Made for New Media.*

h. *Update the reference to the Producer-IATSE Basic Agreement in footnote 3 to Sideletter No. 3 as follows:*

“The Sideletter re Productions Made for New Media to the 20152018 Producer-IATSE Basic Agreement applies to one-half hour dramatic productions of the type traditionally considered “prime time” if produced for television.”

9. Entire City of Huntington Beach Within Secondary Studio Zone

Modify Article 23(b)(1) to include the entire city of Huntington Beach within the Secondary Studio Zone, as follows:

“(1) 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 in its entirety. It does not include any of the areas that fall within the definition of the studio zone in subparagraph (a) above.”

Make conforming changes.

10. Canadian Holiday Exchange

Add a footnote to the end of the first sentence of subparagraph (b) to Article 31 (“Holidays”) as follows:

“* For work performed in Canada, Producers 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).”

Make conforming changes.

11. Diversity and Inclusion Task Force

In recognition of the need for the IATSE and the Producers to cooperate in their efforts to promote diversity in the hiring of IATSE-represented classifications, the parties shall form a Task Force comprised of representatives from the IATSE and AMPTP companies. The IATSE and Producers will each select an individual to co-chair the Task Force.

The Task Force will: (a) meet at least once every four months during the term of the Agreement and thereafter; (b) examine characteristics of the labor pool; (c) share information and discuss ways to improve existing initiatives; (d) develop new initiatives aimed at increasing the employment of under-represented groups including but not limited to women, people of color, people with disabilities, LGBTQ individuals, etc.; and (e) develop criteria to benchmark success in these areas.

12. Title Change for Article 38

Replace “Manning” with “Staffing” in the title of Article 38.

13. Housekeeping – Safety and Harassment Prevention Training

Codify in Article 8(f)(2) the requirement to satisfactorily complete the “A” safety training course and the harassment prevention training course through CSATF as a prerequisite for placement on the Industry Experience Roster as follows:

“(2) Each applicant for roster placement shall have the burden of establishing his or her eligibility. The applicant must file an application with Contract Services Administration Trust Fund (hereinafter ‘CSATF’) within six (6) months after the completion of the work experience required for eligibility. Such application must be perfected no later than one (1) year following the date of the last work day to be considered as qualifying experience. Such application shall be subject to appropriate verification by CSATF. The parties hereby confirm that I-9 information must be provided to CSATF as a condition of placement on the Industry Experience Roster. Satisfactory completion of the ‘A’ safety training course and the harassment prevention training course through CSATF is required for placement on the Industry Experience Roster.”

14. Housekeeping: Waiver of New York Earned Safe and Sick Time Act and Similar Laws

Modify Article 47 to provide as follows (note that the parties already agreed to add the waiveable paid sick leave laws of (1) Berkeley, California; (2) Plainfield, New Jersey, (3) New Brunswick, New Jersey; (4) Morristown, New Jersey; and (5) the State of Arizona via letter agreement dated February 7, 2017):

“47. WAIVER OF NEW YORK CITY EARNED SAFE AND SICK TIME ACT AND SIMILAR LAWS

“The IATSE 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.*); Section 1-24-045 of the Municipal Code of Chicago; the Cook County Earned Sick Leave Ordinance (Ordinance No. 16-4229); the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the Paid Sick Leave Ordinance of Berkeley, California (Municipal Code Chapter 13.100); 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 37.0.1.e), 37.03, 37.07.a)1)B.ii. and 37.07.f)); the Oakland Sick Leave Law (Municipal Code Section 5.92.030.); Chapter 4.62.025 of the Santa Monica Municipal Code (enacted by Ordinance No. 2509); the Seattle Paid Sick and Safe Time Ordinance (Ordinance No. 123698); Chapter 18.10 of Title 18 of the Municipal Code of the City of Tacoma, Washington (enacted by Ordinance No. 28275); Article 8.1 of Title 23, Chapter 2 of the Arizona Revised Statutes; the New Jersey Paid

Sick Leave Act (C.34:11-56a *et seq.*); Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*); Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey; Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey; the Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Jersey City Municipal Code; the Sick Leave for Private Employees Ordinances of Elizabeth, New Jersey (Ordinance No. 4617); Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Newark, New Jersey (City Ordinance 13-2010); Morristown, New Jersey (Ordinance No. O-35-2016); Passaic, New Jersey (Ordinance No. 1998-14); Paterson, New Jersey (Paterson Code Chapter 412); and Trenton, New Jersey (Ordinance No. 14-45) and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the IATSE and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.”

FOR THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, ON BEHALF OF THE COMPANIES LISTED IN EXHIBIT “A” ATTACHED HERETO

_____ Date: _____
Carol A. Lombardini
President

FOR THE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES AND MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES, ITS TERRITORIES AND CANADA

_____ Date: _____
Matthew D. Loeb
International President

Exhibit A
Companies Represented by the AMPTP
in the 2018 IATSE Videotape Agreement Negotiations

12:05 AM Productions, LLC
50/50 Productions, LLC.
3F Productions, Inc.

ABC Signature Studios, Inc.
ABC Studios New York, LLC
Ability Now
Abominable Pictures, Inc.
Above Suspicion, LLC
Academy Lighting Consultants, Inc.
Adrift Productions UK Limited
AEG Ehrlich Ventures LLC
Alive and Kicking, Inc.
Altar Rock LLC
American Costume Corp.
American Documentaries, Inc.
American International Media Group, LLC
American Summer Productions, Inc.
Annapurna Productions, LLC
Artcraft Productions Inc.
Ascension Films Inc.
Atlantic Pictures, LLC

Bad Moms Louisiana, LLC
Badder Moms, LLC
Big Beach LLC
Big Ticket Pictures Inc.
Bill Melendez Productions, Inc.
Blanche Industries, LLC
Blue Cat Productions, LLC
Bob Industries, LLC
Bonanza Productions Inc.
Bronson Avenue LLC
BTW Productions, Inc.

Calabasas Camera Inc.
CaliYork Productions
Cartoon Network Studios, Inc.
Cast & Crew Productions Payroll, LLC
CBS Films Inc.
CBS Studios Inc.

CDK Productions, Inc.
Chime Productions, LLC
Christie Love Productions, Inc.
Close to Home Productions, LLC
Columbia Pictures Industries, Inc.
Company Prime LLC
Confidential Productions, Inc.
Consolidated Scenic Services, Inc.
Country Music Film Project, LLC
Coupon Productions, Inc.
CPT Holdings, Inc.
Cranetown Media LLC
Crescent City Pictures, Inc.
Crews Unlimited II Inc.

Dakota Pictures, Inc.
David Productions Limited
dick clark productions, llc
Digital 49 Productions, Inc.
Digital 360 Productions, Inc.
Digital Image Associates LLC
DJ Audio, Inc.
DreamWorks Animation Television
Post-Production, LLC
DreamWorks Post-Production, L.L.C.
Dunnfilms, Inc.
DW Dramatic Television L.L.C.
DW SKG TV L.L.C.
DW Studios Productions L.L.C.

East Lake Film Project, LLC
Egregious Entertainment, LLC
EPSG Management Services
Evans/ McNamara
Eye Animation Productions Inc.
Eye Productions Inc.

Favian Wigs Inc.
Frank & Bob Films II, LLC
Film 49 Productions, Inc.
Film Commercials CA, Inc.
Final Stretch Productions, Inc.
Focus Features Productions, Inc.
Forward Processing CA, Inc.
FRB Productions, Inc.
FTP Productions, LLC
Full Frontal, LLC

Goldcrest Features Inc.
Goliath Productions Limited
Goodnight Industries Inc. dba Goodnight and
Company
Grass Skirt Digital Productions, Inc.
Greenco Studio Rentals Inc.
Green Set Inc.
GVF Productions, Inc.
GWave Productions, LLC

Hiker Productions, LLC
Hollywood Camera, Inc.
Hop, Skip & Jump Productions, Inc.
Horizon Scripted Television, Inc.
Hostage Productions, Inc.

I Like Pie, Inc.
Indieproduction, LLC
Irony West Corp
Island Film Studios, LLC
It's Possible Productions, LLC

J.C. Backings Corporation
Jay Squared Productions LLC
Jax Media, LLC
JMX, LLC
JW3 Productions, Inc.

Kapital Productions, LLC
Ken Ehrlich Productions Inc.
Knight Takes King Productions, LLC

Lady Prison Productions, Inc.
Lakeshore Entertainment Group LLC

LDM Worldwide Corp.
Learning Depot, LLC
Legendary Features Productions US, LLC
Legendary Pictures Funding, LLC
Legendary Pictures Productions, LLC
Len Productions LLC
Lime Grove Productions, LLC
Lions Gate Productions, LLC
Liquid Music, Inc.

M.E. & Me Costumes, Inc. dba Bill Hargate
Costumes
MacArthur Park Productions, Inc.
Magic Island Productions, Inc.
Main Processing, Inc.
Malibu Road, LLC
Marlowe Productions, LLC
Mars Boys, LLC
MartellSound, Inc.
Marvel Film Productions LLC
Marvel Picture Works LLC
Mayo Clinic Film Project, LLC
Metro-Goldwyn-Mayer Pictures Inc.
MGM Television Entertainment Inc.
MICDI Productions Inc.
Minim Productions, Inc.
MJ21, Inc.
Molly's Movie, Inc.
Mountainair Films Inc.
Moxie Pictures, Inc.
MRC II Holdings, LP
Multicultural Community Production
Association Co.

NCI Processing, Inc.
New Regency Productions, Inc.
Next Step Productions LLC
Nila Inc.

Olive Avenue Productions LLC
On The Brink Productions, Inc.
Open 4 Business Productions LLC
Orange Cone Productions LLC

Pacific 2.1 Entertainment Group, Inc.
Paige Productions, Inc.
Paramount Pictures Corporation
Paramount Worldwide Productions Inc.
Perdido Productions, Inc.
Picrow, Inc.
Picrow Streaming Inc.
Picrow Features Inc.
Preach Productions, Inc.
Produced Bayou Productions, Inc.
Product Entertainment, Inc.
Public Disturbance Film LLC

Quantum Payroll Services, Inc.

Rat Pac Inc.
Red Rover LLC
Reunion 2017 LLC
Revolution Production Services, LLC
Revolving Movie, LLC
RH Factor, Inc.
RHO Productions, LLC
River Road Entertainment Productions
Rocart Inc.
Royals Productions, Inc.
RRCB Media Assets, Inc.
Rundown LLC

S8 Technicians, LLC
Salty Pictures, Inc.
Screen Gems Productions, Inc.
Serious One Productions LLC
SFI Productions, Inc.
Shovel Buddies LLC
Sky Lantern, LLC
Smallville Studios Inc.
Sneak Preview Productions, Inc.
Sonar Entertainment Productions, LLC
Sony Pictures Studios, Inc.
Spinel Productions, Inc.
Stage 6 Films, Inc.
Stalwart Films, LLC
Stamford Media Center & Productions, L.L.C.
Step-Up Productions, Inc.
Stu Segall Productions, Inc.
STX Productions, LLC

Take Note, Inc.
That's Fantastic, LLC
The Dawgs Sound Design, Inc.
The Traveling Lab
Theatrical Resources, LLC
Thunder and Lightning, Inc.
Tom T. Animation, Inc.
Touchstone Television Productions, LLC dba
ABC Studios
Turner Films, Inc.
TVM Productions, Inc.
Tweed Productions, LLC
Twentieth Century Fox Film Corporation

Umpire Productions, LLC
Undiscovered North American Ape
Pictures, Inc.
Universal Animation Studios LLC
Universal Cable Productions LLC
Universal City Studios LLC
Upload Films Inc.

Vietnam Film Project, LLC

Walt Disney Pictures
Warner Bros. Studio Facilities
Warner Bros. Television
Waterman Sound, LLC
Westwind Studios, LLC
White Famous Productions, Inc.
wiip Productions, LLC (fka Tornado
Productions, LLC)
Wings Wildlife Productions Inc.
Wonderland Films LLC
WVP Boston

YKM Productions, Inc.