2019 SUPPLEMENTAL DIGITAL PRODUCTION AGREEMENT WITH MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798

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2019 SUPPLEMENTAL DIGITAL PRODUCTION AGREEMENT WITH MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798

This Supplemental Digital Production Agreement (hereinafter "the Agreement") is made as of March 1, 2019 by and between Make-Up Artists and Hair Stylists, Local #798 (hereafter "the Local Union" or "Local #798"), on the one hand, and the Alliance of Motion Picture and Television Producers (hereinafter "AMPTP") on behalf of those Producers listed in Exhibit "A" hereto (each hereinafter referred to individually as "the Producer" or "the Company" and collectively as "the Producers" or "the Companies"), on the other hand. This Agreement shall be effective as of March 1, 2019.

Whereas, the parties have previously entered into a Major Film Theatrical and Television Series Agreement; and

Whereas, the parties are desirous of addressing terms and conditions of employment for employees engaged as make-up artists and hair stylists in making digital recordings;

Therefore, it is hereby agreed that this Supplemental Digital Production Agreement shall set forth the wage scales and working conditions to be applicable to employees engaged as make-up artists and hair stylists in making digital recordings, as follows:

1. APPLICATION OF AGREEMENT

- (a) The wage scales and working conditions of this Agreement (including its Sideletters) shall be applicable to employees employed as make-up artists and hair stylists engaged in making digital recordings of non-dramatic television motion pictures (*e.g.*, talk shows, reality shows, game shows, "Judge" shows, "*Entertainment Tonight*"-type shows, variety shows, etc.) and non-prime time dramatic television motion pictures.
- (b) The wage scales and working conditions of the 2019 Major Film Theatrical and Television Series Agreement shall be applicable to employees employed as make-up artists and hair stylists engaged in making digital recordings of one-hour and long-form prime time dramatic television motion pictures.
- (c) The wage scales of the 2019 Major Film Theatrical and Television Series Agreement and, except as provided in the next sentence, the working conditions of this Agreement shall be applicable

to employees employed as make-up artists or hair stylists engaged in making digital recordings of one-half hour prime time dramatic television motion pictures (including "situation comedies"), other than those covered by subparagraph (d) below. For employees employed in making one-half hour prime time dramatic single camera television motion pictures, in lieu of Article 26 of this Agreement, Article 15 of the Major Film Theatrical and Television Series Agreement, "Rest Period," will apply to employees employed in Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and the District of Columbia and Article 38 of the Major Film Theatrical and Television Series Agreement, "Rest Periods," will apply to employees employed in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia.

- (d) The wage scales of the 2019 Major Film Theatrical and Television Series Agreement, as modified by the provisions of Sideletter No. 4 to this Agreement, and the working conditions of this Agreement, as modified by the provisions of Sideletter No. 4 to this Agreement, shall be applicable to employees employed as make-up artists and hair stylists engaged in making digital recordings of new one-half hour single camera dramatic television series, the production of which commences on or after October 1, 2006, other than those covered by subparagraph (a) above.
- (e) For the purpose of this Agreement, "prime time" shall be defined as the hours between 8:00 p.m. and 11:00 p.m. in the Eastern and Pacific time zones from Monday through Saturday (one hour earlier in the Central and Mountain time zones) and between the hours of 7:00 p.m. and 11:00 p.m. in the Eastern and Pacific time zones on Sunday (one hour earlier in the Central and Mountain zones).

2. SCOPE OF AGREEMENT

This Agreement shall be applicable to make-up artists and hair stylists employed by Producer hereunder to perform services in Connecticut, Delaware, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, and the District of Columbia.

3. **RECOGNITION**

The Company agrees to and hereby recognizes Local #798 as the sole and exclusive bargaining agent for all Make-up Artists and Hair Stylists employed on productions covered under this Digital Agreement within the geographical jurisdiction outlined in Article 2, and persons working in such classifications are hereinafter designated as "employees."

4. <u>UNION SECURITY</u>

The Company agrees that as a condition of employment, each employee covered by this Agreement presently employed or to be employed shall be or become a member in good standing of Local #798 not later than the thirty-first (31st) day following the beginning of his or her first employment or the date of this Agreement, whichever is later.

5. NOTIFICATION OF PRODUCTION

Producer shall give a minimum of forty-eight (48) hours advance notice to the Local Union of the scheduled production of those digital recordings subject to this Agreement.

6. NON-DISCRIMINATION

The parties agree that under this Agreement, there shall be no discrimination due to race, creed, color, sex, age or national origin, as provided in federal and state legislation.

Claims alleging a violation of this "Non-Discrimination" provision are not subject to arbitration, but are instead subject to non-binding mediation.

7. BETTER CONDITIONS

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 consulting the Local Union, may give any individual better conditions and terms than those herein provided.

Producer will notify the Local Union of the fact that it has executed any written personal service contract with any person subject to this Agreement, and will certify that such personal service contract 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.

8. ARBITRATION

All complaints or disputes involving questions of the interpretation or application of any of the clauses of this Agreement, which complaints or disputes have not been adjusted between the parties, shall be referred to a single arbitrator chosen by mutual agreement of Local #798 and the Company. The complaint must be brought within thirty (30) days from the date of the alleged violation or the date that Local #798 discovered or should have discovered the alleged violation, whichever is later, but in no event later than sixty (60) days from the date of the alleged violation. The decision of the Arbitrator shall be arrived at as promptly as possible, and shall be binding and conclusive upon the parties hereto. Each case shall be decided on its merits and a decision in one (1) case shall not be regarded as a precedent for any future case.

9. NO STRIKES OR LOCKOUTS

(a) As long as the Producer lives up to and complies with the grievance procedure as provided for in Article 8 of this Agreement, the Local Union will in all respects fulfill its obligations hereunder and will take no actions interrupting the services or the operations of the Producer. Similarly, as long as the Local Union lives up to and complies with the grievance procedure as provided in Article 8 of this Agreement, the Producer in all respects will fulfill its obligations hereunder and will not institute a lockout against the Local Union. Neither shall any strike or lockout be resorted to during the processing of the grievance procedure.

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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 alleged facts would constitute such a violation, are also subject to arbitration under this Article 8.

(b) Notwithstanding any other provision of this Agreement, the Producer shall not require any employee of the Local Union to pass through a lawful picket line when such lawful picket line has been authorized or approved by the IATSE, and the refusal of any such employee to pass through such a lawful picket line so authorized or approved by the IATSE shall not constitute a breach of this Agreement by the Local Union, nor be the basis of Producer discharging or otherwise disciplining such employee.

10. INSPECTIONS

Representatives of the Local Union shall have access to the premises of the Producer or to any location at which the Producer is engaged in any digital production to inspect or investigate conditions of employment. Such inspection or investigation shall be made at reasonable hours and shall be free of interference by the Producer and in like manner shall be conducted so as not to interfere unduly with the normal operations of the Producer.

11. SHOP STEWARDS

The Local Union may appoint one or more shop stewards who will be working employees. It shall be the responsibility of the shop steward to settle minor grievances with the Producer's representative and, in the event such grievance cannot be adjusted, to notify a representative of the Local Union. Any person so appointed shall have the reasonable cooperation of management in the performance of these duties, but such duties shall not unduly interfere with his work, and he shall not leave his stations or his work without notifying his immediate superior. Upon request, the Labor Relations Representative of each studio will review the available eating facilities at the studio with the designated shop steward.

12. TERM OF AGREEMENT

This Agreement shall remain in full force and effect for the period from March 1, 2019 to and including February 28, 2022. No later than ninety (90) days prior to the expiration date of this Agreement, the parties shall meet and confer to negotiate the provisions of a new Agreement for a period commencing March 1, 2022.

13. WAGES

(a) <u>Rates for Non-Dramatic Digital Television Motion Pictures,</u> Other Than Those Covered by Sideletter No. 4 to this Agreement

Employees employed under this Agreement in making digital recordings of non-dramatic television motion pictures, other than those covered by Sideletter No. 4 to this Agreement, shall be paid not less than the following wage rates:

(1) <u>For Daily Employees</u>:

	DAILY (daily basis) Minimum Call - 8 hours			
	3/1/19 - 9/28/19	9/29/19 - 10/3/20	10/4/20 - 9/30/21	10/1/21 - 2/28/22
Make-Up Artists	\$352	\$363	\$374	*
Hair Stylists	\$309	\$318	\$328	*

(2) <u>For Weekly Employees</u>:

	WEEKLY Minimum Call - 8 hours; 5 consecutive days			
	3/1/19 - 9/28/19	9/29/19 - 10/3/20	10/4/20 - 9/30/21	10/1/21 - 2/28/22
Make-Up Artists	\$1,594	\$1,642	\$1,691	*
Hair Stylists	\$1,408	\$1,450	\$1,494	*

Wage rates for this period shall be increased by the same percentage and at the same time as the corresponding wage rates for "Make-Up Artists" and "Hair Stylists," respectively, in the IATSE Videotape Electronics Supplemental Basic Agreement (hereinafter "the Videotape Agreement") are increased, and shall remain in effect for the same time period as the corresponding increased rates for "Make-Up Artists" and "Hair Stylists" under the Videotape Agreement.

(b) <u>Rates for Non-Prime Time Dramatic Digital Television</u> <u>Motion Pictures, Other Than Those Covered by Sideletter No. 4 to this Agreement</u>

Employees employed under this Agreement in making digital recordings of non-prime time dramatic television motion pictures, other than those covered by Sideletter No. 4 to this Agreement, shall be paid not less than the following wage rates:

(1) For Daily Employees:

	DAILY (daily basis) Minimum Call - 8 hours			
	3/1/19 - 9/28/19	9/29/19 - 10/3/20	10/4/20 - 9/30/21	10/1/21 - 2/28/22
Make-Up Artists	\$392	\$404	\$416	*
Hair Stylists	\$343	\$353	\$364	*

(2) For Weekly Employees:

	WEEKLY Minimum Call - 8 hours; 5 consecutive days			
	3/1/19 - 9/28/19	9/29/19 - 10/3/20	10/4/20 - 9/30/21	10/1/21 - 2/28/22
Make-Up Artists	\$1,770	\$1,823	\$1,878	*
Hair Stylists	\$1,555	\$1,602	\$1,650	*

Wage rates for this period shall be increased by the same percentage and at the same time as the corresponding wage rates for "Make-Up Artists" and "Hair Stylists," respectively, in the Videotape Agreement are increased, and shall remain in effect for the same time period as the corresponding increased rates for "Make-Up Artists" and "Hair Stylists" under the Videotape Agreement.

(c) <u>Rates for One-Half Hour Prime Time Dramatic Television</u>
<u>Motion Pictures, Other Than Those Covered by Sideletter No. 4 to this Agreement²</u>

Employees employed under this Agreement in making digital recordings of one-half hour prime time dramatic television motion pictures, other than those covered by Sideletter No. 4 to this Agreement, shall be paid not less than the applicable minimum wage rates as set forth in the Local #798 Major Film Theatrical and Television Series Agreement.

(d) <u>Rates for New One-Half Hour Single Camera Dramatic</u>
<u>Television Series and Non-Dramatic Series of Any Length, the</u>
<u>Production of Which Commences On or After October 1, 2006³</u>

Employees employed under this Agreement in making digital recordings of new one-half hour single camera dramatic television series, or in making non-dramatic series of any length, the production of which commences on or after October 1, 2006, shall be paid in accordance with the terms of Sideletter No. 4 to this Agreement re "Special Conditions for New One-Half Hour Single Camera Dramatic Television Series and Non-Dramatic Series of Any Length, the Production of Which Commences On or After October 1, 2006."

(e) The parties confirm that any day worked by a Weekly Schedule employee in a partial workweek either before or after one (1) full week of employment may be prorated at the rate of one-fifth (1/5) of the weekly rate for each weekday.

14. WORK IN HIGHER CLASSIFICATION

Any employee who is assigned to perform work in a higher classification for any part of a day shall receive the higher rate of pay for the day. However, the provisions of this Article do not apply unless the employee is assigned to work in the higher classification for two (2) hours or more.

² For minimum rates applicable to employees employed on a dramatic series made for basic cable or The CW outside of New York, New Jersey and Connecticut, see Sideletter No. 8.

³ For minimum rates applicable to employees employed on a dramatic series made for basic cable or The CW outside of New York, New Jersey and Connecticut, see Sideletter No. 8.

15. PAY-OFF REQUIREMENTS; WORK TIME; TIME CARDS

(a) The regular pay day will be on Thursday, holidays weeks excluded. When an employee is laid off and requests his pay, he shall be paid at the time of layoff or his pay check shall be mailed within twenty-four (24) hours, excluding Saturdays, Sundays and holidays.

The regular pay day will be on Friday for employees working on distant location, provided that the Producer has made accommodations to allow employees to cash their pay checks on that day.

- (b) Work time shall be computed from the time ordered to report at department headquarters until dismissed at department headquarters.
- (c) The employee's starting and finishing time, rate changes, premiums and penalties, if any, shall be shown on his time card. Any items changed after the time card is approved must be reviewed by the employee.
- (d) The payroll week shall be from midnight Saturday to midnight Saturday.

16. WORKWEEK

- (a) The regular workweek of employees hereunder 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) 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.
- (c) For the purpose of computing weekly overtime for employees not exempt from the Fair Labor Standards Act, as amended, at time and one-half $(1\frac{1}{2})$ for hours worked in excess of forty (40) straight time hours per week, the workweek shall be the same as the workweek defined in subparagraph (a) above.

17. WORKDAY

- (a) There shall be an eight (8) hour minimum call in the studio and on location.
- (b) The regular workday shall consist of eight (8) consecutive hours, exclusive of the first meal period.
- (c) The day of departure and the day of return shall be considered a distant location day.
- (d) Work in excess of the regular workday shall be paid for at the overtime rates hereinafter specified.
- (e) A workday starting on one calendar day and running into the next calendar day shall be credited to the first calendar day.

18. OVERTIME

Employees hereunder shall be paid overtime compensation as follows:

- (a) Daily employees shall be paid at one and one-half (1½) times their Regular Basic Hourly Rate of pay for all work performed in excess of eight (8) straight time hours on any workday and/or in excess of forty (40) straight time hours in any workweek.
- (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. 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-perweek 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 a designated representative of the Local Union and a designated representative of the Producer.

- The Producer shall give reasonable notice of 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 alternative shall be available to "on production" employees: Once during the production of a covered 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.
 - (d) "Golden Hour" provisions are set forth in Article 22.
 - (e) Overtime shall be computed in six (6) minute segments.
- (f) All time and one-quarter, all time and one-half, "not less than one and one-half $(1\frac{1}{2})$," double time, Golden Hour pay and pay on the sixth day worked, the seventh day worked and holidays in excess of the Regular Basic Hourly Rate are paid as overtime compensation and shall not be compounded.
- (g) Overtime paid on a daily basis shall be computed at the Regular Basic Hourly Rate in effect when the overtime occurs.
- (h) Overtime paid on a weekly basis shall be computed at the mean Regular Basic Hourly Rate.
- (i) Night premiums shall be included as a part of the Regular Basic Hourly Rate in computing overtime.
- (j) Truck travel allowances, hazard pay and pay for call-back intervening time of less than four (4) hours shall be included as part of the Regular Basic Hourly Rate in computing overtime required by the Fair Labor Standards Act.

19. MINIMUM CALL

(a) The minimum call for all employees on any day shall be eight (8) hours, payable at the prevailing rate for the day.

The minimum call for key make-up artist and hair stylist "daily" employees shall be eight (8) hours. A "key" employee is one assigned to any regularly-appearing cast member (stars and regular supporting actors and "bit" players). For any "crowd" scenes (those using ten (10) or more additional persons), when additional make-up artist and hair stylist "daily" employees are employed, the minimum call for these "additional" employees shall be four (4) hours. Such employees shall receive six (6) hours pay for such four (4) hours. If such daily employees work beyond the fourth hour, they shall be paid not less than the eight (8) hour minimum call.

The minimum call shall be four (4) hours for employees employed on reality, informational and entertainment/magazine shows only under the following conditions:

- (1) For regularly-scheduled daily and weekly employees assigned to such shows, the four (4) hour minimum call shall apply only on the sixth day worked in the employee's workweek. For all other employees (*i.e.*, those employees not regularly scheduled to work on the show for which they are called), the four (4) hour minimum call applies on any day.
- (2) When the four (4) hour minimum call applies, the employee shall be paid for six (6) hours. If the employee works in excess of four (4) hours, he shall be paid a minimum of eight (8) hours.
- (3) Pension and health contributions shall be based on a minimum of six (6) hours for employees employed in Delaware, Florida, Georgia, Louisiana, Massachusetts, Maine, Maryland, New Hampshire, North Carolina, Pennsylvania, Rhode Island, South Carolina, Virginia, Vermont, West Virginia, and the District of Columbia.

On distant location for any day not worked, all employees are guaranteed a four (4) hour pay allowance at straight time (not work time) plus pension and health contributions for eight (8) hours and shall keep themselves in readiness to serve the Producer during such period.

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 daily "on call" employee who reports for safety training shall be paid one-half ($\frac{1}{2}$) of the daily "on call" rate for each

such day; a weekly "on call" employee shall be paid one-tenth (1/10) of the weekly "on call" rate for each such day.

- (b) Minimum calls for Weekly Schedule employees are guaranteed for all days within the employee's five (5) consecutive day workweek, including holidays, during the period of employment.
- (c) 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.
- (d) The parties hereby confirm the following: The guaranteed length of employment shall be daily or weekly. A guarantee for a longer term shall be specifically set forth in writing. An employee may be replaced following completion of the guaranteed period of employment.

20. STUDIO, NEARBY AND DISTANT LOCATIONS

- (a) The following shall apply to employees working on motion pictures in Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and the District of Columbia.
- (1) <u>"Report to" Zone and Nearby Locations</u> -- The following shall apply in the New York metropolitan area:

(i) The Thirty (30) Mile Zone

Any location within a radius of thirty (30) miles of Columbus Circle (the "thirty (30) mile report-to zone"), other than Sandy Hook, New Jersey, shall be a report-to location without any travel payment requirement. When an employee reports for work within the thirty (30) mile report-to zone (whether at a studio or a location), the employee's call time shall commence at the location and shall end when dismissed at such studio or location.

(ii) Nearby Locations

Any employee who is required to report to a nearby location (*i.e.*, a location other than a distant (overnight) location which is outside the 30-mile report-to zone) shall be paid mileage based on thirty cents (\$.30) per mile computed from the perimeter of the area bounded by 125th Street and the Battery to such location and return from such location to the perimeter of such area. In that case, the employee's work time shall commence at the time which results when the amount of

time needed to travel to the location either from a mutually-agreed upon point in the area bounded by 125th Street and the Battery or from the perimeter of the area bounded by 125th Street and the Battery is added to the call time and shall end at the time which results when the amount of time needed to travel from the location to either such mutually-agreed upon point or to the perimeter of the area bounded by 125th Street and the Battery is added to the dismissal time.

(iii) A designated representative of the Company and a designated representative of the Union shall determine the amount of time needed to travel between the location and either the mutually-agreed upon point or the perimeter of the area bounded by 125th Street and the Battery. In the event of a dispute, the matter shall be referred to the Business Representative of the Union and to the Labor Relations representative of the Producer for resolution.

(2) Distant Locations

A Distant Location is any workplace where the employee is lodged overnight.

The employee's necessary traveling expenses, meals and lodging shall be made available at the Company's expense. The Company shall furnish first class transportation to and from distant locations with first class sleeping accommodations. Tourist travel on a regularly scheduled commercial airline shall be deemed "first class" transportation.

(3) Reporting Within the Zone

As to an employee reporting to a designated site within the thirty (30) mile zone referred to in subparagraph (a)(1)(i) above:

When this provision applies, if an employee reports for work outside a studio and within the thirty (30) mile zone, the "Golden Hour" pay rates will commence after twelve (12) elapsed hours pursuant to Article 22(a)(2).

- (b) The following shall apply to employees working on motion pictures in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia:
- (1) <u>Production Zone</u>: The "production zone" is defined as the area within a circle which has a radius of thirty (30) miles measured from the Producer's production office.

- (2) <u>Nearby Location</u>: Employees requested to report to any production location outside the "production zone" shall be paid travel time and a mileage allowance as described herein, unless the Producer provides transportation. The Producer shall provide transportation to all production locations to all employees who are housed by the Producer.
- (3) <u>Mileage Allowance</u>: Unless transported by the Producer, employees traveling to any production location outside the "production zone" shall be paid a mileage allowance calculated at thirty cents (\$.30) per mile from the edge of the zone to the production location for all such authorized use of the employee's vehicle.
- (4) <u>Travel Time</u>: Employees shall be paid at their regular hourly rate for all time traveling to and from any production location outside the "production zone," measured from the edge of the zone to the production location.
- (5) <u>Local and Nearby Hires</u>: Local and Nearby Hires shall be paid "set to set." Local Hires shall not be compensated for mileage unless requested to use their vehicle outside of the thirty (30) mile production zone as stated in (b) above. A "Local Hire" is defined as any employee whose principal residence is within seventy-five (75) miles of the respective production location. A "Nearby Hire" is defined as any employee whose principal residence lies outside seventy-five (75) miles of the production location, but inside the states of Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia.
- (6) <u>Distant Hires</u>: Distant Hires shall be paid portal-to-portal. In all cases, this shall be based on the time of travel from the housing accommodations provided to the Distant Hires generally and the applicable production location. A "Distant Hire" is defined as any employee whose principal residence is outside the geographical definition of a "Nearby Hire" in a given production area, as defined in Article 20(b)(5) above.
- (7) <u>"Travel Only" Day</u>: For any day of the week (including holidays) on which an employee travels only, the employee shall receive an allowance of four (4) hours of pay at straight time or pay for time actually traveled, whichever is greater, but in no event more than eight (8) hours of pay at straight time.

(8) Reporting Within the Production Zone

As to an employee reporting to a designated site within the thirty (30) mile production zone referred to in subparagraph (b)(1) above:

When this provision applies, if an employee reports for work outside a studio and within the thirty (30) mile production zone, the "Golden Hour" pay rates will commence after twelve (12) elapsed hours pursuant to Article 22(a)(2).

20.1 COURTESY HOUSING OR TRANSPORTATION

Upon request of an employee who is required to work in excess of fourteen (14) hours 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.⁴ 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.

21. 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.
- (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. A twelve (12) minute grace period may be called for production efficiency, prior to imposition of any meal penalty. Such grace period shall not be scheduled nor automatic nor is it intended for everyday use. The twelve (12) minute grace period may not be utilized when the meal period has been extended as permitted by subparagraph (c) below. 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.

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⁴ Round trip transportation may include public transportation if reasonable under the circumstances.

The Producers and the IATSE agree that they will work with the Directors Guild of America in an effort to ensure that meal periods are called at the contractually-prescribed time for employees working on television motion pictures in a studio.

Upon the Local Union filing a claim that the Producer has violated the foregoing, it shall immediately notify the designated representative of the Producer. The Local Union and such representative of the Producer shall meet or confer in an attempt to resolve the dispute. In the event that no resolution is reached during such meeting or conference, the Local Union or the Producer may, within three (3) business days, request a hearing before a Special Committee consisting of three (3) representatives designated by the Producer and three (3) representatives designated by the Local Union.

The Special Committee shall investigate the facts of the case and mediate the dispute. In the event that the Special Committee is unable, through mediation, to achieve a resolution satisfactory to all parties, then the Local Union may proceed to arbitration.

- (c) The meal interval may be extended one-half (½) hour without penalty when used for wrapping up or to complete the camera scene in progress, until acceptable quality is achieved. Such extension shall not be scheduled nor automatic. 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.
- (d) If any member of the company after commencement of work time is given a reasonable hot breakfast, without deducting the time spent in eating (30 minutes) from work time, then the first meal may be six (6) hours after such breakfast, except that when such breakfast is given within one (1) hour of the general crew call (either before or after), the first meal for such employee shall be due at the same time as a meal is due for the general crew. The parties hereby confirm that the reference to "a reasonable hot breakfast" means a meal appropriate to the time of day.
- (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) Except as provided in subparagraph (2) below, the meal penalty for delayed meals shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof	
Second one-half (½) hour meal delay or fraction thereof\$10.00	
Third and each succeeding one-half (½) hour meal delay or fraction thereof	

(2) The meal penalty for delayed meals for employees employed on television motion pictures shooting in a studio shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof
Second one-half (½) hour meal delay or fraction thereof\$11.00
Third and each succeeding one-half (½) hour meal delay or fraction thereof

Such allowances 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 foregoing provisions of this Article as they relate to "on production" employees, the Producer, at its option, may institute "French hours" on a daily basis for "on production" employees, with the approval of a majority of the IATSE-represented crew. An employee's consent to the use of a "French hours" meal system shall not be a condition of employment.

22. GOLDEN HOUR PROVISIONS

- (a) (1) All time worked at a nearby location (as defined in Article 20(a)(1)(ii) of this Agreement for employees working within Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and the District of Columbia or as defined in Article 20(b)(2) for employees working within Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia) or distant 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:
- (i) For Daily Employees on the first five (5) consecutive days: Two (2) times the Regular Basic Hourly Rate.
- (ii) For Daily Employees on the sixth or seventh days: Three (3) times the Regular Basic Hourly Rate.
- (iii) For Weekly Employees during their regular workweek: Two (2) times the Regular Basic Hourly Rate.
- (iv) For Weekly Employees on a sixth or seventh consecutive day outside their regular workweek: Three (3) times the Regular Basic Hourly Rate.
- (v) For Daily or Weekly Employees on holidays: Four (4) times the Regular Basic Hourly Rate.
- (2) In a shift of work all of which occurs solely on the premises in a studio or within the thirty (30) mile zone (as defined in Article 20(a)(1)(i) of this Agreement for employees working within Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and the District of Columbia) or within the thirty (30) mile production zone (as defined in Article 20(b)(1) for employees working within Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia), all time worked 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 for at the following rates:
- (i) For Daily Employees on the first five (5) consecutive days: Two (2) times the Regular Basic Hourly Rate.

- (ii) For Daily Employees on the sixth or seventh days: Three (3) times the Regular Basic Hourly Rate.
- (iii) For Weekly Employees during their regular workweek: Two (2) times the Regular Basic Hourly Rate.
- (iv) For Weekly Employees on a sixth or seventh consecutive day outside their regular workweek: Three (3) times the Regular Basic Hourly Rate.
- (v) For Daily or Weekly Employees on holidays: Four (4) times the Regular Basic Hourly Rate.
- 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 location within the thirty (30) mile zone as defined in Article 20(a)(1)(i) of this Agreement, or within the thirty (30) mile production zone, or at a nearby location (as defined in Article 20(a)(1)(ii) of this Agreement, for employees working within Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and the District of Columbia or as defined in Article 20(b)(2) for employees working within Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia), or at a combination of a studio and a location within the (30) mile zone or thirty (30) mile production zone and/or nearby location (as defined in the parentheticals above), Golden Hours as provided in subparagraphs (1) and (2) above and in Article 22(c) 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 twelve (12) 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 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 location within the thirty (30) mile zone or within the thirty (30) mile production zone, at a nearby location, or at a combination of a studio and a location within the thirty (30) mile zone or within the thirty (30) mile production zone and/or nearby location.)

(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:

		1
WHEN	WHEN	WHEN
INTERVENING	INTERVENING	INTERVENING
TIME BETWEEN	TIME BETWEEN	TIME BETWEEN
DISMISSAL AND	DISMISSAL AND	DISMISSAL AND
CALL-BACK TO	CALL-BACK TO	CALL-BACK IS
WORK IS LESS	WORK IS	EIGHT (8) OR
THAN FOUR (4)	BETWEEN FOUR	MORE HOURS
HOURS	(4) HOURS AND	
	EIGHT (8) HOURS	
(Work Time)	(Interruption)	(Full Rest Period)
Intervening time is	Intervening time is	Intervening time
work time and is	not work time, but	breaks accumulation
added to previous and	previous and	of hours toward the
subsequent work	subsequent work time	Golden Hour point
time.	are added together to	and stops Golden
	determine (1) and (2)	Hours if once begun.
	above.	

(d) 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, when other guarantees are in effect during Golden Hours, there shall be no compounding of pay computation. In such event, any portion of Golden Hour pay may be applied to fulfill such other guarantees.

(e) Additional Golden Hour Provisions on Distant Location

Travel time shall be used in the computation of Golden Hours as follows:

- (1) If travel time, with other than truck transportation, added to recesses (if any) immediately before and after such travel, totals less than eight (8) hours, such interval shall be considered an "interruption," but if such interval equals eight (8) or more hours, it shall be considered a "full rest period."
 - (2) Travel time, with truck transportation, is work time.
- (3) In addition, subparagraphs (b), (c) and (d), above, shall apply.

23. CHANGE AND CANCELLATION OF CALLS; WEATHER - PERMITTING CALLS

- (a) If, at the time of a call, the employee called is not on the employer's payroll, such call may not be cancelled.
- (b) Calls for weekly employees for a 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 Local Union shall be notified of layoff and/or work call at the earliest time reasonably possible.
- (d) Calls may be changed or cancelled if made: (1) before 8:00 p.m. of the day preceding the call; or (2) with six (6) hours notice on the day of the call, provided such notice is given after 7:00 a.m. on the day of the call.
- (e) Notwithstanding the foregoing, effective May 5, 2019, the Producer may issue a "weather-permitting" call for snow, sleet, ice storms or hurricanes to employees prior to their dismissal for the day and to persons not on payroll up to twelve (12) hours before their call time (even if a call has previously been given). The Producer shall provide notice to Local #798 upon the issuance of a "weather-permitting" call. The Producer may cancel a "weather-permitting" call up to four (4) hours prior to the call time.

In the event the employee is notified not to report to work, he or she shall be paid four (4) hours of pay at straight time, and the Producer shall make contributions to the Local #798 Pension Fund, IATSE National Health and Welfare Fund and the IATSE Annuity Fund as follows: With respect to those portions of contributions that are calculated at a "per hour" rate and those portions of contributions that are calculated as a percentage of the applicable straight time hourly scale rate of pay, such contributions shall be made on the basis of four (4) hours. With respect to those contributions that are calculated at a "per day" rate or those portions of contributions that are calculated at a "per day" rate, the Producer shall contribute one-third (½) of the "per day" rate.

If the notification is untimely, the employee shall be paid for an eight (8) hour minimum call in lieu of the payment described in the foregoing paragraph.

Hours paid for a cancelled "weather-permitting" call shall not be counted for purposes of calculating overtime. Local #798 agrees that it will not unreasonably deny a request by the Producer to issue a "weather-permitting" call under this Article 23(e) for other weather conditions.

24. CALL-BACKS

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 or within the thirty (30) mile production 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 within the thirty (30) mile production zone.

Intervening time of less than four (4) hours between dismissal and call-back to 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" guarantees below. All employees are paid at their scheduled Regular Basic Hourly Rates as provided in Article 13.

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 19.

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

25. TRAVEL TIME, WORK AND TRAVEL CONDITIONS, PAY PROVISIONS AND HAZARDOUS PAY

(a) For any day of the week (including holidays) on which an employee travels only, the employee shall receive an allowance of four (4) hours of pay at straight time, or pay for time actually traveled, whichever is greater, but in no event more than eight (8) hours of pay at straight time.

(b) No clause.

(c) <u>Travel-and-Work or Work-and-Travel</u>

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. Minimum calls are as provided in Article 19; provided, however, a minimum call is not applicable when the day of return from a distant location is on a day that would otherwise be the sixth or seventh day worked in the employee's workweek and the employee is dismissed prior to 8:01 a.m. of such day. 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:

- (1) On day of departure, employee travels ten (10) hours, then works five and one-half $(5\frac{1}{2})$ 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 minimum call 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) <u>Local Travel Time</u>

There shall be no deduction from work time for local travel time on distant locations. For the purposes of this Article, "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) <u>Time Spent Waiting to Travel on Day of Departure from</u> 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 two hundred thousand dollars (\$200,000) 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. The Producer shall send the travel beneficiary card to the employee's place of hire.

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) Traveling Expenses and Accommodations

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, employee 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.

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

(h) 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.

(i) Hazardous Work

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 this Agreement is exposed who has negotiated a hazardous pay adjustment, the first employee referred to in this subparagraph 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.

(j) Allowances for Hazardous Work

The following allowances shall be paid for hazardous work:

- (1) 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).
- (2) 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 Article 14 shall apply when such work is one (1) hour or more.

(3) 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 (2) above.

26. CALL-BACKS (Distant Location)

Rest periods following dismissal shall be eight (8) hours on distant location.

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 Rest Periods Following 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 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 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 Article 13.

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

27. HOLIDAYS

- (a) Work time on holidays shall be subject to night premiums. Minimum calls are as specified in Article 19.
- (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.

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.

(c) Provisions for Holidays not Worked

Daily Employees

Effective in the period January 1, 2019 to and including December 31, 2019, in the period January 1, 2020 to and including December 31, 2020 and in the period January 1, 2021 to and including December 31, 2021 (and continuing on the same basis for the term of this Agreement), a Daily Schedule employee shall receive 3.719% 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.

(d) Provisions for Holidays Worked

For holidays worked, an employee shall receive double the Regular Basic Hourly Rate.

(e) Weekly Schedule Employees

The total amount of salary paid in the period January 1, 2019 to and including December 31, 2019, in the period January 1, 2020 to and including December 31, 2020 and in the period January 1, 2021 to and including December 31, 2021 (and continuing on the same basis for the term of this Agreement) 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 foregoing shall be subject to the following provisions:

- (1) A day's holiday pay shall be considered as one-fifth (1/5) of such weekly schedule rate of pay.
- (2) Vacation pay, severance pay and premium pay for holidays actually worked shall be excluded from the applicable percentage computation required under this subparagraph.
- (3) Additional holiday pay due hereunder shall be payable upon request to the employee after March 15 of the year subsequent to the calendar year in which such pay is earned.
- (4) The applicable percentage computation described under this subparagraph 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) Presentation of Claim For Holiday Pay

- (1) Producers that currently pay for vacations and/or holidays on a weekly basis shall continue to adhere to their existing practice. Producers that currently pay for holidays pursuant to subparagraph (f)(2) below may instead elect on a production-by-production basis to pay on a weekly basis.
- (2) Producers that currently make vacation and/or 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 vacation and/or holiday pay; or
- (2) notify each such employee that he should claim his vacation and/or holiday pay pursuant to the provisions of this Agreement.

- (B) In the event the Producer mails the employee's vacation and/or 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 (f)(2)(i)(A)(2) above, to claim his/her vacation and/or holiday pay, the Producer shall notify the Local Union of the names of those employees who have not claimed vacation and/or holiday pay. In the case of employees whose checks were returned, the Producer shall also forward the returned checks(s) to the Local Union.
- (C) The Local Union shall endeavor to locate any employee who has not claimed his vacation and/or 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 Local Union is unable, within thirty (30) days following its receipt of the notice referred to in subparagraph (f)(2)(i)(B) above, to locate such employee(s), the Local 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 and/or vacation pay was earned ("the second calendar year"), employees who have not claimed their vacation and/or holiday pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Pension Fund of Make-Up Artists and Hair Stylists, Local #798. On or about May 15 of the second calendar year, Producer will furnish to the Local Union a list showing the names of those employees who have not claimed vacation and/or holiday pay and the amount of vacation and/or holiday pay due to each, together with a notice that unless claimed by July 15, such holiday and/or vacation pay will be sent to the Pension Fund of Make-Up Artists and Hair Stylists, Local #798.
- (F) On or about July 15 of the second calendar year, unclaimed vacation and/or holiday pay will be contributed to the Pension Fund of Make-Up Artists and Hair Stylists, Local #798 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 Local Union's obligations hereunder to the employee with respect to the payment of vacation and/or holiday pay.

- (ii) With respect to employees on payroll:
- (A) On or after March 15 of the year following the calendar year in which vacation and/or holiday pay was earned, the Producer shall either:
- (1) mail or deliver to such employee his vacation and/or holiday pay; or
- (2) notify each such employee that he should request holiday pay pursuant to the provisions of this Agreement and schedule his vacation according to this Agreement.
- (B) In the event the employee fails to request such holiday pay and/or to schedule his vacation within thirty (30) days after the date of mailing of the notice referred to in subparagraph (f)(2)(ii)(A)(2) above, the Producer shall notify the Local Union of the names of those employees who have not claimed such pay and/or scheduled their vacation.
- (C) The Local Union shall, within thirty (30) days after receipt of the notice referred to in subparagraph (f)(2)(ii)(B) above, endeavor to notify the employee and advise him to claim holiday pay and to schedule his vacation.
- (D) On or about March 15 of the second calendar year, employees who have not claimed their vacation and/or holiday pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Pension Fund of Make-Up and Hair Stylists, Local #798. On or about May 15 of the second calendar year, Producer will furnish to the Local Union a list showing the names of those employees who have not claimed vacation and/or holiday pay and the amount of vacation and/or holiday pay due to each, together with a notice that unless claimed by July 15, such holiday and/or vacation pay will be sent to the Pension Fund of Make-Up and Hair Stylists, Local #798.
- (E) On or about July 15 of the second calendar year, unclaimed vacation and/or holiday pay will be contributed to the Pension Fund of Make-Up and Hair Stylists, Local #798 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 Local Union's obligations hereunder with respect to the payment of vacation and/or holiday pay.

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

28. VACATIONS

Vacations with pay will be allowed as hereinafter provided.

(a) <u>Daily Schedule Employees</u>

- (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 rates and night premiums at straight 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	Straight time	
preceding year:	working days	
	required to be	
	taken off:	
1,928.0 and over	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	
Between 185.5 and less (inclusive)	0	

Employees with 50% Additional Vacation Pay (See (e) below)

Straight time hours worked in	Straight time
preceding year:	working days
	required to be
	taken off:
1,888.0 and over	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
Between 118.3 and under (inclusive)	0

(b) <u>Weekly Employees</u> (including combinations of Weekly and Daily Schedule employment):

*Days Worked in Regular Workweek During Preceding Year	Days of Vacation with Pay in Succeeding Year
Over 200	10
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

*Excluding sixth or seventh consecutive days outside the regular workweek.

**Employees who do not qualify for a day's vacation pay under this provision shall be paid vacation pay as follows:

<u>Daily Schedule Employment</u>: 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) <u>Daily Schedule Employees</u> (who also worked under a weekly schedule in the preceding year):
 - 5 x Total hours worked at straight time (including hours worked on weekday night premiums) to a maximum of forty (40) hours.

(2) Weekly Employees:

Days worked are equal to the number of weekday minimum calls paid for, subject to the provisions of Article 28(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) <u>Daily Schedule Employees</u> (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) <u>Weekly Schedule Employees</u>: 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.
- (3) Rates of pay shall be those in effect during the year in which the vacation is earned ("preceding year").

(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

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; for weekly schedule employees, the term "straight time" days shall be deemed to include distant location Saturdays.

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

Such weekly or daily employees who become eligible on or after the date hereof, 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 employee⁵ vacation schedule 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) <u>Loss of Eligibility</u>

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 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;

⁵ 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 Article 28.

(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 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) Sixth or seventh days in the employee's workweek (for daily employees), days outside the regular workweek of weekly employees 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 (1) 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 Holiday and/or Vacation Pay

- (i) Producers that currently pay for vacations and/or holidays on a weekly basis shall continue to adhere to their existing practice. Producers that currently pay for vacations and/or holidays pursuant to subparagraph (f)(10)(ii) below may instead elect on a production-by-production basis to pay on a weekly basis.
- (ii) Producers that currently make vacation and/or 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:

- (A) With respect to employees on layoff:
- (1) On or after March 15 of the year following the calendar year on which vacation and/or holiday pay was earned, the Producer shall either:
- (a) mail or deliver to such employee his vacation and/or holiday pay; or
- (b) notify each such employee that he should claim his vacation and/or holiday pay pursuant to the provisions of this Agreement.
- (2) In the event the Producer mails the employee's vacation and/or 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 (f)(10)(ii)(A)(1)(b) above, to claim his/her vacation and/or holiday pay, the Producer shall notify the Local Union of the names of those employees who have not claimed vacation and/or holiday pay. In the case of employees whose checks were returned, the Producers shall also forward the returned check(s) to the Local Union.
- (3) The Local Union shall endeavor to locate any employee who has not claimed his vacation and/or 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.
- (4) If the Local Union is unable, within thirty (30) days following its receipt of the notice referred to in subparagraph (f)(10)(ii)(A)(2) above, to locate such employee(s), the Local Union shall so advise the Producer and return any unclaimed check(s) to the Producer.
- calendar year following the year in which holiday and/or vacation pay was earned ("the second calendar year"), employees who have not claimed their vacation and/or holiday pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Pension Fund of Make-Up and Hair Stylists, Local #798. On or about May 15 of the second calendar year, Producer will furnish to the Local Union a list showing the names of those employees who have not claimed vacation and/or holiday pay and the amount of vacation and/or holiday pay due to each, together with a notice that unless claimed by July 15, such holiday

and/or vacation pay will be sent to the Pension Fund of Make-Up and Hair Stylists, Local #798.

(6) On or about July 15 of the second calendar year, unclaimed vacation and/or holiday pay will be contributed to the Pension Fund of Make-Up and Hair Stylists, Local #798 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 Local Union's obligations hereunder to the employee with respect to the payment of vacation and/or holiday pay.

(B) With respect to employees on payroll:

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

(a) mail or deliver to such employee his vacation and/or holiday pay; or

(b) notify each such employee that he should request holiday 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 holiday pay and/or to schedule his vacation within thirty (30) days after the date of mailing of the notice referred to in subparagraph (f)(10)(ii)(B)(1)(b) above, the Producer shall notify the Local Union of the names of those employees who have not claimed such pay and/or scheduled their vacation.

(3) The Local Union shall, within thirty (30) days after receipt of the notice referred to in subparagraph (f)(10)(ii)(B)(2) above, endeavor to notify the employee and advise him to claim holiday pay and to schedule his vacation.

(4) On or about March 15 of the second calendar year, employees who have not claimed their vacation and/or holiday pay will be notified that unless claimed by July 15 of that year, such pay will be sent to the Pension Fund of Make-Up and Hair Stylists, Local #798. On or about May 15 of the second calendar year, Producer will furnish to the Local Union a list showing the names of those employees who have not claimed vacation and/or holiday pay and the amount of vacation and/or holiday pay due to each, together with a notice that unless claimed by July 15, such holiday and/or vacation pay

will be sent to the Pension Fund of Make-Up and Hair Stylists, Local #798.

(5) On or about July 15 of the second calendar year, unclaimed vacation and/or holiday pay will be contributed to the Pension Fund of Make-Up and Hair Stylists, Local #798 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 Local Union's obligations hereunder with respect to the payment of vacation and/or holiday pay.

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

29. SEVERANCE PAY

(a) Employees employed by Producer shall receive the severance pay set forth below if they have worked the necessary qualified years for the Producer as follows:

Number of Consecutive	Not Offered Employment	Maximum
Qualified Years Employee	Within Following Number	Number of
Already Has on the Date	of Elapsed Days After	Weeks of
of Severance	Severance Occurs	Severance Pay
1-2	90	1
3-4	90	2
5-8	90	3
9	90	4
10	270*	5
11-12	270*	6
13-14	270*	7
15	270*	8
16	270*	9
17	270*	10
18	270*	11
19	270*	12
20	270*	13

^{*} If the employee is not offered comparable employment within ninety (90) days elapsed time after severance occurs, two (2) weeks of accrued severance pay shall be payable. If he is not offered comparable employment within two hundred seventy (270) elapsed days time after severance occurs, the unpaid balance of the total accrued severance pay shall be payable.

- (b) 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.
- (c) A "year period" shall be a period of three hundred sixty-five (365) consecutive calendar days, unless extended as herein provided, with such period to commence with the date the employment is terminated and computed backward in retrospect upon the prior employment record with Producer, but in no event earlier than May 1, 2003. A "qualified year" shall be such a year period in which employee actually works two hundred (200) days hereunder for Producer. If such employee has less than two (2) such consecutive "qualified" years, then he shall be deemed to have a single "qualified" year only if he actually works hereunder for Producer for: (1) one or more days during the first six (6) months of the eighteen (18) month period immediately prior to the date his employment is terminated and, also (2) two hundred (200) days during the period of three hundred sixty-five (365) consecutive calendar days immediately preceding the date his employment is terminated.
- (1) In computing qualified years, if the employee actually worked one or more but less than two hundred (200) days hereunder for Producer in any respective year period, then such year period shall not be counted, but shall be bridged in computing "consecutive qualified years." However, in no event shall qualified years be counted prior to the most recent termination in employment after which such employee was re-employed by Producer as a new employee as herein defined.
- (2) If an employee on the date of the severance of his employment hereunder with Producer after the date hereof would otherwise have had one (1), two (2), three (3) or four (4) consecutive "qualified years" with Producer, but had received severance pay either before or after the date hereof, then, for these purposes, he shall be deemed to be a new employee after such payment 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.

If an employee on the date of the severance of employment hereunder with Producer after the date hereof would otherwise already have had five (5) or more consecutive "qualified years" with Producer, he shall be entitled to the total number of weeks of

severance pay as provided in subparagraph (a) above, less an "offset" in the number of days or weeks of any severance pay he received from Producer before the date hereof in connection with employment which is considered in the computation of such qualified years or with "bridged" years. This "offset" shall apply towards the payment due after each respective ninety (90) days, and also to the total number of weeks of severance pay accrued as referred to above. In this instance, payment by Producer of full severance pay to employee prior to the date hereof shall not break the employee's employment with such Producer for purposes of computing consecutive qualified years hereunder.

- (3) Any severance pay paid to an employee after the date hereof under this Agreement shall correspondingly reduce the total number of weeks of severance pay to which he is entitled. An employee who receives or has received full severance pay hereunder after the date hereof shall be considered to be a new employee thereafter for the purpose of this provision.
- (d) If the employee has refused an offer of comparable employment from the Producer or was not available when called for work by Producer within the ninety (90) day period or two hundred seventy (270) day period, as the case may be, as provided in subparagraph (a) above, or was dismissed for cause, or if he voluntarily resigns or is laid off as a result of physical incapacity, epidemic, fire, action of the elements, strike, walkouts, labor disputes, 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 or causes beyond the control of the Producer, whether of the same or any other nature, the employee shall not be entitled to any severance pay. If the employee was not available when called for work by Producer as above provided, then Producer, as soon as practical, shall notify the Union that such call was placed and that the employee was not available.

With respect to call-backs after layoffs for severance pay, it is recognized that in certain circumstances it may be difficult for an individual 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 where 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 should be given so that the employee will not lose his severance pay credits. To this end, it is the intent of the parties hereto that if an employee who has qualified for severance pay has been laid off by a studio and, within the ninety-day period 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 such ninety-day period shall be 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 that such employee is again recalled by the studio within the ninety-day period, as extended, 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 Producer, then such rehire shall be as a new employee for purposes hereunder.

In the event 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 day 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, in the event he is subsequently rehired by Producer, then such rehire shall be as a new employee for purposes hereunder.

- (e) The employment year will be extended by the length of any authorized "leave of absence without pay."
- (f) This Article does not apply to employees who are dismissed or not re-employed due to seniority requirements.
- (g) 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.

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.

- 30. HEALTH AND WELFARE FUND, PENSION FUND AND ANNUITY FUND CONTRIBUTIONS FOR EMPLOYEES EMPLOYED IN CONNECTICUT, DELAWARE, FLORIDA, MAINE, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, PENNSYLVANIA, RHODE ISLAND, VERMONT AND THE DISTRICT OF COLUMBIA
- (a) The Pension Fund of Make-up and Hair Stylists, Local #798 ("Local #798 Pension Fund") is a trust established by an Agreement and Declaration of Trust entered into as of November 1, 1957, for the purpose of paying and/or providing pension or retirement benefits for the persons covered by such Fund. The Pension Fund is administered by a Board of eight (8) trustees, four (4) designated by Local #798, and four (4) designated by the companies making contributions thereto.

The trustees shall be required to maintain the Local #798 Pension Fund as qualified by the Treasury Department under Section 401 *et. seq.* of the Internal Revenue Code so that the Company may be allowed to deduct the contributions as a proper business expense. The trustees are empowered and directed to take any and all actions and make any and all applications necessary to continue to ensure proper tax exemptions of payments made by the Company to the Local #798 Pension Fund and of the Local #798 Pension Fund income.

- (b) Local #798 represents and warrants that the IATSE Annuity Fund is and shall continue to be a jointly-administered Trust established and maintained in accordance with the provisions of Section 302(c) of the Labor-Management Relations Acts of 1947, as amended and qualified under the applicable provisions of the Internal Revenue Code.
- (c) The Company shall be obligated to make contributions to the IATSE National Health and Welfare Fund, the Local #798 Pension Fund and the IATSE Annuity Fund as set forth herein.
- (1) For employees employed under this Agreement in Delaware, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island, Vermont and the District of Columbia:
- (i) \$5.57 per hour for each hour worked, up to eight (8) hours in any day, plus \$32.00 per day (\$33.00 per day effective September 29, 2019 and \$34.00 per day effective October 4, 2020) to the IATSE National Health and Welfare Fund;

- (ii) \$3.46 per hour for each hour worked, up to eight (8) hours in any day, plus \$8.00 per day (\$8.50 per day effective September 29, 2019 and \$9.00 per day effective October 4, 2020) to the Local #798 Pension Fund; and
- (iii) \$9.00 per day (\$9.50 per day effective September 29, 2019 and \$10.00 per day effective October 4, 2020) for each day worked to the IATSE Annuity Fund.
- (2) For employees employed under this Agreement in Florida:
- (i) \$5.57 per hour for each hour worked, up to eight (8) hours in any day, plus \$32.00 per day (\$33.00 per day effective September 29, 2019 and \$34.00 per day effective October 4, 2020) to the IATSE National Health and Welfare Fund;
- (ii) \$4.46 per hour for each hour worked, up to eight (8) hour in any day, plus \$8.00 per day (\$8.50 per day effective September 29, 2019 and \$9.00 per day effective October 4, 2020) to the Local #798 Pension Fund;
- (iii) \$9.00 per day (\$9.50 per day effective September 29, 2019 and \$10.00 per day effective October 4, 2020) for each day worked to the IATSE Annuity Fund.
- (3) For employees employed under this Agreement in New York, New Jersey and Connecticut:
- (i) Effective March 1, 2019, the Company shall make an aggregate contribution to the IATSE National Health and Welfare Fund, the Local #798 Pension Fund and the IATSE Annuity Fund of \$140.00 per day. The allocation of the aggregate contribution shall be \$52.34 per day to the Local #798 Pension Fund, \$69.00 per day to the IATSE National Health and Welfare Fund and \$18.66 per day to the IATSE Annuity Fund during the period March 1, 2019 to and including September 28, 2019.
- (ii) Effective September 29, 2019, the Company shall make an aggregate contribution to the IATSE National Health and Welfare Fund, the Local #798 Pension Fund and the IATSE Annuity Fund of \$142.00 per day. The allocation of the aggregate contribution shall be \$52.84 per day to the Local #798 Pension Fund, \$70.00 per day to the IATSE National Health and Welfare Fund and \$19.16 per day to the IATSE Annuity Fund during the period September 29, 2019 to and including October 3, 2020.

- (iii) Effective October 4, 2020, the Company shall make an aggregate contribution to the IATSE National Health and Welfare Fund, the Local #798 Pension Fund and the IATSE Annuity Fund of \$144.00 per day. The allocation of the aggregate contribution shall be \$53.34 per day to the Local #798 Pension Fund, \$71.00 per day to the IATSE National Health and Welfare Fund and \$19.66 per day to the IATSE Annuity Fund during the period October 4, 2020 to and including October 2, 2021.
- (d) The total contribution rates in subparagraph (c) above shall be increased by \$3.00 per day effective October 3, 2021. Allocation of this contribution increase shall be subject to the mutual agreement of the bargaining parties at least one hundred twenty (120) days in advance of February 28, 2021. With respect to the aggregate contribution rate set forth in subparagraph (c)(3) above, unless the parties agree otherwise, not less than two-thirds of any amount in excess of \$70.00 per day shall be allocated to the Local #798 Pension Fund and not less than one-third of any amount in excess of \$70.00 per day shall be allocated to the LATSE National Health and Welfare Fund.
- (e) Contributions as herein provided shall be due and payable on the first day of each month. The Company agrees that, upon making each monthly payment to the IATSE National Health and Welfare Fund and Local #798 Pension Fund as hereinabove provided, it will also furnish a statement setting forth the names of the Make-up Artists and Hair Stylists on whose account the contributions covered are being made and the dates of their employment. If so required by the trustees, such statements shall be on forms furnished by the Funds and copies of same shall be sent simultaneously to Local #798.
- (f) The trustees may compel payment of the contributions herein provided in any manner which they may deem proper, but such right on the part of the trustees shall be without limitation upon Local #798's rights and privileges in this connection.
- (g) The Company shall not be liable in any respect because of the neglect, failure, or refusal of any other Company to make payments to the Health and Welfare Fund or Pension Fund or to file reports required under the provisions of any agreement between any such other Company and Local #798.
- (h) The bargaining parties hereby recommend to the trustees of the Local #798 Pension Fund that future pension benefit increases be based upon a funding margin of seven percent (7%) to ten percent (10%) (as measured by withdrawal liability standards for PBGC purposes, but using the Fund's interest rate assumption for actuarial purposes). The

bargaining parties recognize, however, that the trustees must take into account other considerations in making benefit improvements, and that the foregoing is not intended to interfere with the trustees' fiduciary obligations to discharge their duties solely in the interest of the Pension Fund's participants and beneficiaries.

31. HEALTH AND WELFARE FUND, PENSION FUND AND ANNUITY FUND CONTRIBUTIONS FOR EMPLOYEES WORKING ON MOTION PICTURES IN GEORGIA, LOUISIANA, MARYLAND, NORTH CAROLINA, SOUTH CAROLINA, VIRGINIA AND WEST VIRGINIA

The following shall apply with respect to pension, health and welfare and annuity fund contributions for employees employed in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia:

- (a) The Company shall be obligated to contribute to the IATSE National Health and Welfare Fund the sum of \$5.57 per hour for each hour worked, up to eight (8) hours in any day, plus \$32.00 per day (\$33.00 per day effective September 29, 2019 and \$34.00 per day effective October 4, 2020).
- (b) The Company shall be obligated to contribute to the Local #798 Pension Fund the sum of \$3.46 per hour for each hour worked, up to a maximum of eight (8) hours in any day, plus \$8.00 per day (\$8.50 per day effective September 29, 2019 and \$9.00 per day effective October 4, 2020).
- (c) The Company shall be obligated to make contributions to the IATSE Annuity Fund in the amount of \$9.00 per day (\$9.50 per day effective September 29, 2019 and \$10.00 per day effective October 4, 2020) for each day worked.
- (d) Contributions shall be increased by \$3.00 per day effective October 3, 2021. Allocation of this contribution increase shall be subject to the mutual agreement of the bargaining parties at least one hundred twenty (120) days in advance of February 28, 2021.
- (e) Notwithstanding the above provisions, any employee who is hired in New York, New Jersey or Connecticut to work in the Southeastern states or Louisiana shall receive the fringe benefit amounts payable for persons working in New York, as set forth in Article 30(c)(3).

(f) Subparagraphs (a)-(b) and (e)-(h) of Article 30 shall also apply to employees working on motion picture productions in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia.

32. OTHER WORKING CONDITIONS

Unless modified, all the studio working conditions, above provided, shall prevail on distant location.

33. REPORTING OF ACCIDENTS

The nature and place of hospitalization of all accident cases requiring hospitalization shall be reported by the Producer to the Local Union 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.

34. 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 Local 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.

Producer and the Local Union agree that employees temporarily holding such jobs will be displaced by such returning employees.

35. <u>JURISDICTIONAL DISPUTES</u>

The Local Union agrees to cooperate in good faith with the Producer and other 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.

36. <u>LETTER OF UNDERSTANDING RE PROCEDURE FOR IMPLEMENTING ARTICLE 35</u>

- (a) If a jurisdictional dispute should arise between or among the New York Production Locals or any other IATSE Local Union, it will be submitted to the International Alliance of Theatrical Stage Employees for resolution.
- (b) Prior to rendering a decision thereon, the IATSE shall notify the Producer of the existence of the dispute and, upon request of the Producer, shall consider the position of the Producer concerning the dispute.
- (c) In the event that the Producer disagrees with the IATSE's decision as to which Local should be assigned the work, the IATSE agrees to meet with the Producer in a good faith effort to resolve the question.

37. 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 members within ten (10) days following such thirty-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 procedure in Article 8 of this Agreement, 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 37.

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 Producers.

38. 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 Article 38.

(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 Article 29 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 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. 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 Article 38 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 Article 29 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.

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 Article 29 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) <u>Negotiation of New Rates</u>

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 2 of the grievance procedure provided in Article 8 hereof or, if they mutually agree to waive Step 2, may proceed immediately to Step 3 of the grievance procedure so provided. The rate or classification determined by such agreement or by any arbitration pursuant to Step 3 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) <u>Disputes Concerning Retraining, Displacement Pay and Negotiation of New Rates</u>

If a dispute arises between Union and Producer with respect to any determination required by subparagraphs (d), (e), (f) or (g) of this Article 38, such dispute shall be subject to the grievance procedure set forth in Article 8 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.

39. <u>IATSE TRAINING TRUST FUND</u>

- (a) Producer shall contribute to the IATSE Training Trust Fund forty dollars (\$40.00) for each shooting day on which the Producer employs an individual in New York, New Jersey or Connecticut under the terms of this Agreement, with a maximum contribution of two thousand five hundred dollars (\$2,500) per calendar year per Producer. A Producer will be deemed to have reached the maximum contribution to the IATSE Training Trust Fund of two thousand five hundred dollars (\$2,500) per calendar year under this subparagraph (a) when the total contribution by Producers within the same corporate family as the Producer has reached two thousand five hundred dollars (\$2,500) per calendar year. Contributions hereunder shall be due within ninety (90) days following receipt of an invoice from the IATSE Training Trust Fund to be sent after the end of the calendar year.
- (b) Producer shall contribute to the IATSE Training Trust Fund fifteen cents (\$0.15) per hour for each hour worked, up to a maximum of twelve (12) hours per day, by an employee employed outside New York, New Jersey and Connecticut.

40. 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 (N.Y.C. Admin. Code, Section 20-911 et seq.); the Westchester County Earned Sick Leave Law (Section 700.36 et seq. of the Laws of Westchester County); 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.); the Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Jersey City Municipal Code); 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 Sick Leave for Private Employees Ordinances of Elizabeth, New Jersey (Ordinance No. 4617); Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Morristown, New Jersey (Ordinance No. O-35-2016); Newark, New Jersey (City Ordinance 13-2010); 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 Union and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.

41. DIVERSITY AND INCLUSION

The Union and the Producers agree to cooperate in their efforts and engage in ongoing discussions with the goal of promoting diversity in the hiring of Local #798-represented classifications. Topics of discussion may include: (1) examining characteristics of the labor pool; (2) sharing information and discussing ways to improve existing initiatives; (3) developing new initiatives aimed at increasing the employment of under-represented groups, including but not limited to women, people of color, people with disabilities and LGBTQ individuals; and (4) developing criteria to benchmark success in these areas.

42. HARASSMENT PREVENTION TRAINING

The parties agree that harassment prevention training shall be mandatory. During the term of the 2019 Local #798 Major Film Theatrical and Television Series Agreement and Supplemental Digital Production Agreement, representatives of Local #798 and representatives of the AMPTP agree to discuss the implementation of mandatory harassment prevention training, including establishing the date on which the program will become mandatory (*i.e.*, the date when individuals can begin to take the online courses). The parties will devise a method to reflect an individual's successful completion of the training program.

MAKE-UP ARTISTS AND HAIR STYL I.A.T.S.E.	ISTS, LOCAL #798,
JCQ#	Date: 2/1/2226
Rose Chatterton	
President	
Laceman Luy	Date: 2/9/2020
Rosemarie Levy	
Business Representative	

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

Carol A. Lombardini

President

EXHIBIT "A"

Companies Represented by the AMPTP in the 2019 Local #798 Negotiations

New Line Productions, Inc. 1440 Productions LLC

New Regency Productions, Inc.

ABC Studios

ABC Signature Studios, Inc. Olive Avenue Productions LLC ABC Studios New York, LLC On the Brink Productions, Inc.

Open 4 Business Productions LLC Adobe Pictures, Inc.

Ambient Sounds Productions LLC Orange Cone Productions LLC

Big Indie Pictures, Inc. Pacific 2.1 Entertainment Group,

Bonanza Productions, Inc.

Palladin Productions, LLC CBS Films Inc. Paramount Pictures Corporation

Patch Bay Productions LLC CBS Studios Inc.

Columbia Pictures Industries, Inc. Picrow, Inc.

Picrow Features Inc. **Delta Blues Productions LLC** Picrow Streaming Inc. DW Studios Productions L.L.C. PP21 Productions LLC

Eye Productions Inc. S&K Pictures, Inc. Salty Pictures, Inc.

Film 49 Productions, Inc. San Vicente Productions, Inc.

Screen Gems Productions, Inc. Focus Features Productions LLC FTP Productions, LLC

Turner Films, Inc. TVM Productions, Inc. GWave Productions, LLC

Twentieth Century Fox Film

Hop, Skip & Jump Productions, Inc. Corporation Horizon Scripted Television Inc.

Hostage Productions, Inc. Universal Content Productions LLC

Universal Pictures, A Division of Universal City Studios LLC Jay Squared Productions, LLC

Warner Bros. Pictures Kapital Productions, LLC

Kenwood TV Productions, Inc. Warner Bros. Television Production

Kiki Tree Pictures, Inc. Warner Specialty Productions Inc.

Main Gate Productions, LLC YNFS Productions LLC

Mesquite Productions, Inc. Metro-Goldwyn-Mayer Pictures Inc.

MGM Television Entertainment Inc.

Minim Productions, Inc.

Marvel Picture Works LLC

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS

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Carol A. Lombardini Direct: 818.935.5930

EXHIBIT "B"

May 1, 2003 Reissued March 1, 2007 Reissued March 1, 2010 Reissued March 1, 2013 Revised March 1, 2016 Renewed March 1, 2019

Make-up Artists and Hair Stylists I.A.T.S.E., Local #798 70 W. 36th Street, 4A New York, New York 10018

Attention: Rose Chatterton, President Rosemarie Levy, Business Representative

Ladies and Gentlemen:

This letter shall supplement the Local #798 Supplemental Digital Production Agreement (hereinafter the "Digital Agreement") by and between Make-up Artists and Hair Stylists, Local #798, IATSE (hereinafter the "Union"), and the Alliance of Motion Picture and Television Producers, on behalf of the Companies listed in Exhibit "A" hereto (hereinafter collectively the "Company"), effective March 1, 2019 to and including February 28, 2022.

Notwithstanding any provisions in the Digital Agreement to the contrary:

1. The Company, at its option, may engage a Make-up Artist and/or Hair Stylist under the Producer - I.A.T.S.E. and M.P.T.A.A.C. Agreements (hereinafter the "Hollywood Agreements") whose employment(s) shall not be covered by the terms of the Digital Agreement, provided that if the Company engages only a Make-up Artist under the Hollywood Agreements, it shall engage another Make-up Artist whose employment is covered by the Digital Agreement and, if the Company engages only a Hair Stylist under the Hollywood Agreements, it shall engage another Hair Stylist whose employment is covered by the Digital Agreement and if the Company engages a Make-

Exhibit B Page 2

up Artist and a Hair Stylist under the Hollywood Agreements, it shall engage either a Make-up Artist or Hair Stylist whose employment is covered by the Digital Agreement. The Company, at its option, may engage additional Make-up Artists and/or Hair Stylists under the Hollywood Agreements provided that for each Make-up Artist or Hair Stylist so engaged, the Company shall also engage a Make-up Artist or Hair Stylist, as the case may be, whose employment is covered by the Digital Agreement.

- 2. Without regard to the requirements of Paragraph 1 above, the Company, at its option, may engage no more than three (3) Make-up Artist(s) and/or three (3) Hair Stylist(s) under the Hollywood Agreements without any corresponding requirement to engage a Make-up Artist and/or Hair Stylist covered by the Digital Agreement, for the purpose of performing Make-up Artist and/or Hair Stylist duties for a feature performer(s), so long as the Make-up Artist and/or Hair Stylist performs work for no other persons on the production while in the geographic jurisdiction of the Digital Agreement except the particular feature performer for whom the Make-up Artist and/or Hair Stylist was engaged. If a person employed pursuant to this Paragraph works with any other cast member, Paragraph 1 shall apply.
- In the event a production covered by the Digital Agreement is shooting one hundred (100) or more miles from Columbus Circle in New York City, and the Company shall be required to engage employees pursuant to Paragraph 1 above who shall be covered by the Digital Agreement, then the terms and conditions of employment regarding work day (including start time), minimum call, meal periods, meal penalty, turnaround, cancellation of call, rates of pay (highest applicable rates of pay), overtime, (including overtime computation), distant location and travel time applicable to employees covered by the Digital Agreement shall be those corresponding terms and conditions contained in the Hollywood Agreements and all the other provisions of the Digital Agreement, including the contributions to the IATSE National Health and Welfare Fund, Pension Fund of Make-up and Hair Stylists, Local #798, IATSE, and the IATSE Annuity Fund, shall continue to apply. In the event a production covered by the Digital Agreement is shooting less than one hundred (100) miles from Columbus Circle in New York City, and the Company shall be required to engage employees pursuant to Paragraph 1 above who shall be covered by the Digital Agreement, then all of the terms of conditions of employment applicable thereto shall be those contained in the Digital Agreement.

Exhibit B Page 3

- 4. The terms and conditions of this letter shall not apply to New York City based productions and shall not apply when Make-up Artists and/or Hair Stylists and the Director of Photography are the only crew members working in the geographic jurisdiction of the Digital Agreement for which the Company engages employees under the Hollywood Agreements.
- 5. The parties agree that disputes concerning the terms and conditions of this Exhibit B are not subject to the grievance and arbitration procedures set forth in Article 2, "Arbitration," of the Local #798 Agreement. Instead, any dispute between the parties shall be submitted for final resolution to the President of the IATSE and to the Chair of the Employers' Bargaining Committee, Carol Lombardini.

If the foregoing constitutes our understanding, kindly execute a copy of this letter in the space provided and it will become a binding agreement between us.

Very truly yours,

Carol A. Lombardini

President

ACCEPTED AND AGREED:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

By:

Rose Chatterton

President

By:

Rosemarie Levy

Business Representative

Date:

ate: ___

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS

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Sideletter No. 1

As of May 1, 2003 Revised as of March 1, 2007 Revised as of March 1, 2010 Revised as of March 1, 2013 Revised as of March 1, 2016 Renewed as of March 1, 2019

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street, 4A New York, New York 10018

Re: Special Conditions for One-Hour Episodic Television Series
(Other Than One-Hour Prime Time Dramatic Episodic Television
Series), the Production of Which Commenced Prior to October 1,
2003, for One-Half Hour Pilots and for One-Hour Pilots (Other
Than One-Hour Prime Time Dramatic Pilots)

Dear Rose and Rosemarie:

This will memorialize the agreement reached in the 2003 negotiations and confirmed in the 2007, 2010, 2013, 2016 and 2019 negotiations to apply the following special conditions to pre-production and production of digitally-recorded one-hour episodic television series (other than one-hour prime time dramatic series), the production of which commenced prior to October 1, 2003 (hereinafter "one-hour series"), and one-half hour or one-hour pilots (other than one-hour prime time dramatic pilots), which are committed to be produced within the geographical jurisdiction of Local #798:

a. Wages - For non-dramatic or non-prime time dramatic one-half hour pilots, for one-hour pilots (other than one-hour prime time dramatic pilots), and for the first year of any one-hour series, except series which receive a short order of seven (7) or fewer episodes in the first year, the wage rates set forth in the Local #798 Supplemental Digital Production Agreement (hereinafter, the "Digital Agreement") for the period immediately preceding the period in question shall apply (*e.g.*, during the period September 29, 2019 to October 3, 2020, the wage rates for the period March 1, 2019 to September 28, 2019 shall apply); thereafter, the wage rates in the Digital Agreement shall apply.

Sideletter No. 1 Renewed as of March 1, 2019 Page 2

For one-hour series which receive a short order of seven (7) or fewer episodes in the first year, the wage rates set forth in the Digital Agreement for the period immediately preceding the period in question shall apply for the first two (2) years of the series (*e.g.*, during the period September 29, 2019 to October 3, 2020, the wage rates for the period March 1, 2019 to September 28, 2019 shall apply); thereafter, the wage rates in the Digital Agreement shall apply.

For one-half hour prime time dramatic pilots, the wage rates set forth in the Local #798 Major Film Theatrical and Television Series Agreement shall apply.

- b. <u>Vacation</u> No vacation pay shall be payable for a pilot and the first year of any one-hour series; in the second year of the series, vacation will be payable at one-half of the applicable percentage in the Digital Agreement; thereafter, the vacation provisions in the Digital Agreement shall apply.
- c. <u>Holidays Not Worked</u> No unworked holiday pay shall be payable for a pilot and the first year of any one-hour episodic series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Digital Agreement; thereafter, the unworked holiday provisions in the Digital Agreement shall apply.
- d. <u>Holidays Worked</u> 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, except as otherwise provided in the Digital Agreement; golden hours shall be paid for each hour worked after twelve (12) work hours.

Sideletter No. 1 Renewed as of March 1, 2019 Page 3

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:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

Rose Chatterton

President

By: X arema
Rosemarie Levy

Business Representative

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Carol A. Lombardini Direct: 818.935.5930

Sideletter No. 2

As of May 1, 2003 Revised as of March 1, 2007 Revised as of March 1, 2010 Revised as of March 1, 2013 Revised as of March 1, 2016 Renewed as of March 1, 2019

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street, 4A New York, New York 10018

Re: Special Conditions for New One-Hour Episodic Television
Series (Other Than One-Hour Prime Time Dramatic Series), the
Production of Which Commences On or After October 1, 2003

Dear Rose and Rosemarie:

This will memorialize the agreement reached in the 2003 negotiations and confirmed in the 2007, 2010, 2013, 2016 and 2019 negotiations to apply the following special conditions to pre-production and production of digitally-recorded one-hour episodic television series (other than one-hour prime time dramatic series), the production of which commences on or after October 1, 2003, which are committed to be produced within the geographical jurisdiction of Local #798:

- a. <u>Wages</u> For the first two (2) production seasons of any series, the wage rates set forth in the Local #798 Supplemental Digital Production Agreement (hereinafter, the "Digital Agreement") for the period immediately preceding the period in question shall apply (*e.g.*, during the period September 29, 2019 to October 3, 2020, the wage rates for the period March 1, 2019 to September 28, 2019 shall apply); thereafter, the wage rates in the Digital 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 Digital Agreement; thereafter, the vacation provisions in the Digital Agreement shall apply.

Sideletter No. 2 Renewed as of March 1, 2019 Page 2

- Holidays Not Worked No unworked holiday pay shall be payable c. for 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 Digital Agreement; thereafter, the unworked holiday provisions in the Digital 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.
- 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, except as otherwise provided in the Digital Agreement; golden hours shall be paid for each hour worked after twelve (12) work hours.

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:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

By:

Rose Chatterton

President

Business Representative

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Sideletter No. 3

As of May 1, 2003 Re-executed as of March 1, 2007 Re-executed as of March 1, 2010 Re-executed as of March 1, 2013 Re-executed as of March 1, 2016

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street 4A New York, New York 10018

Re: Timing of Vacation and Holiday Pay

Dear Rose and Rosemarie:

It is recognized that in light of the fact that this Supplemental Digital Production Agreement is a new agreement, few, if any, Producers have developed a practice with respect to the timing of payment (whether weekly or end-of-year) of holiday and vacation pay. Therefore, distinguishing between those Producers who pay on a weekly basis and those who pay on an end-of-year basis cannot be determined by practice alone (as is contemplated by Article 27(f)(1) and (2) and Article 28(f)(10)(i) and (ii)).

The parties to this Agreement do not wish to preclude those signatory Producers who have heretofore paid on a weekly basis from paying on an end-of-year basis.

Sideletter No. 3 As of May 1, 2003; Re-executed as of March 1, 2007; Re-executed as of March 1, 2010; Re-executed as of March 1, 2013; Re-executed as of March 1, 2016 Page 2

Therefore, any Producer listed in the front of this Agreement may make an annual election, on a production-by-production basis, to pay vacation and holiday pay during the term of this Agreement on either a weekly or end-of-year basis.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

Ву: _

Rose Chatterton

President

By:

Rosemarie Levy

Business Representative

Date:

Date:

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Carol A. Lombardini Direct: 818.935.5930

Sideletter No. 4

As of October 1, 2006 Revised as of March 1, 2010 Revised as of March 1, 2013 Revised as of March 1, 2016 Renewed as of March 1, 2019

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street, 4A New York, New York 10018

Re: Special Conditions for New One-Half Hour Single Camera
Dramatic Television Series and Non-Dramatic Series of Any
Length, the Production of Which Commences On or After
October 1, 2006

Dear Rose and Rosemarie:

This will memorialize the agreement reached in the 2007, 2010, 2013, 2016 and 2019 negotiations to apply the following special conditions to pre-production and production of digitally-recorded one-half hour single camera dramatic television series¹ and non-dramatic series of any length, the production of which commences on or after October 1, 2006, which are committed to be produced within the geographic jurisdiction of the Local #798 Major Film Theatrical and Television Series Agreement.

a. Wages - For the first two (2) production seasons of any series covered hereunder, other than new one-half hour single camera prime time dramatic television series, the wage rates set forth in the Local #798 Supplemental Digital Production Agreement for the period immediately preceding the period in question shall apply (*e.g.*, during the period September 29, 2019 to October 3, 2020, the wage rates for the period March 1, 2019 to September 28, 2019 shall apply); thereafter, the wage rates in the Digital Agreement shall apply.

For the first two production seasons of any new one-half hour single camera prime time dramatic television series, the wage rates set forth in the Local #798 Major Film Theatrical and Television Series Agreement for the period immediately preceding the period in

¹ See Sideletter No. 8 for special conditions for dramatic series made for basic cable or The CW outside of New York, New Jersey and Connecticut.

- question shall apply (*e.g.*, during the period September 29, 2019 to October 3, 2020, the wage rates for the period March 1, 2019 to September 28, 2019 shall apply); thereafter, the wage rates in the Major Film Theatrical and Television Series 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 Digital Agreement; thereafter, the vacation provisions in the Digital Agreement shall apply.
- c. <u>Holidays Not Worked</u> 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 Digital Agreement; thereafter, the unworked holiday provisions in the Digital Agreement shall apply.
- d. <u>Holidays Worked</u> 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, except as otherwise provided in the Digital Agreement; golden hours shall be paid for each hour worked after twelve (12) work hours.
- f. <u>Interchange</u> Producer may interchange employees as provided in the Supplemental Digital Production Agreement.
- g. Prime Time Series As to any prime time series covered by this Sideletter, in lieu of Article 26 of this Agreement, Article 15 of the Major Film Theatrical and Television Series Agreement, "Rest Period," will apply to employees employed in Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and the District of Columbia and Article 38 of the Major Film Theatrical and Television Series Agreement, "Rest Periods," will apply to employees employed in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia.

It is agreed that if the Producer discontinues production within the geographic jurisdiction of Local #798 of any dramatic series covered under this sideletter and commences production of said dramatic series outside the geographic jurisdiction of Local #798, or if Producer discontinues production in the United States of any non-dramatic series covered under this sideletter and commences production of said non-dramatic series outside the United States, then the Producer shall be responsible for adjusting the wages of all employees who were heretofore employed on the series under the

terms and conditions of this sideletter to the otherwise applicable wage rates in the Major Film Theatrical and Television Series Agreement or the Digital Agreement, as applicable, and such employees will be paid the full holiday and vacation percentage benefit, retroactive to the first day of each employee's employment on the series.

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:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

Rose Chatterton

President

Rosemarie Levy

By:

Business Representative

Date:

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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

Sideletter No. 5

As of March 1, 2010 Revised as of March 1, 2013 Revised as of March 1, 2016 Revised as of March 1, 2019

Make-up Artists and Hair Stylists I.A.T.S.E., Local #798 70 W. 36th Street, 4A New York, New York 10018

Attention: Rose Chatterton, President Rosemarie Levy, Business Representative

Re: Productions Made for New Media

Dear Rose and Rosemarie:

This Sideletter confirms the understanding of Make-up Artists and Hair Stylists, Local #798 (hereinafter "Local #798"), on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of the Companies listed in Exhibit "A" to the 2019 Local #798 Supplemental Digital Production Agreement (hereinafter referred to individually as "the Employer" and collectively as "the Employers"), on the other hand (collectively "the parties"), concerning the terms and conditions applicable to the production of digital electronic recordings of entertainment motion pictures of the type that have traditionally been covered under the Make-up Artists and Hair Stylists, Local #798, Supplemental Digital Production Agreement (hereinafter "the Local #798 Supplemental Digital Production Agreement") that are made for the Internet, mobile devices, or any other new media platform in existence as of March 1, 2010 (hereinafter collectively referred to as "New Media"). With respect to such productions intended for initial use in New Media, the parties agree as follows:

When the parties entered into the 2016 negotiations, they mutually understood that the economics of New Media production were uncertain and that greater flexibility in terms and conditions of employment was therefore mutually beneficial. The parties understood that if one or more business models developed such that New Media production became an economically viable medium, then the parties would mutually recognize that fact in future agreements.

¹ This Sideletter applies to the production of certain types of programs intended for initial use in New Media and does not cover work involved in the selection of content for, design or management of any website or any other New Media platform on which productions made for New Media appear.

During the 2019 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 F. below.

A. Recognition

The Employer recognizes Local #798 as the exclusive bargaining representative of employees employed within the classifications covered by the Make-up Artists and Hair Stylists, Local #798, Major Film Theatrical and Television Series Agreement with Major Producers (hereinafter "the Local #798 Agreement") on entertainment motion pictures of the type traditionally covered under the Local #798 Agreement or the Local #798 Supplemental Digital Production Agreement which are intended for initial exhibition in New Media, but excluding news, sports, documentaries² and "Experimental New Media Productions," as that term is defined below, within the geographic scope covered by the Local #798 Agreement.

B. Coverage

Coverage shall be at the Employer's option with respect to "Experimental New Media Productions." Should the Employer elect to cover an Experimental New Media Production, the terms and conditions applicable to employment on Original New Media Productions, as set forth in Paragraph D. below, shall apply.

An "Experimental New Media Production" is defined as any Original New Media Production: (1) for which the actual cost of production does not exceed: (a) \$15,000 per minute of program material as exhibited, and (b) \$300,000 per single production as exhibited, and (c) \$500,000 per series of programs produced for a single order; and (2) on which any combination totaling fewer than four (4) employees as hereinafter described are working in job classifications covered by, and within the geographic scope of, an industry-wide agreement between Employers and the IATSE, or a Local thereof, which agreement covers television production as well as productions made for New Media. With respect to any employee working within the geographic scope of the Producer – IATSE Basic Agreement (hereinafter "the Basic Agreement") or the Producer – IATSE Videotape Electronics Supplemental Basic Agreement (hereinafter "the Videotape Agreement"), such employees shall include any person listed on the Industry Experience Roster established by the Basic Agreement, or in the case of

² The exclusion of news, sports and documentary productions made for new media tracks language in the Sideletter re Productions Made for New Media in the 2015 Producer – IATSE Basic Agreement and is included here for the sake of uniformity and completeness, notwithstanding the fact that news, sports and documentaries may not be motion pictures of the type traditionally covered under the Local #798 Agreement. The parties agree that no inference should be drawn from this language as to whether the Local #798 Agreement has traditionally covered these types of productions.

employees working in classifications with no Roster, any person who has thirty (30) or more days of work experience within the last three (3) years, either alone or in combination, under the West Coast Studio Local Agreement covering that classification, the Videotape Agreement or on New Media Productions covered under this Sideletter or the corresponding Sideletter in the Basic or Videotape Agreements.³ With respect to any employee working in the respective classifications and geographic scope of any other industry-wide Agreement described in the first sentence of this paragraph, such employees shall include any person who has thirty (30) or more days of work experience within the last three (3) years under any such Agreement and/or on New Media Productions covered under any such Agreement.⁴ 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.

The actual cost of the Experimental New Media Production shall consist of all direct costs actually incurred in connection with the Production. The only costs excluded in determining the actual cost of production shall be development costs, overhead charges, financing costs (*i.e.*, loan origination fees, gap fees, legal fees and interest), contingency of up to ten percent (10%), essential elements insurance costs, the cost of the completion bond, marketing expenses, contingent payments to talent or other parties which are based on the proceeds derived from the exploitation of the Production and received after recoupment of the negative cost, and delivery items required by sales agents, distributors or sub-distributors (*i.e.*, delivery materials beyond the answer print, NTSC Video Master if the Production is delivered on videotape, or the digital equivalent if the Production is delivered in a digital format).

If the Employer began production of an "Experimental New Media Production" which the Employer elected not to cover under the terms of this Sideletter, but subsequently employs four (4) or more employees on the production in classifications covered by, and within the geographic scope of, an industry-wide collective bargaining agreement which meets the description in the first sentence of the second paragraph of this Paragraph B., and such employees meet the description in the second and/or third sentences of the second paragraph of this Paragraph B., and are not excluded pursuant to the fourth sentence of said paragraph (but including at least one (1) employee covered under this Sideletter), then said production shall automatically be deemed covered hereunder, starting

³ The Employer shall be entitled to rely on the representation of the employee as to whether he or she meets the "thirty (30) or more days of work experience within the last three (3) years" requirement.

⁴ The Employer shall be entitled to rely on the representation of the employee as to whether he or she meets the "thirty (30) or more days of work experience within the last three (3) years" requirement.

from the first day on which at least four (4) or more such employees are so employed on the production and continuing until the production is finished.

Employer shall use reasonable efforts to notify Local #798 that it intends to cover an "Experimental New Media Production" by the start of principal photography.

C. Terms and Conditions of Employment on Derivative New Media Productions (Other Than a "High Budget" Derivative New Media Production Made for Initial Exhibition on a Subscription Video-on-Demand Consumer Pay Platform ("High Budget SVOD Program"))

A "Derivative New Media Production" is a production for New Media based on an existing television motion picture covered by the Local #798 Agreement that was produced for "traditional" media – *e.g.*, a free television, basic cable or pay television motion picture ("the source production") – and is otherwise included among the types of motion pictures traditionally covered by the Local #798 Agreement. It is understood and agreed that a production for New Media that is based on an existing videotape program covered by the Local #798 Agreement or an existing non-dramatic entertainment television motion picture covered by the Local #798 Supplemental Digital Production Agreement shall not be considered a "Derivative New Media Production."

Employees may be employed by an Employer and assigned to a Derivative New Media Production as part of their regular workday on the source production. The work for the Derivative New Media Production shall be considered part of the workday for the employees on the source production and shall trigger overtime if work on the Derivative New Media Production extends the workday on the source production past the point at which overtime would normally be triggered on the source production. All other terms and conditions, including full benefits, shall continue as if the employee were continuing to work on the source productions.

In all other situations, terms and conditions of employment on a Derivative New Media Production (other than a "High Budget SVOD Program" as defined in Paragraph F. below) are freely negotiable between the employee and the Employer, except for those provisions identified in Paragraph E. below.

D. Terms and Conditions of Employment on Original New Media Productions (Other Than a "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 F. below) are freely negotiable between the employee and the Employer, except for those provisions identified in Paragraph E. below.
- (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 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 March 1, 2020; 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 photography of the program or the first episode of the series commenced after March 1, 2020, 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 Employer prior to March 1, 2020.

However, if such license agreement is entered into subject to conditions precedent, then all such conditions must be satisfied prior to March 1, 2020.

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 after March 1, 2020 and the Employer 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 Employer shall not reduce the terms and conditions of employment previously provided to Local #798represented 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 made for initial exhibition on a subscription video-on-demand consumer pay platform which meet the following criteria (hereinafter "Mid-Budget SVOD Programs"):

⁵ In the event that the Employer 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 the Employer, may inspect those portions of the license agreement that are relevant to determine whether the Employer 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.

<u>Length of Program</u> as Initially Exhibited*	"Mid-Budget" Threshold
20-35 Minutes	\$900,000 or more but less than \$1,300,000
36-65 Minutes	\$1,750,000 or more but less than \$2,500,000
66 Minutes or more	\$2,100,000 or more but less than \$3,000,000

* Original, live action dramatic new media productions 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) <u>Terms and Conditions</u>

The terms and conditions for employees employed on a Mid-Budget SVOD Program shall be those set forth in the 2019 Local #798 Major Film Theatrical and Television Series Agreement for a long-form television motion picture, except that:

- (i) Employees employed on a Mid-Budget SVOD Program shall be paid at the wage rates set forth in Article 11(a)(3) for the period two periods prior to the period in question (e.g., during the period March 1, 2020 to February 28, 2021, the wage rates for the period March 4, 2018 to March 2, 2019 shall apply);
 - (ii) Paragraph E.(5) of this Sideletter shall apply; and
- (iii) Rest periods shall be as provided in Article 15(b) or Article 38(b), as applicable.

E. Other Provisions (For Other Than a "High Budget SVOD Program")

(1) <u>Union Security</u>

The provisions of Article II, "Union Security," of the Basic Agreement shall apply to New Media Productions, except that the requirement to become a member in good standing of the Union shall not apply until an individual has been employed for at least thirty (30) workdays on New Media Productions covered under this Sideletter, or for a combined total of thirty

(30) workdays on New Media Productions covered under this Sideletter and on motion pictures of the type traditionally covered under the Local #798 Agreement.

Local #798 acknowledges and agrees that the obligations set forth in subparagraph (c) of Article II apply only to newly-hired employees who are not members of Local #798.

(2) Pension, Health and Welfare and Annuity Funds

- (a) On covered New Media Productions budgeted at \$25,000 or less per minute (using the same cost elements as described in the third paragraph of Paragraph B. above), Employer's only obligation hereunder with regard to fringe benefit contributions shall be to make, on behalf of each employee covered hereunder:
- (i) For employees working in New York, New Jersey and Connecticut, that portion of the aggregate contribution specified in Article 20(c)(2)(iii) of the Local #798 Agreement that is due to the IATSE National Health and Welfare Fund;
- (ii) For employees working in Delaware, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island, Vermont and the District of Columbia, the amounts set forth in Article 20(c)(2)(i)(A) of the Local #798 Agreement;
- (iii) For employees working in Florida, the amounts set forth in Article 20(c)(2)(ii)(A) of the Local #798 Agreement; and
- (iv) For employees working in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia, the amounts set forth in Article 37(b)(1) of the Local #798 Agreement.
- (b) On New Media Productions budgeted at more than \$25,000 per minute (using the same cost elements as described in the third paragraph of Paragraph B. above), or when employees are assigned by the Employer to a Derivative New Media Production as part of their regular workday on the source production, Employer shall be obligated to make, on behalf of each employee covered hereunder, pension and health and welfare contributions to the Local #798 Pension Fund and the IATSE National Health and Welfare Fund and the IATSE Annuity Fund in accordance with the following:
- (i) For employees working in New York, New Jersey or Connecticut, the aggregate amount set forth in Article 20(c)(2)(iii) of the Local #798 Agreement;
- (ii) For employees working in Delaware, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island, Vermont and the District of Columbia, the amounts set forth in Article 20(c)(2)(i)(A) and in Article 20(c)(2)(i)(B) of the Local #798 Agreement;

- (iii) For employees working in Florida, the amount set forth in Article 20(c)(2)(ii)(A) and in Article 20(c)(1)(ii)(B) of the Local #798 Agreement; and
- (iv) For employees working in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia, the amounts set forth in Article 37(b)(1) and in Article 37(b)(2) of the Local #798 Agreement.

(3) <u>Preference of Employment</u>

There shall be no preference of employment of any kind or nature in the employment of employees on New Media Productions hereunder.

(4) Grievance and Arbitration

Any dispute with regard to wages, hours of employment or working conditions concerning an employee employed by Employer under the terms of this Sideletter shall be resolved in accordance with the grievance and arbitration procedure set forth in Article 2 of the Local #798 Major Film Theatrical and Television Series Agreement.

(5) Staffing

It is expressly understood and agreed that there shall be no staffing requirements on Productions made for New Media and that there will be full interchange of job functions among employees, so that a single employee may be required to perform the functions of multiple job classifications.

(6) No Strike, No Lockout

During the term of this Agreement, the Union agrees not to engage in any strike, sympathy strike or work stoppage against the Employer. The Employer agrees not to engage in any lockout of its employees employed hereunder during the term of this Agreement.

(7) Call Sheet

Employer shall use best efforts to indicate on the call sheet that the production is a covered New Media Production produced under the Sideletter Re: Productions Made for New Media. In the event that the Employer fails to do so, the Union shall notify the Employer. This provision shall not be subject to grievance and arbitration.

(8) No Other Terms Applicable

Except as expressly provided in this Sideletter, no other terms and conditions shall be applicable to employees employed on New Media Productions.

F. "High Budget" Derivative and Original Dramatic New Media Productions Made for Initial Exhibition on a Subscription Video-on-Demand Consumer Pay Platform

(1) **Prospective Application**

The terms and conditions set forth in this Paragraph F. shall be applicable prospectively only. They shall not apply to:

- (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 June 1, 2016; or
- (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 June 1, 2016, 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 Employer prior to June 1, 2016. However, if such license agreement is entered into subject to conditions precedent, then all such conditions must be satisfied prior to June 1, 2016.

Any program or series described in subparagraphs (a) or (b) above shall continue to be subject to the terms of the Sideletter Re: Productions Made for New Media under the 2013 Local #798 Major Film Theatrical and Television Series Agreement or the 2013 Local #798 Supplemental Digital Production 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 June 1, 2016 and the Employer 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 Employer shall not reduce the terms and conditions of employment previously provided to Local #798-represented employees on programs or series covered by subparagraphs (a) or (b) above.

(2) "High Budget SVOD Programs" Defined

The terms and conditions set forth in Paragraph F. of this Sideletter shall be applicable only to original and derivative dramatic new media productions made for initial exhibition on a subscription video-on-demand consumer pay platform which meet the following "high budget" criteria (hereinafter "High Budget SVOD Programs"):

Length of Program	"High Budget" Threshold*	
as Initially Exhibited*		
20-35 Minutes	\$1,300,000 and above	
36-65 Minutes	\$2,500,000 and above	
66 Minutes or more	\$3,000,000 and above	

^{*} Programs less than 20 minutes are not considered "high budget" for the purpose of this Sideletter, regardless of their budgets.

(3) "Tier 1" and "Tier 2" Defined

For purposes of Paragraph F.(4) below, Tier 1 and Tier 2 shall be defined as follows:

Program Length	Budget Tier***
20.25	Tier 1: \$2,100,000 or more
20-35 Minutes	Tier 2: \$1,300,000 or more but less than \$2,100,000
36-65	Tier 1: \$3,800,000 or more
Minutes	Tier 2: \$2,500,000 or more but less than \$3,800,000
66-95	Tier 1: \$4,000,000 or more
Minutes	Tier 2: \$3,000,000 or more but less than \$4,000,000
96 Minutes or more	Tier 1: \$4,500,000 (plus \$2,250,000 for each additional 35 minutes or portion thereof) or more
	Tier 2: \$3,000,000 or more but less than \$4,500,000 (plus \$2,250,000 for each additional 35 minutes or portion thereof)

*** The budget tiers set forth above shall automatically increase upon the effective date of any increase in the budget tiers for "High Budget SVOD Programs" that the AMPTP may negotiate with Motion Picture Studio Mechanics, Local #52, I.A.T.S.E. and M.P.T.A.A.C.

^{**} The "high budget" thresholds set forth above shall automatically increase upon the effective date of any increase in the "high budget" thresholds for "High Budget SVOD Programs" that the AMPTP may negotiate with Motion Picture Studio Mechanics, Local #52, I.A.T.S.E. and M.P.T.A.A.C.

(4) Terms and Conditions

- (a) The terms and conditions for employees employed on High Budget SVOD Programs in Tier 1, as defined in subparagraph (3) above, that are intended for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada shall be as set forth in the 2019 Local #798 Major Film Theatrical and Television Series Agreement or the 2019 Local #798 Supplemental Digital Production Agreement, as applicable, including all Sideletters, for a television motion picture, subject to the following:
- (i) The minimum rates set forth in the 2019 Local #798 Major Film Theatrical and Television Series Agreement shall apply to High Budget SVOD Programs, except that rates in the Supplemental Digital Production Agreement shall apply to digitally-recorded High Budget SVOD Programs of the type which, if produced for television, would be considered "non-prime time," such as *iCarly* and *Saved by the Bell*.
- (ii) A High Budget SVOD Program between 20 and 35 minutes in length or a High Budget SVOD series consisting of episodes between 20 and 35 minutes in length shall be treated as a half-hour program or series; a High Budget SVOD Program between 36 and 65 minutes in length or a High Budget SVOD series consisting of episodes between 36 and 65 minutes in length shall be treated as a one-hour program or series; and a High Budget SVOD Program that is 66 minutes or more in length (other than a High Budget SVOD Program described in subparagraph (iii) below) shall be treated as a long-form television motion picture.
- (iii) The wage rates, fringe rates and working conditions applicable to theatrical motion pictures, as set forth in the Local #798 Major Film Theatrical and Television Series Agreement, shall apply to a live action High Budget SVOD Program that is 96 minutes or more in length and budgeted at over \$30 million (to be increased by the wage increases in each year of the Agreement)⁶ (other than a pilot, episode of a series or part of a mini-series) and that is intended primarily for use on a subscription consumer pay video-on-demand new media service with 20 million or more subscribers in the United States and Canada.⁷

⁶ The budget for such a live action High Budget SVOD Program increases to over \$30,900,000 effective March 1, 2020 and to over \$31,827,000 effective February 28, 2021.

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. The IATSE has been granted the right under the Producer-IATSE Basic Agreement to review a report of the actual expenditures of the production ("Final Expenditure Report") and such other relevant materials as the IATSE may require which show the actual cost of the production. Local #798 may request that the IATSE conduct such review and make a determination of whether the budget is over the budget threshold set forth in Paragraph F.(4)(a)(iii). In the event that the IATSE refuses to do so, Local #798 reserves its right to conduct such review. All information received or reviewed by representatives of Local #798 or retained professionals shall be confidential and neither Local #798 nor its representatives or retained professionals shall disclose any such information except as necessary to enforce their rights under this Agreement.

The foregoing applies only to a High Budget SVOD Program that is subject to a license agreement entered into on or after August 1, 2019 (or, in the absence of a license agreement, the principal photography of which commences on or after August 1, 2019).

(b) The terms and conditions for employees employed on High Budget SVOD Programs in Tier 2, as defined in subparagraph (3) above, that are intended for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada, or on High Budget SVOD Programs that are intended for initial exhibition on a subscription video-on-demand consumer pay platform with fewer than 20 million subscribers in the United States and Canada, shall be as provided in the 2019 Local #798 Major Film Theatrical and Television Series Agreement or the 2019 Local #798 Supplemental Digital Production Agreement, as applicable, including all Sideletters, for a television motion picture, subject to the following:

(i) Minimum Rates⁸

(A) The minimum rates for employees employed in New York, New Jersey and/or Connecticut on any one-time High Budget SVOD Program, High Budget SVOD pilot and during the first season of any High Budget SVOD series shall be as provided in Article 11(a)(3) of the 2019 Local #798 Major Film Theatrical and Television Series Agreement. During the second season and subsequent production seasons of any High Budget SVOD series, the minimum rates set forth in Article 11(a)(2) of the 2019 Local #798 Major Film Theatrical and Television Series Agreement shall apply.

(B) The minimum rates for employees employed in Delaware, the District of Columbia, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, New Hampshire, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia and/or West Virginia on any one-time High Budget SVOD Program, High Budget SVOD pilot and during the first season of any High Budget SVOD series shall be the rates set forth in Article 11(a)(3) of the 2019 Local #798 Major Film Theatrical and Television Series Agreement, reduced by 10%. During the second and third season of any High Budget SVOD series, the minimum rates for such employees shall lag the rates set forth in Article 11(a)(2) by one year. Thereafter, the minimum rates shall be as set forth in Article 11(a)(2) of the 2019 Local #798 Major Film Theatrical and Television Series Agreement.

⁸ Rates in the Supplemental Digital Production Agreement shall apply to digitally-recorded High Budget SVOD Programs of the type which, if produced for television, would be considered "non-prime time," such as *iCarly* and *Saved by the Bell*.

(ii) Working Conditions

(A) <u>High Budget SVOD Programs Between 20 and 35</u> <u>Minutes in Length</u> - The working conditions applicable to High Budget SVOD Programs that are between 20 and 35 minutes in length shall be as provided in the Local #798 Supplemental Digital Production Agreement, except:

(1) The following shall apply to employees employed in New York, New Jersey and/or Connecticut:

(a) No unworked holiday pay shall be payable on a one-time High Budget SVOD Program, a High Budget SVOD pilot and during the first season of a High Budget SVOD series. During the second season of a High Budget SVOD series, unworked holiday pay shall be payable at one-half of the applicable percentage set forth in the Local #798 Supplemental Digital Production Agreement. Thereafter, unworked holiday pay shall be as set forth in the Local #798 Supplemental Digital Production Agreement.

(b) No vacation pay shall be payable on a one-time High Budget SVOD Program, a High Budget SVOD pilot and during the first season of a High Budget SVOD series. During the second season of a High Budget SVOD series, vacation pay shall be payable at one-half of the applicable percentage set forth in the Local #798 Supplemental Digital Production Agreement. Thereafter, vacation pay shall be as set forth in the Local #798 Supplemental Digital Production Agreement.

(2) The following shall apply to employees employed in Delaware, the District of Columbia, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, New Hampshire, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia and/or West Virginia:

(a) No unworked holiday pay shall be payable on a one-time High Budget SVOD Program, a High Budget SVOD pilot and during the first and second seasons of a High Budget SVOD series. During the third season of a High Budget SVOD series, unworked holiday pay shall be payable at one-half of the applicable percentage set forth in the Local #798 Supplemental Digital Production Agreement. Thereafter, unworked holiday pay shall be as set forth in the Local #798 Supplemental Digital Production Agreement.

(b) No vacation pay shall be payable on a one-time High Budget SVOD Program, a High Budget SVOD pilot and during the first and second seasons of a High Budget SVOD series. During the third season of a High Budget SVOD series, vacation pay shall be payable at one-half of the applicable percentage set forth in the Local #798 Supplemental Digital Production Agreement. Thereafter, vacation pay shall be as set forth in the Local #798 Supplemental Digital Production Agreement.

(B) <u>High Budget SVOD Programs 36 Minutes or More in Length</u> - The working conditions applicable to High Budget SVOD Programs that are 36 minutes or more in length shall be as provided in Part III of the 2019 Local #798 Major Film Theatrical and Television Series Agreement for employees employed in Connecticut, Delaware, Florida, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and the District of Columbia or as provided in Part IV of the 2019 Local #798 Major Film Theatrical and Television Series Agreement for employees employed in Georgia, Louisiana, Maryland, North Carolina, South Carolina, Virginia and West Virginia, except:

(1) For employees employed in Georgia, Maryland, North Carolina, South Carolina, Virginia and West Virginia, no unworked holiday pay shall be payable on a one-time High Budget SVOD Program, a High Budget SVOD pilot and during the first and second seasons of a High Budget SVOD series. During the third season of a High Budget SVOD series, there shall be a 50% reduction in unworked holiday pay for such employees. Thereafter, unworked holiday pay shall be as set forth in the Local #798 Major Film Theatrical and Television Series Agreement.

(2) Employer may interchange employees based upon the concept set forth in the Supplemental Videotape Electronics Agreement.

- (c) The second paragraph of Paragraph C. of this Sideletter shall apply to a Derivative New Media Production that falls within the definition of a High Budget SVOD Program as provided in this Paragraph F.
- (5) 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.
- G. The International Alliance of Theatrical Stage Employees ("IATSE") has been granted the right under the Producer-IATSE Basic Agreement 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 F.(3) above. Local #798 may request that the IATSE conduct such review and make such determination. In the event that the IATSE refuses to do so, Local #798 reserves its right to conduct such review. All information received or reviewed by representatives of Local #798 shall be kept confidential, and neither Local #798 nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

H. "Sunset" Clause

The parties recognize that these provisions are being negotiated at a time when the business models and patterns of usage of productions in New Media are in the process of exploration, experimentation and innovation. Therefore, the provisions of this Sideletter shall expire on the termination date of the Local #798 Agreement and will be of no force and effect thereafter. No later than sixty (60) days before that expiration date, the parties will meet to negotiate new terms and conditions for reuse of productions made for New Media.

The parties further acknowledge that conditions in this area are changing rapidly and that the negotiation for the successor agreement will be based on the conditions that exist and reasonably can be forecast at that time.

Very truly yours,

Carol A. Lombardini

ACCEPTED AND AGREED:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

Rose Chatterton

Dagama Tarra

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

Sideletter No. 6

As of March 1, 2013 Re-executed as of March 1, 2016

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street, 4A New York, New York 10018

Re: Work Performed Outside the United States and its Territories

Dear Rose and Rosemarie:

This sideletter confirms the understanding reached during the 2013 negotiations that should an Employer elect to employ a person within the geographical jurisdiction of Local #798 to perform work outside the limits of the United States and its territories in any of the job classifications covered hereunder, in the production of motion pictures, the provisions of this Agreement do not apply to such employment, except that the Employer shall make benefit plan contributions to the Plan(s) applicable to the geographical area in which the employee is hired at the applicable rate set forth in the Agreement, provided that the applicable Trust Agreements permit such contributions. The bargaining parties agree to make a recommendation to the Directors of the respective benefit plans to amend the applicable Trust Agreements, if required, to allow such contributions.

Sideletter No. 6 As of March 1, 2013 Re-executed as of March 1, 2016 Page 2

If the foregoing comports with your understanding of our agreement, please so indicate by executing the sideletter in the space reserved for your signature.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

Rose Chatterton

President

By: Rosemarie Levy

Business Representative

Date:

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Carol A. Lombardini President

Direct: 818.935.5930

Sideletter No. 7

As of March 1, 2013 Re-executed as of March 1, 2016

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street, 4A New York, New York 10018

Re: Non-Dramatic Series

Dear Rose and Rosemarie:

If any non-dramatic series produced outside the geographic jurisdiction of Local #798 shoots all or part of any episode(s) within the geographic jurisdiction of Local #798, such episode(s) shall be treated, for purposes of wages, hours and working conditions of employees engaged on such episode(s), as if it were produced within the geographic jurisdiction of Local #798.

If the foregoing comports with your understanding of our agreement, please so indicate by executing the sideletter in the space reserved for your signature.

Sincerely,

Ouveland

Carol A. Lombardini

ACCEPTED AND AGREED:

President

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

By: Nose Chatterton Date: 10/16/2016

Rosemarie Levy
Business Representative

ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS

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Carol A. Lombardini Direct: 818.935.5930

Sideletter No. 8

As of March 1, 2016 Renewed as of March 1, 2019

Rose Chatterton, President Rosemarie Levy, Business Representative Make-Up Artists and Hair Stylists, Local #798 70 W. 36th Street, 4A New York, New York 10018

Re: Special Conditions for Dramatic Series Made for Basic Cable or The CW Outside New York, New Jersey and Connecticut

Dear Rose and Rosemarie:

This will confirm the understanding reached during the 2016 negotiations and confirmed in the 2019 negotiations to apply the following special conditions for dramatic series made for basic cable or The CW outside of New York, New Jersey and Connecticut:

- a. Wages. For the first production season of any dramatic series made for basic cable or The CW outside of New York, New Jersey and Connecticut to which the wage rates in the Local #798 Major Film Theatrical and Television Series Agreement are applicable, the applicable long-form television motion pictures and pilot rates (Article 11(a)(3)) shall apply. For the second and third production seasons of any such series, the wage rates in Article 11(a)(1) or Article 11(a)(2), as applicable, for the period immediately preceding the period in question shall apply (e.g., during the period March 3, 2019 through February 29, 2020, the wage rates for the period March 4, 2018 through March 2, 2019 shall apply); thereafter, the wage rates in the Local #798 Major Film Theatrical and Television Series Agreement shall apply.
- b. <u>Unworked Holiday Pay</u>. No unworked holiday pay shall be payable for the pilot, nor for the first and second production seasons of any series made for basic cable or The CW outside New York, New Jersey and Connecticut; in the third production season of any such series, unworked holiday pay shall be calculated on the basis of four (4) hours (at the employee's regular straight time hourly rate); thereafter, the unworked holiday provisions in the Local #798 Supplemental Digital Production Agreement shall apply.

c. <u>Vacation Pay</u>. No vacation pay shall be required for the first and second production season of any series made for basic cable or The CW outside New York, New Jersey and Connecticut; in the third production season of any such series, vacation pay shall be payable at one-half of the applicable percentage in the Local #798 Supplemental Digital Production Agreement; thereafter, the vacation pay provisions in the Local #798 Supplemental Digital Production Agreement shall apply.

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:

MAKE-UP ARTISTS AND HAIR STYLISTS, LOCAL #798, I.A.T.S.E.

Rose Chatterton

President

Rosemarie Levy

Business Representative

Date: