

VIDEOTAPE ELECTRONICS
SUPPLEMENTAL BASIC AGREEMENT OF 2003

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VIDEOTAPE ELECTRONICS
SUPPLEMENTAL BASIC AGREEMENT OF 2003

This Agreement, executed in the County of Los Angeles as of this first day of October, 2003, effective as of such date, by and between:

8VA Music, Inc.

Academy Lighting Consultants, Inc.

Academy Productions Ltd.

Ace Films

AJA Productions, Inc.

All Thematic, Inc.

American Costume Corporation

A.M.T.C. Inc. dba E.C.2 Costumes et al

A.M.T.C. Inc. dba Elizabeth Courtney Costumes

Avalon Partner LLC dba Avalon Films

Axium Management, Inc.

The Baer Animation Company, Inc.

Bainsville Productions Inc.

The Barn Productions

Beachwood Services, Inc.

Bellingham Enterprises, Inc.

Better Boards, LLC

B/G/L Post Inc.

Big Ticket Pictures Inc.

Bochco Media LLC

C & J Custom Tailoring, Inc.

Calabasas Camera Inc.

Cast & Crew Production Payroll, Inc.

Castle Rock Pictures, Inc.

Charles L. Barbee, Inc.

Chorts, Inc.

Cibolo Films

Columbia Pictures Industries, Inc.

Coming Up Roses, LLC

Commander Productions, Ltd.

Company C Productions, LLC

Costume Detail West

Cozzies, Ltd.
CPT Holdings, Inc.

DJ Audio, Inc.
Domar Music, Inc.
Downtown Reel Productions, Inc.
DreamWorks Dramatic Television LLC
DreamWorks Post Productions LLC
DreamWorks Productions LLC
DreamWorks SKG TV LLC

Eastern Costume Inc.
Emkar Productions, Inc.
EPSG Management Services
Evans/McNamara

Falcon Hill Films (Inc.)
Fenley Delivery
Film Payment Services, Inc.
Film Transportation Services, Inc.
FSI Processing, Inc.

Gibbons, Ltd.
Girl Group Company
Grant McCune Design, Inc.
Granite Productions Inc.
Green Set Inc.
The Greenblatt Janollari Studio, Inc.
Greensworld Inc.

H & K Financial Services, Inc.
Howard Anderson Company, Inc.
Humble Journey Films, Inc.
Hummingbird Films, Inc.

Ian Underwood, Inc.
Ichiban Entertainment Inc.
Icon Productions LLC
Independent Studio Services

J. C. Backings Corporation
Jeff Margolis Productions, Inc.

Jeffrey B. Walker, Inc.
Jerryrigged Music Productions, Inc.
Jimala Enterprises, Inc.
John David Ridge Inc.
Joseph Pytka Productions, Inc.
JTG, Inc. dba Design Partners, Inc.
Juniper Productions, LLC

Ken Ehrlich Productions
KKZK Productions, Inc.

Lakeshore Entertainment Corp.
Line By Line Productions, Inc.
The Lippin Group, Inc.
Lordic, Inc.

The M Company, Inc.
Malke, LLP
Mardi Kleppel Inc. DBA Tuesday Films
Marilyn J. Madsen (formerly Marilyn Madsen Brands)
McEttinger Films, Inc.
Metro-Goldwyn-Mayer Pictures Inc.
MFV Productions LLC
MGM Television Entertainment Inc.
Midci Productions, Inc.
Miramax Productions, Inc.
Monet Lane Prod., Inc.
Montabela Productions, Inc.
Murphy Balance Engineering (A California Corporation)
MusicSphere Productions, Inc.

National Studios, Inc.
National Voter Contact, Inc. dba Struble Oppel Communications
New Line Productions, Inc.
New Regency Productions, Inc.
North Shore Productions Inc.
NT Audio Video Film Labs

One Step Up, Inc.
Outpost Productions Inc.

PAE Inc.
Paramount Pictures Corp.
Payday, Inc.
Paywest, Inc.
Prep-Shoot-Wrap, Inc.

Quantum Payroll Services, Inc.

Rainbow Editorial Services, Inc.
RD Negative Cutting, Inc.
Reel Cuts Inc.
Reel Life Productions, Inc.
Regency Television Productions, Inc.
Renaissance Digital, Inc.
Révolution Productions Services, LLC
Rhomboid Music, Inc.
RKO Productions, Inc.

S & B Productions, Inc.
Sackeroff and Associates, Inc.
Seligman Entertainment Inc.
Shooting Stars Productions, Inc.
Shrum Devine & Donilon, Inc.
Silver Lining Productions, Inc.
Sonic Kitchen
Sony Pictures Studios Inc.
Spark Creative Inc.
Spotlight Payroll Inc.
Squirrel Productions Inc.
Steven Bochco Productions, Inc.
Storyville Pictures, Inc.
Strike-a-Match Productions
Studio Art & Technology
Studio Management Services, Inc. dba Hollywood Center Studios, Inc.

Thunderfoot Enterprises, Inc.
Tom T. Animation, Inc.
Tool of North America, LLC
Touchstone Television Productions, LLC
Tubalin Inc.
Turner Films, Inc. dba Turner Television

TVM Productions, Inc.
Twentieth Century Fox Film Corporation

UA Productions Inc.
Universal City Studios LLLP
Universal Network Television LLC
Universal Payroll Services, Inc.
Upbeat Post, Inc.
Update Company, Inc.

VCE, Inc.
VP Programs

Walt Disney Pictures & Television
Warner Bros. Pictures Inc.
Warner Bros. Studio Facilities Inc.
Warner Bros. Television Production Inc.
Western Computer Payroll & Accounting Services, Inc.
Westwind Media, Inc.
Westwind Studios, LLC
Woodbridge Productions, Ltd.
Wrightview Productions Inc.
Writers Cinema III, Inc.

and those Producers who have effectively consented to be part of the multi-employer unit, hereinafter referred to individually as a "Producer" and collectively as the "Producers," and the **INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYES AND MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES, ITS TERRITORIES AND CANADA**, hereinafter referred to as "the IATSE" or "the Union."

WHEREAS, the Producer and the IATSE have heretofore mutually executed agreements entitled the "Producer-I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2003," effective August 1, 2003, and a Memorandum of Agreement for the Producer-I.A.T.S.E. and M.P.T.A.A.C. Videotape Electronics Supplemental Basic Agreement of 2003," and

WHEREAS, Article XVII of such Basic Agreement provides that wherever the term "motion pictures" is used in said Basic Agreement, and in all prior Basic Agreements between the parties thereto, such term "means and includes and has always meant and included motion pictures, whether made on or by film, tape or

otherwise, and whether produced by means of motion picture cameras, electronic cameras or devices or any other combination of the foregoing, or any other means, methods or devices now used or which may hereafter be adopted;" and

WHEREAS, by means of electronic cameras and devices, certain types of motion pictures are now being produced in videotape by the television networks and others under collectively-bargained wage scales and working conditions different in various respects from those which obtain in the production of motion pictures on film (the process of producing such motion pictures on videotape by electronic cameras and devices, including all appliances and appurtenances in connection therewith, and the making of kinescopes as an auxiliary thereto, being referred to hereinafter as "videotape electronic recording" and wherever the term "videotape" is used herein, it means and includes kinescopes incidental thereto and audio tapes recorded for use in connection with such videotapes); and

WHEREAS, the Producer and the IATSE are desirous of supplementing the Basic Agreement as between the parties hereto to the extent of establishing wage scales and working conditions whereby the Producers may utilize electronic video recording processes for the purpose of producing motion pictures other than motion pictures intended primarily for theatrical release.

NOW, THEREFORE, the parties agree as follows:

1. APPLICATION OF AGREEMENT

(a) Unless otherwise specifically provided herein, the wage scales and working conditions to be applicable during the term hereof to employees of the Producer engaged in making videotape electronic recordings as described in the fourth "Whereas" clause, above, shall be as set forth in this Videotape Electronics Supplemental Basic Agreement (hereinafter "the Agreement").

(b) The Producer and the IATSE specifically agree that the wage scales and working conditions referenced in subparagraph (a) above may present competitive problems to the Producer in producing documentaries and other factual programs, educational (including informational and instructional programs), industrials, coverage of events including sports, news and public affairs programs and programs produced primarily for basic cable.

If Producer proposes to produce material of the types listed above in this subparagraph (b) on terms and conditions different from those contained in this Agreement, then prior to employment of persons for any such program, the

Producer will give at least thirty (30) days written notice to the IATSE of such proposed employment. Producer and the IATSE agree to meet within fifteen (15) days from receipt of such notice. If no agreement is reached with respect thereto *within such thirty (30) day period, Producer may proceed with the production of such program on terms and conditions other than those contained in this Agreement or the Basic Agreement and the IATSE may instruct its members to withhold services covered by this Agreement on the production of such program.*

The parties shall set dates for the commencement of negotiations on news, sports and public affairs programming and programs made for basic cable.

(c) With the exception of dramatic programs, situation comedies and book musicals, entertainment programs of the type historically produced for recording on phonograph records are not within the exclusive jurisdiction of either this Agreement, the Supplemental Digital Production Agreement or of the Basic Agreement.

(d) Nothing in this Agreement shall be deemed to apply or establish or effect any change in the wage scales and/or working conditions applicable in the production of motion pictures of any kind on film.

(e) The parties have reached an agreement with respect to the terms and conditions applicable to employees of the Producer engaged on digital productions. That agreement is set forth in the "Supplemental Digital Production Agreement between Producer and International Alliance of Theatrical Stage Employees."

2. TERM OF AGREEMENT

This Agreement shall be for a period of two (2) years, commencing on October 1, 2003 and terminating on September 30, 2006.

3. SCOPE OF AGREEMENT

This Agreement shall be applicable to the classifications of employees performing work within the trade jurisdiction specified herein and employed by Producer hereunder to perform such services in the County of Los Angeles, or hired by the Producer in the County of Los Angeles to perform such services outside the said County, but within the limits of the United States, its territories

and Canada, in connection with the production of videotape electronic recordings covered hereby as specified in the fourth "Whereas" clause hereof.

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

In referring to "the production of videotape electronic recordings," the parties do not intend that this Agreement shall be deemed to cover the use of electronic recording as a mere auxiliary of conventional motion picture production by a film camera such as, for example, when an electronic slave camera is mounted on a conventional motion picture film camera or is otherwise used merely for convenience in preparing and editing motion pictures made by a conventional motion picture film camera.

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

The term "pay television," as used in this Agreement, shall mean exhibition on a home-type television screen by means of telecast, cable, closed circuit or CATV when substantially all licensed systems meet the following tests:

(a) A separate channel is provided for which the subscriber pays a separate fee (which fee is a major charge relative to other charges made to the subscriber) for that channel;

and/or

(b) The subscriber pays for each program he selects (except that a program he selects for which only a token charge is made shall not be considered a pay television program);

and/or

(c) The subscriber pays a fee for an encoded telecast or telecast which fee is a major charge relative to other fees paid for encoded telecasts.

If, during the term of the Agreement, the Producer enters into a collective bargaining agreement with any party covering production for the pay television and/or videodisc/videocassette markets and the definitions of "pay television" and/or "the production of videotape electronic recordings" provided therein differ from the definitions of "pay television" and/or "the production of videotape electronic recordings" set forth hereinabove, then the IATSE shall have the option of adopting the definitions contained in such other agreement in lieu of those contained herein.

4. RECOGNITION

The Producer recognizes the IATSE as the exclusive collective bargaining representative of all classifications of employees covered by this Agreement, employed by Employer members of the single multi-employer bargaining unit who are parties to this Agreement. The IATSE makes this Agreement on behalf of such employees, the majority of whom the IATSE warrants are members of the IATSE in good standing. The employees covered hereunder are part of the collective bargaining unit established by the "Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2003."

5. TRADE JURISDICTION

The trade jurisdiction of this Agreement shall cover and include the following work in conjunction with the making, taking, production and/or reproduction of videotape electronic recordings of those types covered hereby as before described in the fourth "Whereas" clause above:

(a) the repair, servicing, placement, alignment and operation of all pieces of electronic, optical, mechanical and manual equipment and apparatus utilized in the business of the Producer to pick up, convert, conduct, transfer, record or re-record aural and/or visual information on videotapes;

(b) the cutting, splicing, editing and/or re-editing of such videotapes and all processes incidental thereto, and the handling, storage, care and cataloguing of same;

(c) the playback, processing, duplication and/or reproduction of such videotapes; and

(d) (1) the work of electricians, property persons, grips, painters, make-up artists, costumers, script supervisors, directors of photography, special effects, projectionists, scenic artists and such other classifications of employees over which the IATSE exercises jurisdiction.

(2) All work performed in "mills" and "shops," or extensions thereof, by personnel assigned thereto shall be covered by the Basic Agreement.

All new construction, except simple, complementary sets built on the stage, will be done under the Basic Agreement. *Once the set is built and delivered, renovation, remodeling or maintenance thereof may be done on the stage under the terms and conditions of this Agreement.* Simple, complementary sets built on the stage may be done under this Agreement.

"Complementary sets" are defined as sets that complement larger sets that were previously built. The office set which appeared adjacent to the bar set in 'Cheers' is an example of a simple, complementary set.

(3) *Nothing contained herein will prevent employees covered by this Agreement from performing any work hereunder on stages and/or remotes (locations) involving materials which were previously fabricated in "mills" and "shops," or extensions thereof, and have been delivered to the stages and/or remotes (locations).*

(e) The listing of specific items of work jurisdiction in the preceding subparagraphs and the naming of specific classifications of employees is not intended to limit the scope of coverage and jurisdiction of the IATSE over videotape electronic recording to the extent enjoyed by it under the Basic Agreement.

6. SHOP REQUIREMENTS

(a) Each and every employee subject to this Agreement hired by the Producer to perform services in the County of Los Angeles, or hired by the Producer in the County of Los Angeles to perform services outside said County, shall, as a condition of employment, be or become and remain a member in good standing of the IATSE on and after the thirty-first day following his first day of employment or the effective date of this Agreement, whichever is the later. The foregoing requirements of union membership as a condition of employment shall be subject to the obligations of the parties under the law.

(b) Within a reasonable time, but not to exceed three (3) days after receipt of written notice from the IATSE that any such then-employed employee is not a member as above required, and that such employee has been so notified in writing prior to such notice to Producer, the Producer shall discharge any such employee who fails to remedy such default within said three days after Producer receives such notice. The Producer shall not be in default unless it fails to act, if necessary, within said time after receipt of such notice.

(c) In case of repeal or amendment of the Labor Management Relations Act of 1947 or in the case of new legislation rendering permissible any union security to the IATSE greater than those specified in this paragraph of this Agreement, then and in such event, such provisions shall automatically be deemed substituted in lieu thereof. In such event, and if permissible under law, the IATSE agrees to supply adequate, competent and qualified employees for the job requirements of the Producer in the crafts and classifications covered by this Agreement and for the type of work covered hereby and, if the IATSE fails to do so, the Producer may secure such employees from any source.

7. NOTIFICATION OF PRODUCTION

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

8. PREFERENCE OF EMPLOYMENT

(a) With respect to employees hired by a Producer who is part of the multi-employer bargaining unit, regardless of membership in the Alliance of Motion Picture & Television Producers (hereinafter "AMPTP"), to perform services in the County of Los Angeles, California, or hired by such Producer in the County of Los Angeles, California to perform services outside such County, preference in employment shall be given to persons having previous work experience in the crafts and classifications of work subject to this Agreement obtained while employed by Producers who are part of the multi-employer bargaining unit in Los Angeles County or outside such County if hired by such Producer in the County to perform such services.

(b) The definite terms of such preference or seniority shall be as set forth in the written Agreements between the Producers who are bound to this Agreement

as part of the multi-employer bargaining unit and the IATSE and the respective West Coast Studio Locals.

(c) All West Coast Studio Local Agreements are hereby amended to conform to this Article and, whenever reference in such Agreements is made to a collective bargaining agreement or to an employer for purposes of the Industry Experience Roster, such reference shall apply only to a collective bargaining agreement subject to the Basic Agreement and this Supplemental Agreement, and only to an Employer or Producer who is part of the multi-employer bargaining unit.

(d) A person who retires under the Motion Picture Industry Pension Plan or a private retirement plan specified in Article XV of such Industry Pension Plan shall not have any preference of employment and shall be removed from the Studio and Industry Experience Rosters; however, the employer may employ such employee as though he had such preference and had not been removed from such roster.

(e) There shall be a single film-tape industry experience roster system described below based on the single multi-employer bargaining unit of the AMPTP and those employers who consent to be part of the above-described unit.

(f) Persons shall be eligible for placement on the appropriate Local rosters on the following basis:

(1) Employees who, during a three hundred sixty-five (365) day period, performed services in the multi-employer bargaining unit for thirty (30) working days with one or more employers in Los Angeles County (or outside Los Angeles County if hired in and transported from Los Angeles County to perform such services) shall be eligible for placement on the respective industry experience roster, (except as a Local Agreement provides otherwise).

(2) Each applicant for roster placement shall have the burden of establishing his or her eligibility. The applicant must file application with Contract Services Administration Trust Fund (hereinafter "CSATF") within six (6) months after the completion of the work experience required for eligibility. Such application must be perfected no later than one (1) year following the date of the last work day to be considered as qualifying experience. Such application shall be subject to appropriate verification by CSATF.

(g) Utilization of Rosters

(1) CSATF shall inventory the skills of employees in the Technical Department (Article 15(a) of this Agreement) and other classifications in which there is a material difference between the function in tape and film. CSATF shall place the names of those employees whom it has verified as possessing such skills on a skill-identification list. Thereafter, Producer shall select employees to fill positions in such Department or classifications from among the persons identified on such list as possessing the requisite skill.

(2) Employees shall be selected from the roster of the Local with the applicable primary skill, if they are deemed qualified and available for the particular assignment by the Producer.

(3) The requests by Producer for employees from the roster who are to be employed under this Agreement shall be directed to the West Coast Office of the IATSE or the applicable Local Union.

(4) Employees who refuse three (3) successive calls, whether for film or tape, must be removed from the respective roster unless their refusal is due to work being performed for a Producer. In this connection, it shall be noted that it is expected that one employee may appear on more than one Local Union roster and that roster removal requirements will be triggered only by three (3) refusals under the same roster.

(5) In administering hiring, layoff and rehiring, the Producer, upon giving advance notice to the IATSE or the applicable Local Union, may (i) call, retain or recall out of Industry Experience status an employee because of his special studio experience, skill and qualifications for the duties and/or equipment necessary for operation; or (ii) call or recall, and thereafter retain, out of Industry Experience status an employee because there are insufficient qualified available persons in the Industry Experience Groups as above provided.

In the event that it is not possible for the Producer to give such advance notice to the IATSE or the applicable Local Union, Producer may so call, retain or recall out of Industry Experience status, as above provided, but shall notify the IATSE as soon as possible thereafter. If no protest is presented to Producer by the Union Representative within twenty-four (24) hours after receipt of such notice, Saturdays, Sundays and recognized holidays excepted, the protest shall be deemed to be waived. If the Union shall protest, the Union Representative shall promptly discuss with the Director of Industrial Relations of Producer the application of such exception and settle the dispute if at all possible.

In the event of a failure to settle the dispute in the discussion, as provided above, the matter shall be subject only to the expedited arbitration procedure provided for in Article 11, and shall be heard within three (3) working days from the time of notification by the Union to CSATF of the failure to settle such dispute. Such procedure shall be limited as herein provided. Failure or refusal of such representative of either party to meet at the appointed time shall constitute an automatic and final withdrawal or approval of the protest, as the case may be.

If, in such expedited arbitration procedure, it is determined there was no need so to call, retain or recall an employee out of Industry Experience status, the arbitrator may require Producer to forthwith employ a person in Industry Experience Roster status. If the matter is so determined, the individual may be immediately awarded back pay, if any, but in no event more than three (3) days back pay. No other penalty may be imposed on the Producer. The decision in such expedited arbitration shall be final and binding and the expedited arbitrator's authority to decide shall be limited to the issue and remedy herein provided. The above procedure shall be the exclusive remedy for any dispute arising under this Paragraph and such dispute shall not be subject to the provisions of Article 11 of this Agreement.

(h) Interchange

(1) It is understood that none of the foregoing is to affect in any way the right to interchange personnel after initial employment under this Agreement, to the extent herein provided.

(2) Studio Seniority Rosters do not apply to the Technical Department under this Agreement.

(i) Roster Certification Form

The Producer and the IATSE have jointly developed a form for use by a Producer to notify CSATF that an individual is being certified for roster placement. The form includes provisions for:

- (1) The number of qualifying days worked by the employee;
- (2) The roster classification within which the employee worked;

and

(3) A notation whether the work performed was satisfactory or unsatisfactory.

The IATSE and the affected West Coast Studio Local shall have the right to challenge any roster placement with respect to the provisions contained in (1) and (2) above under the following roster arbitration procedure:

(j) Roster Arbitration Procedure

Disputes regarding the placement of any person on the Industry Experience Roster arising from the contention that the person is not eligible to be placed on the Roster under the applicable Agreement shall be resolved in the following manner:

(1) CSATF shall notify the IATSE and the Local Union involved of its intention to place a person on the Industry Experience Roster. Such notice shall contain the person's address, telephone number and Social Security number, provided CSATF has such information. The IATSE or the Local Union may protest the intended action of CSATF within ten (10) business days by a written notice to CSATF. In the event of a protest, CSATF shall notify the Producer(s) involved and the person. The person will not be placed on the roster until the matter has been determined. Upon such protest, a hearing shall be scheduled before the impartial arbitrator. If no protest is filed within ten (10) business days, the respective parties waive the right to protest.

(2) The IATSE and the Producers agree to submit to final and binding arbitration, before the impartial arbitrator, disputes involving the placement of any person on the Industry Experience Roster in accordance with this Article.

(3) The IATSE and Producers select Fredric Horowitz to act as the impartial arbitrator in all cases submitted to arbitration under this Article, and Mark Burstein as the alternate impartial arbitrator in the event the impartial arbitrator is unavailable or unwilling to act. In the event that both the impartial arbitrator and the alternate arbitrator are unable or unwilling to act, the arbitrator shall be selected by mutual agreement of the IATSE and the Producers.

(4) In an arbitration conducted pursuant to this Article, CSATF shall participate as an administrative witness and a custodian of records, and the IATSE or a Local Union designated in writing by the IATSE shall represent the IATSE. Any person whose intended roster placement is involved in such dispute shall be entitled to have his own counsel at his own expense present at the

arbitration. This provision shall not be construed as conferring upon such person the rights of a third party to the arbitration, and such arbitration will be solely between the Producer(s) and the IATSE.

(5) The impartial arbitrator shall hold a hearing within ten (10) business days after receipt of a request from the IATSE or Producer(s). Such hearing shall be held on an informal basis. The arbitrator shall have the authority to establish uniform and equitable procedures for the conduct of the hearing.

(6) The award of the arbitrator shall be rendered in writing within ten (10) business days after the conclusion of the hearing unless the time is expressly extended by the Producer(s) and the IATSE. The written award of the impartial arbitrator shall be final and binding upon the IATSE and its West Coast Studio Locals, CSATF, the Producer(s) and any person whose roster placement is at issue. In the event that the award of the impartial arbitrator is to place the individual's name on the roster, the person's roster date shall be retroactive to the date that said person would have been placed on the roster but for said protest.

(7) The fees of the impartial arbitrator and the costs of the arbitration, if any, shall be shared equally by the Producer(s) and by the IATSE. All other costs and fees shall be borne by the party incurring same.

(k) Removal from Industry Experience Roster

A person shall be removed from the Industry Experience Roster in accordance with the requirements and procedures set forth in the various Local Agreements.

In the event of a protest, the person's name will not be removed from the Industry Experience Roster until the matter has been determined.

Protests involving removal shall be subject to the same procedure outlined regarding placements, as set forth in Section (j) of this Article, "Roster Arbitration Procedure," except that: (1) where references are made to "Producer(s)" in said procedure, such references shall be deemed to mean CSATF for the purpose of this removal procedure; and (2) the Local Union and/or the involved person shall have the right to challenge a roster removal by submitting a written protest within twenty (20) business days following receipt of the notice of intention to remove the individual from the Roster.

The IATSE or the Local Union and CSATF may, by mutual agreement, extend any time limits set forth in the Sections on "Roster Arbitration

Procedure” of this Article or “Removal from Industry Experience Roster” of the applicable Local Agreements.

9. 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.

10. 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 IATSE consultation, may give any individual better conditions and terms than those herein provided.

Producer will notify the IATSE 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.

11. GRIEVANCE AND ARBITRATION PROCEDURE

In the event of any dispute between the IATSE and the Producer with regard to wage scales, hours of employment or working conditions or with regard to the interpretation of this Agreement concerning such provisions, the procedure, unless otherwise specifically provided herein, shall be as follows:

Step One - The aggrieved party shall mail or deliver to the other party a written notice of the essential facts of the claim and concurrently furnish a copy of such notice to the International Representative of the IATSE and CSATF. Such written notice shall contain the specific contract sections which are alleged to have been violated, the date(s) or approximate date(s) of the alleged violation(s), the facts on which the grievance is based, the name of the production (if any), the remedy sought and the names of the individuals aggrieved, when known, except for group claims for which the classifications of the individuals aggrieved, when known, shall be listed.

The party which has received the grievance shall, within fifteen (15) working days after the grievance has been received, respond in writing to the aggrieved party, setting forth the reasons, if any, for the action(s) taken by it, which action(s) gave rise to the grievance. Copies of such written response shall also be furnished to the same parties served with the grievance. The representative of the IATSE and the designated representative of Producer shall immediately discuss the matter and the grievance shall be settled if at all possible. The decision, if any, of such representatives shall be final and binding upon the parties and any employees concerned.

A claim by the aggrieved party that the confirmation set forth in Paragraph 22(d) of this Agreement has been violated by a Producer may be filed only upon the written approval of the West Coast Office of the International Union. Such written approval shall accompany the claim.

If the party receiving the grievance fails to serve the written response as required by Step One, then the other party may elect to proceed directly to arbitration or to Step Two by serving a written demand upon the other party within five (5) working days after the written response was due.

Conciliation Committee

Step Two - If, within ten (10) working days after the response has been served, the parties fail to meet, or if the grievance is not settled, then the aggrieved party may proceed to Step Two, by delivering or mailing, within five (5) working days thereafter, a written demand, which shall include a statement of the particulars of the claim, upon the other party and upon the International Representative of the IATSE and CSATF. If neither party requests a Step Two conciliation meeting, then the aggrieved party may proceed directly to Step Three regarding expedited or regular arbitration, by serving a written demand upon the other party within the time periods set forth above. Failure of the aggrieved party to so serve such

demand for a Step Two conciliation meeting or an arbitration shall constitute a waiver of the claim, unless the parties mutually stipulate otherwise in Step One.

If a demand for Step Two is so served, the grievance shall be brought before the Conciliation Committee as soon as practicable, but not later than twenty (20) working days following the receipt of such notice. The Conciliation Committee shall consist of an International Representative of the IATSE and a representative of CSATF.

The parties to the grievance shall be present and shall be responsible for the presentation of their own position at such time and place. If the aggrieved party fails to appear, then the grievance shall be considered as waived. If the responding party fails to appear, then the aggrieved party shall be entitled to proceed with the presentation of its position, and the Conciliation Committee, upon presentation of evidence showing a contract violation, shall have the authority to and shall issue an immediate final and binding award in favor of the aggrieved party, including an appropriate remedy.

If either party intends to appear, but does not intend to present any facts or arguments as to a defense or as to the claim, then such party shall so notify the other party as to such intention at least three (3) days prior to the conciliation meeting. In any event, either party may, at least three (3) days prior to the date of the Conciliation Committee meeting, cancel such Conciliation Committee meeting and the aggrieved party may proceed directly to arbitration under Step Three.

The AMPTP and the IATSE shall adopt written rules and procedures which shall be designed to foster to the maximum extent possible the exploratory and conciliatory nature of Step Two of this procedure.

The Conciliation Committee shall, at the beginning of the meeting, assist the parties in a good faith attempt to resolve the dispute. In the event the parties, identified as the Producer and the Union, are able to resolve the grievance with the assistance of the Conciliation Committee, the Conciliation Committee shall reduce the resolution of the grievance to writing as a binding determination on all parties. Such a determination shall be signed by the parties.

If the dispute is not resolved as provided above, then both parties at that time must declare whether they will be bound by a decision of the Conciliation Committee. If both parties agree to be bound, then the Conciliation Committee shall hear the evidence and arguments of the parties and shall render a decision, which may include a "no decision" award, which shall be final and binding on all the parties, including any individual grievant. Disputes involving jurisdiction or

technological changes shall be specifically excluded from the jurisdiction of the Conciliation Committee.

The Conciliation Committee shall have the right, upon written request of either party, to refer the dispute back to the parties, without prejudice to the merits and without expanding the time limits for the filing of a grievance or a response, if the Conciliation Committee is of the opinion that either the written grievance or response does not meet the requirements set forth in Step One.

Step Three - If the parties do not agree that the Conciliation Committee's recommendation will be final and binding on them or if the parties fail to resolve the grievance, or if the Conciliation Committee has issued a "no decision" award, then the parties may proceed to expedited arbitration or regular arbitration as provided below:

(a) Expedited Arbitration

The aggrieved party may elect to proceed to expedited arbitration within ten (10) working days following the Step Two meeting, or within ten (10) working days following the cancellation of the Step Two meeting, but only in cases wherein the claim arises under Paragraph 68 of the applicable West Coast Studio Local Agreements involving disputes relating to the failure to follow studio seniority or industry seniority, and disputes arising under Paragraph 68 covering the discharge or discipline for cause of an employee subject to Paragraph 68 of the applicable West Coast Studio Local Agreements, or in cases wherein the claim for wage payments, adjustments and/or damages consistent with the contract does not exceed fifteen thousand dollars (\$15,000). The aggrieved party may likewise proceed to expedited arbitration following Step Two over disputes with regard to only "WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING CONDITIONS" provision of this Agreement, subject to this Article and provided the claim for damages does not exceed fifteen thousand dollars (\$15,000). Any other case may be submitted to expedited arbitration only by the mutual agreement of the parties.

Disputes involving jurisdiction or technological changes shall be specifically excluded from the jurisdiction of expedited arbitration.

Except as time limits are set forth in Paragraph 68 of the applicable West Coast Studio Local Agreements, cases that are submitted to expedited arbitration shall be heard within ten (10) working days after the other party received the demand for expedited arbitration or *within ten (10) working days after*

the other party gives notice of its agreement to proceed to expedited arbitration in cases in which the mutual agreement of the parties is required.

The AMPTP and the IATSE shall revise the list of arbitrators assigned to hear expedited arbitrations. The list shall consist of five (5) arbitrators with recognized experience as professional arbitrators.

During the term of this Agreement, the parties may mutually add the names of additional persons to the panel of neutral arbitrators to either supplement the panel or replace persons no longer available to serve.

From the panel of names of the neutral arbitrators set forth above, the arbitrators shall be assigned, depending upon their availability, in rotation, to the cases as they arise. The parties may, by mutual consent, select an arbitrator out of rotation provided that notice of their selection is given to CSATF prior to the appointment of the arbitrator next in rotation.

The expedited arbitration hearing shall be presided over by a neutral arbitrator assigned from the panel of neutral arbitrators. The IATSE and CSATF shall schedule the grievances to be heard in order of receipt. The grievances must be heard by the assigned arbitrator unless that individual becomes unavailable, in which instance the next arbitrator in the rotation shall hear the grievance. If either party intends to be represented by outside counsel at the expedited arbitration hearing, then such party must notify the opposing party within two (2) working days after the hearing date for the expedited arbitration has been determined. The parties, who may be represented by outside counsel, will not file post-hearing briefs, but may, prior to or during the hearing, present a written statement of the facts. If either party so desires, a stenographic record may be made and that party shall pay for the transcript. In such cases, the transcript shall be solely for the use of the party requesting it and shall not be used to delay a decision in the matter. The two preceding sentences shall not apply to roster placement nor roster removal arbitrations, for which no stenographic record shall be made. The neutral arbitrator shall have sole authority to rule on all motions and decide the case.

The writing of an opinion will be at the discretion of the neutral arbitrator. The decision of the arbitrator, which shall be issued orally and confirmed in writing if requested by either party at the conclusion of the hearing, or in writing within three (3) days from the conclusion of the hearing (the choice being at the sole discretion of the arbitrator), shall be final and binding upon the parties and any employees concerned. The neutral arbitrator shall have the power to determine only the specific grievance or dispute and, when appropriate, award wage adjustments or damages consistent with the contract, in an amount not to

exceed fifteen thousand dollars (\$15,000), but shall not have the power to amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional or technological change disputes. The decision of the neutral arbitrator shall be non-precedential and his decision and/or opinion, if any, shall not be offered or admitted into evidence in any other proceeding other than: (1) a judicial action seeking confirmation, correction or vacation of said decision; or (2) a grievance or arbitration proceeding involving the same Producer and Local Union.

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

The bills of the arbitrator, together with a completed information form, shall be sent by the arbitrator to the IATSE and the Producer involved in the expedited arbitration, with copies to CSATF. The information form shall be jointly prepared by the IATSE and CSATF.

The neutral arbitrator shall proceed to hear a dispute properly before him under this provision of expedited arbitration, notwithstanding the fact that a similar case may be pending in a regular arbitration.

(b) Regular Arbitration

The aggrieved party may elect to proceed to regular arbitration within ten (10) working days following the Step Two meeting or within ten (10) working days following the cancellation of the Step Two meeting.

The IATSE and the Producers agree to establish a panel of individuals with recognized experience as professional labor arbitrators as members of a standing panel of neutral arbitrators. The panel shall comprise an odd number of arbitrators.

If demand is served for regular arbitration, then the parties shall select a sole arbitrator to hear and determine the grievance by mutual agreement. If the parties cannot agree to the arbitrator to be appointed, then each party shall have the right to alternately strike an arbitrator's name from the panel until such time as one arbitrator is left and the remaining arbitrator shall be selected and appointed as the arbitrator in the proceedings.

The parties shall select the arbitrator within five (5) working days after the demand for regular arbitration has been served. The parties may, by

mutual agreement, select the arbitrator outside of the panel of neutral arbitrators or utilize the list of arbitrators obtained from the Federal Mediation and Conciliation Service.

Such hearing shall be held within fourteen (14) days after the arbitrator is selected, at such time and place as the arbitrator shall determine. If the arbitrator so selected is unable or unwilling to undertake the arbitration within the time limit herein provided, another arbitrator shall be selected from such list. The decision of the arbitrator shall be rendered in writing, stating his reasons for the award, within thirty (30) days after the submission of the grievance for decision. The arbitrator's decision shall be final and binding upon the parties thereto and upon any employees concerned. The arbitrator shall have the power to determine the specific grievance or dispute, but shall not have the power to amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional disputes.

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

(c) Claims

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

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

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

(d) In General

The time periods provided for herein may be extended by mutual written consent of the parties.

(e) Scheduling

In scheduling any grievance in Step Two or Step Three, preference shall be given to any grievance involving the discharge of an employee or a grievance involving the Industry Experience Roster.

(f) Disciplinary Memos

Disciplinary memos issued to an employee are admissible evidence in a grievance and/or arbitration proceeding. However, such disciplinary memoranda, other than those resulting in a suspension or discharge, issued more than two (2) years prior to the incident or events giving rise to said grievance shall not be admissible.

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

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

12. NO STRIKES OR LOCKOUTS

(a) As long as the Producer lives up to and complies with the grievance procedure as provided for in Article 11 of this Agreement, the IATSE 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 IATSE lives up to and complies with the grievance procedure as provided for in Article 11 of this Agreement, the Producer in all respects will fulfill its obligations hereunder and will not institute a lockout against the IATSE. Neither shall any strike or lockout be resorted to during the processing of the grievance procedure.

(b) Notwithstanding any other provision of this Agreement, the Producer shall not require any employee of the IATSE 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 IATSE, nor be the basis of Producer discharging or otherwise disciplining such employee.

13. INSPECTIONS

Representatives of the IATSE shall have access to the premises of the Producer or to any location at which the Producer is engaged in any phase of videotape electronic recording 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.

14. SHOP STEWARDS

The IATSE 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 an International Representative of the IATSE. 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.

15. WAGES

(a) Rates for Programs Other Than Those Covered Under Article 15(b)

Employees engaged under the provisions of this Agreement on programs other than those covered under Article 15(b) below shall be paid not less than the following wages:

(1) For Daily Employees:

IATSE Videotape Electronics Supplemental Basic Agreement	DAILY (daily basis) Minimum Call - 8 hours		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
a. <u>Technical Department</u>			
Supervisors, technical directors, video control technicians, videotape recording technicians, tape editors, audio technicians, maintenance/television engineers, projection technicians, directors of photography, video camerapersons and other technicians:			
Supervisors	\$341	\$350	\$361
Technical Directors	341	350	361
Tape Editors	336	344	354
Audio Mixers	336	344	354
Directors of Photography	336	344	354
Video Cameramen	298	305	314
Digital Imaging Technician	376	385	397
Video Controller (Shader)	298	305	314
Camera Utility	284	291	300
Digital Utility Person	194	199	205
Other Technical Department Persons (except Videotape Operators) ¹	298	305	314

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IATSE Videotape Electronics Supplemental Basic Agreement	DAILY (daily basis) Minimum Call - 8 hours		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
b. <u>Stagecraft Department</u> ² Lighting technicians, property persons, grips, greens persons and other required classifications commonly regarded as being within the stagecraft department: Chiefs Other Stagecraft Department Persons ³			
	\$259 213	\$265 218	\$273 225
c. Script Supervisors	218	223	230
d. Make-Up Artists	264	271	279
e. Hair Stylists	231	237	244
f. Costumers ⁴	214	219	226
g. Art Directors (On Call)	--	--	--
h. Set Decorators (On Call)	282	289	298
i. Scenic Artists	259	265	273

¹ The rate for videotape operators is \$224 per day effective September 28, 2003 to and including November 27, 2004; \$230 per day effective November 28, 2004 to and including December 3, 2005; and \$237 per day effective December 4, 2005 to and including September 30, 2006. New hires in the videotape operator classification (entry level personnel) shall be paid at \$161 per day effective September 28, 2003 to and including November 27, 2004; \$165 per day effective November 28, 2004 to and including December 3, 2005; and \$170 per day effective December 4, 2005 to and including September 30, 2006. New hires shall be eligible for the higher rate after one (1) year of service in the entry level classification.

² A Stagecraft Department employee assigned to operate a camera crane, camera dolly, dimmer board or special effects work shall receive an additional \$0.65 per hour.

A Stagecraft Department employee assigned to work four (4) or more hours of the workday in an aerial lift used as a lighting platform, which lift is at a height of at least thirty-five (35) feet, shall receive an additional sixty-five cents (\$.65) per hour. The Producer will provide an appropriate fire extinguisher when an aerial lift is used as a lighting platform.

A licensed powderman performing licensed powder work shall receive a bonus of twenty dollars (\$20.00) per shift.

When a Stagecraft Department employee is assigned to operate a camera crane, crab dolly, dimmer board or to do special effects work which is non-routine or which requires special expertise, such employee shall be selected from among the appropriate rosters having the personnel with the required expertise. Such roster selection shall not restrict the right of interchangeability of such employees with "other stagecraft persons."

- 3 It is understood that crafts service personnel and teleprompter operators employed under this Agreement are to be treated and paid as "Other Stage Craft Department Persons."
- 4 When more than three (3) costumers are employed by Producer on a prime time dramatic program, one shall be designated as the Supervising Costumer and shall be paid at the rate of \$28.69 per hour effective September 28, 2003 (\$29.40 per hour effective November 28, 2004 and \$30.28 per hour effective December 4, 2005) when employed on a daily basis, based upon an eight (8) hour guarantee, and at the rate of \$27.466 per hour effective August 3, 2003 (\$28.153 per hour effective November 28, 2004 and \$28.997 per hour effective December 4, 2005) when employed on a weekly basis, based upon a forty (40) hour guarantee.

(2) For Weekly Employees:

IATSE Videotape Electronics Supplemental Basic Agreement	WEEKLY Minimum Call - 8 hours; 5 consecutive days		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
a. <u>Technical Department</u> Supervisors, technical directors, video control technicians, videotape recording technicians, tape editors, audio technicians, maintenance/television engineers, projection technicians, directors of photography, video camerapersons and other technicians: Supervisors Technical Directors Tape Editors Audio Mixers Directors of Photography Video Cameramen Digital Imaging Technician Video Controller (Shader) Camera Utility Other Technical Department Persons (except Videotape Operators) ¹	\$1551 1551 1526 1526 1526 1381 1720 1381 1269 1381	\$1590 1590 1564 1564 1564 1416 1763 1416 1301 1416	\$1638 1638 1611 1611 1611 1458 1816 1458 1340 1458
b. <u>Stagecraft Department</u> ² Lighting technicians, property persons, grips, greens persons and other required classifications commonly regarded as being within the stagecraft department: Chiefs Other Stagecraft Department Persons ³	1191 969	1221 993	1258 1023
c. <u>Script Supervisors</u>	1009	1034	1065
d. <u>Make-Up Artists</u>	1192	1222	1259
e. <u>Hair Stylists</u>	1047	1073	1105

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IATSE Videotape Electronics Supplemental Basic Agreement	WEEKLY Minimum Call - 8 hours; 5 consecutive days		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
f. Costumers ⁴	\$980	\$1005	\$1035
g. Art Directors (On Call)	2150	2204	2270
h. Set Decorators (On Call)	1292	1324	1364
i. Scenic Artists	1120	1148	1182

¹ The rate for videotape operators is \$1048 per week effective September 28, 2003 to and including November 27, 2004; \$1074 per week effective November 28, 2004 to and including December 3, 2005; and \$1106 per week effective December 4, 2005 to and including September 30, 2006. New hires in the videotape operator classification (*entry level personnel*) shall be paid at \$753 per week effective September 28, 2003 to and including November 27, 2004; \$772 per week effective November 28, 2004 to and including December 30, 2005; and \$795 per week effective December 4, 2005 to and including September 30, 2006. New hires shall be eligible for the higher rate after one (1) year of service in the entry level classification.

^{2, 3, 4} See footnotes 2, 3 and 4 on pages 27-28.

(b) Rates for Non-Dramatic Programs

Employees engaged under the provisions of this Agreement on new non-dramatic programs (e.g., talk shows, reality shows, game shows, "Judge" shows, "Entertainment Tonight"-type shows, variety shows, etc.) ("new" shows are shows which were not in production as of August 18, 2003) shall be paid not less than the following wages:

(1) For Daily Employees:

IATSE Videotape Electronics Supplemental Basic Agreement Non-Dramatic Programs	DAILY (daily basis) Minimum Call - 8 hours		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
a. <u>Technical Department</u>			
Supervisors, technical directors, video control technicians, videotape recording technicians, tape editors, audio technicians, maintenance/television engineers, projection technicians, directors of photography, video camerapersons and other technicians:			
Supervisors	\$307	\$315	\$325
Technical Directors	307	315	325
Tape Editors	302	310	319
Audio Mixers	302	310	319
Directors of Photography	302	310	319
Video Cameramen	268	275	283
Digital Imaging Technician	338	347	357
Video Controller (Shader)	268	375	383
Camera Utility	256	262	270
Digital Utility Person	175	179	185
Other Technical Department Persons (except Videotape Operators) ¹	268	275	283

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IATSE Videotape Electronics Supplemental Basic Agreement Non-Dramatic Programs	DAILY (daily basis) Minimum Call - 8 hours		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
b. <u>Stagecraft Department</u> ² Lighting technicians, property persons, grips, greens persons and other required classifications commonly regarded as being within the stagecraft department: Chiefs Other Stagecraft Department Persons ³	\$233 192	\$239 196	\$246 203
c. Script Supervisors	196	201	207
d. Make-Up Artists	238	244	251
e. Hair Stylists	208	213	220
f. Costumers ⁴	193	197	203
g. Art Directors (On Call)	--	--	--
h. Set Decorators (On Call)	254	260	268
i. Scenic Artists	233	239	246

¹ The rate for videotape operators is \$202 per day effective September 28, 2003 to and including November 27, 2004; \$207 per day effective November 28, 2004 to and including December 3, 2005; and \$213 per day effective December 4, 2005 to and including September 30, 2006. New hires in the videotape operator classification (entry level personnel) shall be paid at \$145 per day effective September 28, 2003 to and including November 27, 2004; \$148 per day effective November 28, 2004 to and including December 3, 2005; and \$153 per day effective December 4, 2005 to and including September 30, 2006. New hires shall be eligible for the higher rate after one (1) year of service in the entry level classification.

^{2,3} See footnotes 2 and 3 on pages 27-28.

⁴ When more than three (3) costumers are employed by Producer on a prime time dramatic program, one shall be designated as the Supervising Costumer and shall be paid at the rate of \$25.82 per hour effective September 28, 2003

(\$26.46 per hour effective November 28, 2004 and \$27.25 per hour effective December 4, 2005) when employed on a daily basis, based upon an eight (8) hour guarantee, and at the rate of \$24.719 per hour effective August 3, 2003 (\$25.338 per hour effective November 28, 2004 and \$26.097 per hour effective December 4, 2005) when employed on a weekly basis, based upon a forty (40) hour guarantee.

(2) For Weekly Employees:

IATSE Videotape Electronics Supplemental Basic Agreemen	WEEKLY Minimum Call - 8 hours; 5 consecutive days		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
Non-Dramatic Programs			
a. <u>Technical Department</u>			
<i>Supervisors, technical directors, video control technicians, videotape recording technicians, tape editors, audio technicians, maintenance/television engineers, projection technicians, directors of photography, video camerapersons and other technicians:</i>			
Supervisors	\$1396	\$1431	\$1474
Technical Directors	1396	1431	1474
Tape Editors	1373	1408	1450
Audio Mixers	1373	1408	1450
Directors of Photography	1373	1408	1450
Video Cameramen	1243	1274	1312
Digital Imaging Technician	1548	1587	1634
Video Controller (Shader)	1243	1274	1312
Camera Utility	1142	1171	1206
Other Technical Department Persons (except Videotape Operators) ¹	1243	1274	1312
b. <u>Stagecraft Department</u> ²			
<i>Lighting technicians, property persons, grips, greens persons and other required classifications commonly regarded as being within the stagecraft department:</i>			
Chiefs	1072	1099	1132
Other Stagecraft Department Persons ³	872	894	921
c. Script Supervisors	908	931	959
d. Make-Up Artists	1073	1100	1133
e. Hair Stylists	942	966	995

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IATSE Videotape Electronics Supplemental Basic Agreement	WEEKLY Minimum Call - 8 hours; 5 consecutive days		
	9/28/03- 11/27/04	11/28/04- 12/3/05	12/4/05- 9/30/06
Non-Dramatic Programs			
f. Costumers ⁴	\$882	\$905	\$932
g. Art Directors (On Call)	1935	1984	2043
h. Set Decorators (On Call)	1163	1192	1228
i. Scenic Artists	1008	1033	1064

¹ The rate for videotape operators is \$943 per week effective September 28, 2003 to and including November 27, 2004; \$967 per week effective November 28, 2004 to and including December 3, 2005; and \$995 per week effective December 4, 2005 to and including September 30, 2006. New hires in the videotape operator classification (entry level personnel) shall be paid at \$678 per week effective September 28, 2003 to and including November 27, 2004; \$695 per week effective November 28, 2004 to and including December 3, 2005; and \$716 per week effective December 4, 2005 to and including September 30, 2006. New hires shall be eligible for the higher rate after one (1) year of service in the entry level classification.

^{2, 3, 4} See footnotes 2 and 3 on pages 27-28 and footnote 4 on page 32.

The "Regular Basic Hourly Rate," for the purposes of computing overtime and other premium pay or penalty pay, shall be one-fortieth (1/40) of the applicable weekly rate for weekly employees and one-eighth (1/8) of the above applicable daily rate for employees engaged on a daily basis.

The Producers and the IATSE shall appoint a joint committee to study all job classifications in the Technical Department and the videotape "utility" situation and make any recommendations they feel are warranted by such study.

The rate for the Art Director, either in "pre-production" or "on production" situation comedies which are not high budget, game shows, strip shows, talk shows, syndicated shows which are not high budget and strip variety shows shall be the amount set forth in the applicable wage schedule on an "on call" basis. Percentage increases are to be the same as provided for other classifications in this

Agreement. Producer shall not loan out the services of an Art Director, except those under personal service contracts, to any other company in which it does not have a financial interest. Otherwise, the rates and working conditions of the applicable IATSE Art Director's Film Agreement shall apply.

On all other shows, the applicable Art Director's Film Agreement shall apply.

A Set Decorator, when needed in either "pre-production" or "on production" on situation comedies, game shows, strip shows, talk shows, syndicated shows and strip variety shows shall be subject to this Agreement. The rate of pay shall be in the amount set forth in the applicable wage schedule on a per week or per day or "on call" basis. On all other shows, the film rate only shall apply.

Producer shall not loan out the services of a Set Decorator, except those under personal service contracts, to any other company in which it does not have a financial interest.

16. NIGHT PREMIUMS

(a) Work time for post-production employees only shall be paid for according to the following schedule:

HOURS WORKED BETWEEN	NIGHT PREMIUM
8:00 p.m. and midnight	10% of hourly rate
midnight and 7:00 a.m.	20% of hourly rate

(b) There are no night premiums on distant location.

17. 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.

18. 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.

19. 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 (1½) 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.

20. 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.

21. 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-per-week daily employee is required to work six (6) days in his workweek, the Producer shall make reasonable good faith efforts to schedule the employee to work on six (6) consecutive days. Any unresolved dispute as to whether the Producer has made

such reasonable good faith efforts shall be submitted to the International President and the President of the AMPTP for resolution.

(c) 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 26.

(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 (1½)," 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.

22. 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, hair stylists and wardrobe "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, hair stylists and wardrobe "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 hours.

(4) An employee who refuses a four (4) hour minimum call shall not be considered to have refused a call for purposes of removal from the Industry Experience Roster.

On distant location for any day not worked, all employees are guaranteed an eight (8) hour pay allowance (not work time) and shall keep themselves in readiness to serve the Producer during such period.

Effective July 1, 2003, 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 (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.

23. STUDIO ZONE DEFINITIONS AND WORKING CONDITIONS

(a) **Studio Zone Defined**

The studio zone shall be the area within a circle thirty (30) miles in radius from Beverly Boulevard and La Cienega Boulevard, Los Angeles, California. The Metro-Goldwyn-Mayer, Inc. Conejo Ranch property shall be considered as within the studio zone. (See Exhibit "Z" attached.)

(b) **Work Time**

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

(c) **Transportation Within the Studio Zone**

Except as is otherwise provided herein, with respect to work at any studio zone location, Producer shall either furnish transportation to the employee

or, at its option, may require employee to report at such location, in which case it will allow mileage of thirty cents (30¢) per mile computed between the studio and zone location and return. This allowance shall be paid on the employee's paycheck that covers the payroll week in which the mileage was incurred.

Employee shall not be requested to transport other employees or equipment (other than trade tools). The studio shall have the right to require the employee to report (subject to the same mileage allowance between the studio and pick-up point), at a pick-up point within the studio zone for subsequent transportation furnished by the studio from such pick-up point to nearby location and return to the pick-up point. Work at another studio is not a "zone location." The IATSE will not unreasonably deny a request for waiver of the mileage allowance for employees who report to a studio zone location which is a regular place of employment for a production. The IATSE will not unreasonably refuse a request from the Producers that employees report to a location which is a reasonable distance beyond the aforementioned thirty (30) mile zone.

(d) Reporting Within the Zone

As to an employee reporting to a designated site within the thirty-mile zone:

(1) If there are any moves required in the thirty-mile zone from one location to another, or to a nearby location, the employees will be transported to and from such other location.

(2) When this provision applies, if an employee reports for work outside a studio and within the thirty-mile zone, the "Golden Hour" pay rates will commence after twelve (12) elapsed hours pursuant to Article 26(a)(2).

(e) Parking Facilities

When an employee reports for work within the thirty-mile studio zone other than at a studio to work inside or outside such zone, the employer will pay for parking in a supervised public parking lot. If no such public parking is available, the employer will provide supervised or secured parking.

(f) Material Violations

If the IATSE claims that a material violation of this provision is occurring with respect to the employees covered by this Agreement, then:

(1) A representative of the IATSE shall immediately notify the designated representative of the Producer, the AMPTP and CSATF.

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

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

If it is so determined that there is such a material violation, this thirty-mile studio zone provision with respect to the show involved shall be suspended in respect to production of the show or episode involved.

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

24. NEARBY LOCATIONS DEFINED

Nearby locations are those locations outside of a studio where the Producer provides transportation to and from the location and where the employees are not lodged overnight but return to the studio at the end of the workday.

25. 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.

Upon the IATSE filing a claim that the Producer has violated the foregoing, it shall immediately notify the designated representative of the Producer. The IATSE 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 IATSE or the Producer may, within three (3) business days, request a hearing before a Special Committee consisting of three (3) representatives designated by the AMPTP and three (3) representatives designated by the IATSE.

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 IATSE may proceed to arbitration.

(c) The meal interval may be extended one-half ($\frac{1}{2}$) 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 ($\frac{1}{2}$) 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) The meal penalty for delayed meals shall be computed as follows:

First one-half (½) hour meal delay or fraction thereof	\$ 7.50
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	\$12.50

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

(i) As an alternative to the foregoing provisions of this Paragraph 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.

26. GOLDEN HOUR PROVISIONS

(a) (1) All time worked at a nearby location 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 as provided in Article 23(d), 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.

(3) For "on production" employees only who are employed on television productions and whose shift of work occurs solely on the premises in a studio, or at a studio zone location, or at a nearby location, or at a combination of a studio and a studio zone and/or nearby location, Golden Hours as provided in subparagraphs (1) and (2) above and in Article 23(d) 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 studio zone location, at a nearby location, or at a combination of a studio and a studio 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:

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

(d) 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.

27. CHANGE AND CANCELLATION OF 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 IATSE 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.

28. 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-mile zone; and nine (9) hours for work on a nearby location or when transported from a studio to a location within the thirty-mile 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 15.

Minimum Guarantees for "Call-backs" Within Eight (8) Hours of Dismissal		
Classification	Weekdays	Sixth or Seventh Day Worked in an Employee's Workweek and Holidays*
Daily Employees	4 hours at time and one-half; time and one-half thereafter	3 hours at double time; double time thereafter
Weekly Employees	½ minimum call	½ minimum call

* The above "call-back" guarantees do not apply when employee reports to work on such days within eight (8) hours of time of dismissal from work starting on the previous day. In such event, the "call-back" guarantee is the minimum call in hours as scheduled in Article 22.

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

29. 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 travelled, whichever is greater, but in no event more than eight (8) hours of pay at straight time.

(b) No clause.

(c) Travel-and-Work or Work-and-Travel

Travel time within the minimum call shall be paid for as work time and computed towards the commencement of Golden Hours, but shall not be paid for at the Golden Hour rate. Minimum calls are as provided in Article 22; 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 (5½) hours. All hours are deemed work time and fifteen (15) hours are computed toward Golden Hours.

(2) On day of return, employee works eight (8) hours and travels seven (7) hours. All hours are deemed work time, but only 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) Local Travel Time

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) Time Spent Waiting to Travel on Day of Departure from Distant Location

On the day of departure from a distant location, when sleeping accommodations at the location are not available to the employee after 9:00 p.m., time spent after 9:00 p.m. in waiting for transportation, when the minimum call is not in effect, shall be compensated for as an allowance.

(f) Travel Insurance

The Producer shall provide accidental death insurance in a sum not less than 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. The Producer shall furnish first-class transportation to and from distant location within the United States. For travel outside the United States, Producer shall furnish business class transportation, except when not available, in which case employees shall travel first-class. If first-class transportation and accommodations are not available for reasons beyond the Producer's control, the Producer shall furnish the next best available class, and promptly notify the IATSE and the employee what arrangements have been made. Producer agrees to use his 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. Travel by jet airplane, except "economy class," shall be deemed first-class anywhere in the United States.

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 travelling 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 or the Basic 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 17 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.

(4) Directors of Photography and Video Camerapersons only shall receive sixty dollars (\$60.00) minimum for "each occurrence." "Each occurrence" shall be defined in underwater work as meaning one "SCUBA"-type air tank (*i.e.*, the equivalent of a single "72" tank).

30. 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 15.

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

31. HOLIDAYS

(a) Work time on holidays shall be subject to night premiums. Minimum calls are as specified in Article 22.

(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, 2003 to and including December 31, 2003, in the period January 1, 2004 to and including December 31, 2004 and in the period January 1, 2005 to and including December 31, 2005 (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, employee shall receive double the Regular Basic Hourly Rate.

(e) Weekly Schedule Employees

The total amount of salary paid in the period January 1, 2003 to and including December 31, 2003, in the period January 1, 2004 to and including December 31, 2004 and in the period January 1, 2005 to and including December 31, 2005 (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 Motion Picture Industry Pension Plan. 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 Motion Picture Industry Pension Plan.

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

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

32. VACATIONS

Vacations with pay will be allowed as follows:

(a) Daily Schedule Employees

(1) Vacation pay for a person employed solely under a Daily Schedule shall be computed at the rate of four percent (4%) of total annual earnings for those hours worked at straight time, including hours worked on night

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 preceding year:	Straight time 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 preceding year:	Straight time 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

(continued)

(continued)

Straight time hours worked in preceding year:	Straight time working days required to be taken off:
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) Weekly Employees (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:

Daily Schedule Employment: 4% of straight time earnings including hours worked on night premiums at straight time.

Weekly Schedule Employment: 4% of guaranteed weekly earnings.

(c) To determine, for vacation purposes, the number of days worked in any workweek, the following formulae shall be used:

(1) Daily Schedule Employees (who also worked under a weekly schedule in the preceding year):

$\frac{5}{40} \times$ Total hours worked at straight time (including hours worked on weekday night premiums) to a maximum of forty (40) hours.

Days worked are equal to the number of weekday minimum calls paid for, subject to the provisions of Article 32(b)*, above.

(d) To determine, for vacation purposes, the rate at which each vacation day shall be paid, the following formulae shall be used:

(1) Daily Schedule Employees (who also worked under a weekly schedule in the preceding year): One (1) day is equal to eight (8) hours average pay at straight time.

(2) Weekly Schedule Employees: One (1) day is equal to one-fifth (1/5) of average weekly earnings, limited each week to the hours specified under the employee's weekly wage schedule.

(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

Commencing with vacations earned in the year 1980 and payable in the year 1981 and thereafter, eligible employees shall be those employees who actually worked for Producer for eight (8) consecutive "eligible" years, with an aggregate of not less than 1,600 "straight time" days worked with Producer in such eight (8) years.

As used in this provision, the term "year" shall mean the employee's personal income tax earnings year (also hereinafter referred to as "tax year"); the term "eligible year" shall mean a tax year in which the employee worked one hundred (100) or more "straight time" days for Producer; 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 employee* 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) Loss of Eligibility

Employees who become eligible, as above provided, but who thereafter either resign from employment with Producer or fail to work for Producer more than one hundred fifty (150) "straight time" days in any one tax year shall, as of the last day of such tax year or, in the case of resignation, the date of such resignation, lose such eligibility and right to earn the additional vacation days and pay above provided; in such event, they shall thereupon be considered new employees hereunder with no previous employment credit with Producer for the purpose of subsequently establishing the above eligibility requirements.

In determining whether any employee loses his eligibility for failure to work for Producer more than one hundred fifty (150) "straight time" days in a tax year, as above provided, no such year shall be counted for this purpose in which the employee could not work at least one hundred fifty-one (151) "straight time" days for Producer due to either or both of the following:

- (i) The period of recorded leaves of absence granted such employee by Producer;
- (ii) The period during which such employee was absent and physically unable to work for Producer solely as a result of an "industrial accident" occurring to him while employed by Producer.

*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 32.

(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.

(5) 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 Motion Picture Industry Pension Plan. 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 Motion Picture Industry Pension Plan.

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

(5) On or about July 15 of the second calendar year, unclaimed vacation and/or holiday pay will be contributed to the Motion Picture Industry Pension Plan and credited to the appropriate employee pension plan account. Money so contributed shall not be returned to the employee and shall fully discharge the Producer's and 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 IATSE.

33. 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 Qualified Years Employee Already Has on the Date of Severance	Not Offered Employment Within Following Number of Elapsed Days After Severance Occurs	Maximum Number of Weeks of 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

(continued)

(continued)

Number of Consecutive Qualified Years Employee Already Has on the Date of Severance	Not Offered Employment Within Following Number of Elapsed Days After Severance Occurs	Maximum Number of Weeks of Severance Pay
19	270*	12
20	270*	13

(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. 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 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 past "qualified years," any period of two hundred seventy (270) elapsed days commencing prior to the date hereof, in which the employee did not actually work for Producer, will be deemed to have broken the employment record of such employee and he shall be considered to be a new employee thereafter for the purposes of determining "qualified years." In the event the severance of such employment occurs after the date hereof, then if the employee is not offered comparable employment within such two hundred seventy

*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.

(270) elapsed days after such severance occurs, his employment record shall thereupon be terminated and, if rehired thereafter by Producer, he shall be considered a new employee for purposes hereunder as of the date of such rehire.

(2) 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.

(3) 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.

For example: Employee worked for Producer from December 10, 1961 to January 1, 1963, at which time he was dismissed and thereafter paid two weeks severance pay. He is then considered a new employee for severance pay purposes. He was re-employed by Producer on April 15, 1963 and dismissed on April 20, 1964. He was not re-employed by Producer. Ninety (90) days after April 20, 1964, he would be entitled to his maximum severance pay of one (1) week.

For example: Employee worked for Producer from December 10, 1961 to January 1, 1963, at which time he was dismissed and thereafter paid two weeks severance pay. He is then a new employee for severance pay purposes. He was re-employed by Producer on July 15, 1963 and dismissed on February 1, 1964 and not rehired thereafter. He would not be entitled to any severance pay from Producer.

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.

For example: On December 31, 1963, the employee receives two (2) weeks severance pay from Producer. He is re-employed on February 15, 1964 and continues work with Producer to March 1, 1965, at which time he is dismissed. On that date, he had twenty (20) consecutive qualified years with Producer. He is not re-employed by Producer until March 3, 1966. The two (2) weeks of severance pay of December 31, 1963 are offset against the two (2) weeks of partial severance pay he would otherwise have been entitled to after ninety (90) days following March 1, 1965 and he is not paid anything at that time. After two hundred seventy (270) days following March 1, 1965, he is entitled to eight (8) weeks of severance pay, the unpaid balance of the total accrued maximum ten (10) of weeks severance pay.

(4) 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.

For example: The employee is dismissed on February 1, 1964 and on such date already had twenty-three (23) consecutive qualified years. Ninety (90) days after February 1, 1964, he is paid two (2) weeks partial severance pay. He returns to work for Producer on May 15, 1964. He is again dismissed on August 15, 1964. Ninety (90) days after August 15, 1964, he is again paid two (2) weeks partial severance pay. If he is not offered comparable employment within two hundred seventy (270) elapsed days from August 15, 1964, he is then entitled to six (6) weeks severance pay. This is the unpaid balance of his total of ten (10) weeks maximum accrued severance pay.

In the example above, suppose the employee was paid the six (6) weeks severance pay on May 15, 1965. He is then re-employed on August 1, 1966 (he is now considered a new employee). He works continually to August 15, 1967, at which time he is dismissed. He is not employed again. After ninety (90) days, he would be entitled to one (1) week's severance pay, which is his then maximum number of weeks severance pay to which he is entitled.

(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) 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.

Such provisions with reference to the ninety-day period shall also attach to the two hundred seventy (270) day period.

(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.

34. PENSION, WELFARE AND MISCELLANEOUS

The provisions of Article VI ("Insignia of IATSE"), VIII ("Foremen and Supervisory Employees"), XII ("Health Plan"), XIII ("Pension Plan"), XIII A ("Motion Picture Industry Individual Account Plan"), XIV ("Motion Picture Industry Health Plan - Retired Employees Fund"), XV ("Producer Retirement Plans"), XVI ("Report of Locations and Production Schedules"), XX ("Policy, Applicability of Agreement and Subcontracting") and XXV ("Contract Services Administration Trust Fund"), as contained in the "Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2003" shall be deemed incorporated herein with the same force and effect as if fully set forth herein for the period October 1, 2003 through September 30, 2006, except that the percentage contribution to the Individual Account Plan referred to in Article XIII A. of the Basic Agreement shall be set at four percent (4%) for all hours worked by or guaranteed an employee

covered under this Agreement during the period September 28, 2003 through November 27, 2004, at four and one-half percent (4.5%) for all hours worked by or guaranteed an employee covered under this Agreement during the period November 28, 2004 through December 3, 2005, and at five percent (5%) for all hours worked by or guaranteed an employee covered under this Agreement during the period December 4, 2005 through September 30, 2006.

(a) Pay Television, Videodisc/Videocassette Markets

If and when a program which has been produced primarily for the pay television and/or the videodisc/videocassette markets is subsequently broadcast on free television, the Producer will pay to the Motion Picture Industry Pension Plan four and five-tenths percent (4.5%) of the "Producer's gross," as that term is defined in Article XXVIII(b)(1)(ii) of the "Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2003."

35. OTHER WORKING CONDITIONS

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

36. REPORTING OF ACCIDENTS

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

37. 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 IATSE 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 IATSE agree that employees temporarily holding such jobs will be displaced by such returning employees.

38. MANNING AND ASSIGNMENT

(a) In the Technical Department, no machinery, equipment, devices or processes covered by this Videotape Electronics Supplemental Basic Agreement shall be set up, and when required to be operated, or broken down unless a person is assigned to perform such required work at the location of same for the entire period of such set-up and required operation or breakdown, as the case may be.

(b) . Employees hereunder shall not be interchangeable in their duties, except that employees in the technical department may be interchanged in the performance of the various functions encompassed within such technical department and except, further, that with respect to employees in the stagecraft department, "others" in the stagecraft department are always interchangeable in the performance of the various functions encompassed within such department; however, chiefs in the Stagecraft Department, in all cases, can assist, but are interchangeable only on remotes (locations). Nothing herein shall be construed as authorizing the Producer to assign a single employee to handle two (2) or more operating positions at one time.

(c) For each camera in operation, one camera operator, when required to operate such camera, shall be assigned and, while so assigned to operate such camera, shall not be called upon to perform other duties.

(d) If a microphone on a sound boom is moved during a recording session, a technician must be assigned.

(e) Subject to the supervisor, the assigned technical director shall be responsible for determining the number of video control units which are to be controlled by a single technician.

(f) One technician may operate two (2) videotape machines provided the same feed is recorded on both machines or he may operate more than two (2) machines with respect to recording or playback as long as it does not create an unreasonable workload on the technician. In making dupes of a videotape recording, one technician may be assigned to the playback machines and two (2) or more machines recording dupes provided all such machines are in the same room. Additional dupe machines may be used in adjacent areas with the understanding and agreement of the IATSE, which agreement will not be unreasonably withheld providing the workload does not cause an unreasonable hardship on the operator. A technician in the process of operating tape machines for recording or playback, as defined above, shall not be required to perform another job unless or until that recording or playback is stopped.

If the technician believes the workload is unreasonable, he should bring it to the immediate attention of his supervisor and attempt to resolve the problem. Failure to resolve the matter may then be followed with the grievance procedure.

(g) All switching from one camera to another shall be done by a technical director who shall, in addition, be in immediate charge of and be responsible for the technical performance of the technical crew on any specific production.

(h) The Director of Photography shall be responsible for directing others in connection with the placement of lighting equipment on any production and he shall be responsible for determining the quantity and quality of lighting.

(i) On each studio shooting unit, there shall be assigned a chief lighting technician, a chief grip and a chief property person.

On remotes (locations), a chief shall be assigned for each such classification when equipment in that classification is taken and used.

When an ENG-type crew transports and utilizes four (4) or fewer "portable television lighting fixtures," a lighting technician need not be assigned. For the purpose of this provision, a "portable television lighting fixture" is defined as a fixture containing a lamp capable of being operated by battery pack or 110 volts AC, but in no case shall such lamp exceed 1,000 watts in ratings.

(j) Whenever the "Tape Room" is in operation, a technical director, or a technician upgraded to the position of a technical director, shall be assigned for each day of such operation. Such person shall be an operational person on the job.

39. JURISDICTIONAL DISPUTES

The IATSE 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.

40. LETTER OF UNDERSTANDING RE PROCEDURE FOR IMPLEMENTING PARAGRAPH 39

(a) If a jurisdictional dispute should arise between or among the West Coast Studio Local Unions, it will be submitted to the IATSE for resolution.

(b) Prior to rendering a decision thereon, the IATSE shall notify the AMPTP of the existence of the dispute and, upon request of the AMPTP, shall *consider the position of the Producer concerning the dispute.*

(c) In the event that the AMPTP disagrees with the IATSE decision as to which Local should be assigned the work, the IATSE agrees to meet with the AMPTP in a good faith effort to resolve the question.

41. TRAINING

The parties agree to establish a program to train technicians for classifications in the Technical Department. Such mutually-established training program shall be administered by CSATF.

The Producer and the IATSE agree to appoint a joint committee for the purpose of studying the feasibility of creating a training program for maintenance engineering apprentices.

The parties recognize that deductions from hourly contributions (in the amount of one cent (1¢) from contributions made at the rate of two and one-quarter cents (2¼¢) per hour and in the amount of one-third cent (1/3¢) from contributions made at the rate of three-quarters cents (¾¢) per hour) have been made under previous collective bargaining agreements for the purpose of providing training or other agreed-upon programs for the benefit of persons who suffer displacement as a result of the introduction and utilization of electronics technology. The parties agree that any CSATF monies which were earmarked for exclusive use in providing training or other programs to persons who suffered displacement as a result of the introduction and utilization of electronic technology may be released to cover expenditures required for any other agreed-upon training programs for IATSE classifications in addition to covering expenditures for continuing videotape retraining programs. Any person who successfully completes an approved, *bona fide* training program offered through CSATF shall be entitled to placement on the appropriate roster for which trained.

42. 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 11 above, but its authority to decide shall be limited to the issue and remedy herein provided. The above procedure and conditions shall be the exclusive remedy for determining any dispute arising under this Article 41.

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.

43. 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 43.

(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 33 hereof ("Severance Pay") to be credited with at least one (1) "qualified year" arising out of his employment by Producer; and

(2) such person is qualified to be retrained for an available job resulting from such technological change or for other jobs which Producer has available within Union's jurisdiction, or within the jurisdiction of any other Union which is a party to the Memorandum of Agreement of 1965, or for any other available job opportunity with Producer, then:

Producer agrees to endeavor to retrain such person for such available job at Producer's expense, in which event the provisions of subparagraph (e), below, shall not apply. Union agrees, notwithstanding anything in this Agreement to the contrary, to permit such retraining and to cooperate with Producer with respect thereto. Union further agrees, for the benefit of other Union parties to the Memorandum of Agreement of 1965, in consideration of the inclusion in their respective contracts of a clause identical with this Article 43, to permit retraining within this Union's jurisdiction of employees displaced from jobs within the jurisdiction of such other Union parties; provided, however, that such other Union parties' displaced employees are qualified for retraining in this Union's jurisdiction and provided, further, that such permission shall be on condition (applicable to this Article 43 only) that this Union has been notified of such available job and within forty-eight (48) hours thereafter (excluding Saturdays, Sundays and holidays) is unable to furnish competent available persons on the Industry Experience Roster to fill such available job. Any such person offered retraining pursuant to this subparagraph (d) shall, of course, have the right to reject the same, but any such rejection shall discharge Producer's obligations under this Article 43 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 33 hereof ("Severance Pay") to be credited with at least one (1) "qualified year" arising out of his employment by Producer; and

(2) such person makes written application to Producer within thirty (30) days after such displacement to receive displacement pay (as herein defined), then:

Producer shall pay him the amount of compensation set forth in the following table and, upon such payment, he shall be removed from the Industry Experience Roster, so far as such Producer is concerned, and from the Studio Seniority Roster, if any.

Qualified Years as of the Date of Displacement	Number of Weeks of Displacement Pay Payable
1 or 2	1
3	1½
4	2
5 to 9 (inclusive)	3
10 or 11	5
12 or 13	6
14 or 15	7
16 or 17	8
18 or 19	9
20 or more	10

The payment of displacement pay, as above provided, shall be separate and apart from any obligation Producer may have to pay severance pay to such displaced person under the provisions of Article 33 hereof ("Severance Pay").

Notwithstanding anything in this subparagraph (e) to the contrary, no such displaced person shall be eligible for displacement pay if:

(i) Producer offers the training referred to in subparagraph (d) above and such person rejects it, unless the training rejected is for a job at a lower rate of pay, or

(ii) such person is offered a job by Producer at an equal or better rate of pay, or

(iii) such person accepts any job with Producer even though such job is at a lower rate of pay.

(f) Negotiation of New Rates

If any technological change results, with respect to the performance of work in any classification hereunder, in materially changing the job description thereof, if any, provided herein, or in requiring substantially different training, qualification or skills therefor, and either the Producer or the Union desires to negotiate a new rate or classification for such job, the party desiring such negotiation shall give written notice to such effect to the other party within thirty (30) days following the date upon which any such job is so affected. Upon receipt of such notice, the parties shall immediately endeavor to agree upon the proper classification or rate for such job. Any such agreement shall be final and binding upon the parties concerned. If no such agreement is reached within thirty (30) days after such written notice is received, either party to this Agreement may, within thirty (30) days thereafter, invoke Step Two of the grievance procedure provided in Article 11 hereof or, if they mutually agree to waive Step Two, may proceed immediately to Step Three of the grievance procedure so provided. The rate or classification determined by such agreement or by any arbitration pursuant to Step Three of the grievance procedure shall be effective retroactive to the date upon which any employee commenced performing services in any such affected job, but no reduction in rate shall be retroactive.

(g) Experimental Technological Changes

The provisions of subparagraphs (c), (d), (e) and (f) above shall not apply to any experimental technological change except that if any such change becomes other than experimental and any increased rate for a job affected thereby is negotiated pursuant to subparagraph (f) above, such increased rate shall be retroactive to the date upon which an employee commenced performing the changed services in such affected job. As used herein, the term "experimental technological change" shall mean a technological change which is instituted by Producer for the primary purpose of determining, under operating conditions, the feasibility and adequacy of performance of any new or modified device or equipment; provided, however, that the change shall no longer be considered experimental after the date upon which its operation by persons under the jurisdiction of this Agreement is no longer subject to supervision by the technicians or engineers concerned with its development. Nothing in this subparagraph (g) shall be construed to deprive Union of jurisdiction over any job over which it otherwise has jurisdiction hereunder.

(h) Disputes Concerning Retraining, Displacement Pay and Negotiation of New Rates

If a dispute arises between Union and Producer with respect to any determination required by subparagraphs (d), (e), (f) or (g) of this Article 43, such dispute shall be subject to the grievance procedure set forth in Article 11 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.

44. REFERENCES

Any employment with Producer under a collective bargaining agreement subject to the Basic Agreement shall be considered under Article 22, "Minimum Call;" Article 31, "Holidays;" Article 32, "Vacations;" and Article 33, "Severance Pay;" provided, however, that the employee shall not be entitled to any such benefits more than once whether under this Agreement or such other agreements.

FOR THE ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS ON BEHALF OF THE COMPANIES LISTED HEREIN AND THOSE PRODUCERS WHO HAVE EFFECTIVELY CONSENTED TO BE PART OF THE SAID MULTI-EMPLOYER BARGAINING UNIT

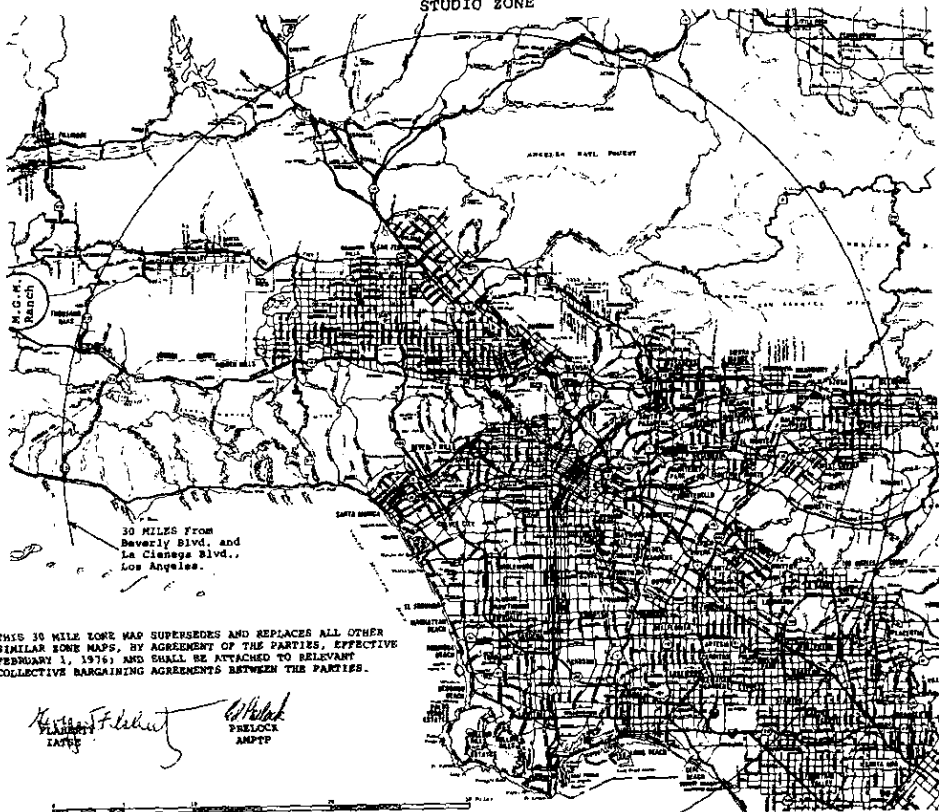
By: _____ Dated: _____
J. Nicholas Counter III
President, AMPTP

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

By: _____ Dated: _____
Thomas C. Short
President

STUDIO ZONE

STUDIO ZONE



30 MILES FROM
Beverly Blvd. and
La Cienega Blvd.,
Los Angeles.

THIS 30 MILE ZONE HAS SUPERSEDED AND REPLACES ALL OTHER
SIMILAR ZONE MAPS, BY AGREEMENT OF THE PARTIES, EFFECTIVE
FEBRUARY 1, 1976; AND SHALL BE ATTACHED TO RELEVANT
COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE PARTIES.

Robert F. Felt
FLANNERY
IATSE

W. P. Pielock
PIELOCK
AMPTP

Studio Zone Defined - The Studio Zone shall be the area within a circle 30 miles in radius from Beverly Blvd. and La Cienega Blvd., Los Angeles, Calif. The Metro-Goldwyn-Mayer, Inc. Conejo Ranch property shall be considered as within the Studio Zone.
(Circle drawn by AMPTP Research Center)

EXHIBIT "Z"

EXHIBIT "Z"

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15503 Ventura Boulevard
Encino, California 91436
(818) 995-3600
Direct Dial (818) 382-1710
Fax (818) 382-1793



J. Nicholas Counter III
President

As of October 1, 2003

Thomas C. Short
International President
International Alliance of Theatrical Stage Employees and
Moving Picture Technicians, Artists and Allied Crafts
of the United States and Canada
1430 Broadway, 20th Floor
New York, New York 10018

Re: Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to October 1, 2003, and for One-Half Hour and One-Hour Pilots

Dear Tom:

This will memorialize the agreement reached in the 1993 negotiations and confirmed in the 1996, 2000, 2001 and 2003 negotiations to apply the following special conditions to pre-production and production of one-hour episodic television series, the production of which commenced prior to October 1, 2003, and all pilots (half-hour or one-hour) (other than those covered under the Low Budget Series Television Production Sideletter) which are committed to be produced in Los Angeles:

- a. Wages - For pilots and the first year of any series, except series which receive a short order of seven or fewer episodes in the first year, the wage rates set forth in the Videotape Agreement for the period immediately preceding the period in question shall apply (e.g., during the period September 28, 2003 to November 27, 2004, the wage rates for the period September 29, 2002 to September 27, 2003 shall apply); thereafter, the wage rates in the Videotape Agreement shall apply.

For series which receive a short order of seven (7) or fewer episodes in the first year, the wage rates set forth in the Videotape Agreement for the period immediately preceding the period in question shall apply for the first two (2) years of the series; thereafter, the wage rates in the Videotape Agreement shall apply.

- b. Vacation - No vacation pay shall be payable for a pilot and the first year of any series; in the second year of the series, vacation will be payable at one-half of the applicable percentage in the Videotape Agreement; thereafter, the vacation provisions in the Videotape Agreement shall apply.
- c. Holidays Not Worked - No unworked holiday pay shall be payable for a pilot and the first year of any series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Videotape Agreement; thereafter, the unworked holiday provisions in the Videotape Agreement shall apply.
- d. Holidays Worked - Each employee working on a holiday shall be paid a minimum of eight (8) hours at double time for such holiday.
- e. Overtime - Daily overtime for hours worked shall be paid at the rate of time-and-one-half for each hour worked after eight (8) work hours, except as otherwise provided in the Videotape Agreement; golden hours shall be paid for each hour worked after twelve (12) work hours.
- f. Transportation Allowance - With respect to employees reporting to a "zone location," as described in the Videotape Agreement, Producer shall not be required to pay a transportation allowance to any employee who travels to any location in Los Angeles County within a ten (10) mile radius from a point to be determined by the Producer. Producer shall give prior notice to the IATSE of the point so designated. Such point may be changed by Producer at the beginning of each season. Commencing outside the ten (10) mile radius, a transportation allowance will be paid pursuant to the Videotape Agreement. The IATSE will not unreasonably refuse a request from the Producer that employees report to a location which is a reasonable distance beyond the thirty (30) mile zone described in the Videotape Agreement. Secured parking will be provided at such locations in accordance with the Videotape Agreement.
- g. Interchange - Producer may interchange employees as provided in the Videotape Agreement.

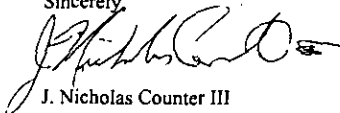
It is understood and agreed that this Sideletter shall also apply to any one-hour series, the production of which commences after the date of termination of the Sideletter re "Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences on or after October 1, 2003," provided that such series is not otherwise covered by the

Thomas C. Short
As of October 1, 2003
Page 3

Sideletter re "Special Conditions for Low Budget Series Television Production and Pilots for Low Budget 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,



J. Nicholas Counter III

JNC:sjk

ACCEPTED AND AGREED:



Thomas C. Short
International President

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15503 Ventura Boulevard
Encino, California 91436
(818) 995-3600
Direct Dial (818) 382-1710
Fax (818) 382-1793



J. Nicholas Counter III
President

As of October 1, 2003

Thomas C. Short
International President
International Alliance of Theatrical Stage Employees and
Moving Picture Technicians, Artists and Allied Crafts
of the United States and Canada
1430 Broadway, 20th Floor
New York, New York 10018

Re: Special Conditions for New One-Hour Episodic Television Series, the
Production of Which Commences On or After October 1, 2003

Dear Tom:

This will memorialize the agreement reached in the 2003 negotiations to apply the following special conditions to pre-production and production of one-hour episodic television series, the production of which commences on or after October 1, 2003 (other than those covered under the Sideletter re "Special Conditions for Low Budget Series Television Production and Pilots for Low Budget Series"), which are committed to be produced in Los Angeles:

- a. Wages - For the first two (2) production seasons of any series, the wage rates set forth in the Videotape Agreement for the period immediately preceding the period in question shall apply (e.g., during the period September 28, 2003 to November 27, 2004, the wage rates for the period September 29, 2002 to September 27, 2003 shall apply); thereafter, the wage rates in the Videotape Agreement shall apply.
- b. Vacation - 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 Videotape Agreement; thereafter, the vacation provisions in the Videotape Agreement shall apply.

- c. Holidays Not Worked - No unworked holiday pay shall be payable for a pilot and the first year of any series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Videotape Agreement; thereafter, the unworked holiday provisions in the Videotape Agreement shall apply.
- d. Holidays Worked - Each employee working on a holiday shall be paid a minimum of eight (8) hours at double time for such holiday.
- e. Overtime - Daily overtime for hours worked shall be paid at the rate of time-and-one-half for each hour worked after eight (8) work hours, except as otherwise provided in the Videotape Agreement; golden hours shall be paid for each hour worked after twelve (12) work hours.
- f. Transportation Allowance - With respect to employees reporting to a "zone location," as described in the Videotape Agreement, Producer shall not be required to pay a transportation allowance to any employee who travels to any location in Los Angeles County within a ten (10) mile radius from a point to be determined by the Producer. Producer shall give prior notice to the IATSE of the point so designated. Such point may be changed by Producer at the beginning of each season. Commencing outside the ten (10) mile radius, a transportation allowance will be paid pursuant to the Videotape Agreement. The IATSE will not unreasonably refuse a request from the Producer that employees report to a location which is a reasonable distance beyond the thirty (30) mile zone described in the Videotape Agreement. Secured parking will be provided at such locations in accordance with the Videotape Agreement.
- g. Interchange - Producer may interchange employees as provided in the Videotape Agreement.

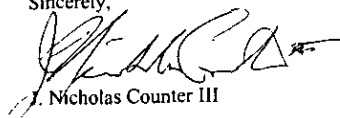
This Sideletter shall automatically terminate on the day following the date on which the Producers' negotiations with Studio Transportation Drivers, Local #399 for a successor Agreement to the 2001 Producer - Studio Transportation Drivers, Local #399 Agreement conclude unless, by such date, the AMPTP and Studio Transportation Drivers, Local #399 reach agreement on the same provision. Notwithstanding the foregoing, if the term of the 2001 Producer - Studio Transportation Drivers, Local #399 Agreement is extended beyond November 1, 2004 (other than for the purpose of continuing to bargain) without the inclusion of the same sideletter provision, then this sideletter shall automatically terminate on November 1, 2004. However, any series covered under this sideletter prior to the date of its termination shall remain under its terms, notwithstanding the termination thereof.

Thomas C. Short
As of October 1, 2003
Page 3

In the event that this sideletter automatically terminates, either the terms of the Sideletter re "Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to October 1, 2003, and for One-Half Hour and One-Hour Pilots" or, if effective and otherwise applicable, the terms of the Sideletter re "Special Conditions for Low Budget Series Television Production and Pilots for Low Budget Series," shall apply to any one-hour series, the production of which commences after the date of termination of this sideletter.

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,



J. Nicholas Counter III

JNC:sjk

ACCEPTED AND AGREED:



Thomas C. Short
International President

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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J. Nicholas Counter III
President

As of October 1, 2003

Thomas C. Short
International President
International Alliance of Theatrical Stage Employees and
Moving Picture Technicians, Artists and Allied Crafts
of the United States and Canada
1430 Broadway, 20th Floor
New York, New York 10018

Re: Special Conditions for Low Budget Series Television Production and Pilots
for Low Budget Series

Dear Tom:

This will confirm the agreement reached by the ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS, on behalf of the Producers listed in the 2003 Producer-I.A.T.S.E. Videotape Electronics Supplemental Basic Agreement (hereinafter referred to individually as "the Producer") and INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYES AND MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES AND CANADA, AFL-CIO ("IATSE").

WHEREAS the Producer is a signatory party to the Producer-I.A.T.S.E. Videotape Electronics Supplemental Basic Agreement of 2003; and

WHEREAS special conditions exist regarding production of certain one-hour episodic television series as further described below, concerning whether such series will be produced by the Producer; and

WHEREAS special conditions exist in order to preserve and maintain employment for IATSE members;

THEREFORE, it is agreed as follows:

This sideletter shall not go into effect unless the same provision is adopted by the AMPTP and Studio Transportation Drivers, Local #399, at any time on or before the day following the date on which negotiations with Studio Transportation Drivers, Local #399 are concluded for a successor Agreement to the 2001 Producer - Studio Transportation Drivers, Local #399 Agreement. This sideletter shall go into effect on the same date that it is effective for Local #399. Notwithstanding the foregoing, if the term of the 2001 Producer - Studio Transportation Drivers, Local #399 Agreement is extended beyond November 1, 2004 (other than for the purpose of continuing to bargain) without the inclusion of the same sideletter provision, then this sideletter shall not go into effect.

Should this sideletter become effective, the following shall apply:

1. This sideletter and its special conditions shall apply to work performed on or after October 1, 2003 on new single camera, one-half hour series, the pattern budget for each episode of which is \$1,250,000 or less in direct costs of production, and new one-hour series, the pattern budget for each episode of which is \$1,850,000 or less in direct costs of production. (The pilot for the series is also covered under this Sideletter, but is not subject to that budget test.) For purposes of this sideletter, "direct costs of production" means all costs of production, pre-production and post-production, with salaries for persons employed under the Videotape Agreement figured based on the Long-Form Television rates set forth in the Basic Agreement.

The budget figures set forth above shall be increased at the same time and by the same percentage as wages are increased. As a result, the one-half hour series budget figure shall increase to \$1,281,250 per episode effective November 28, 2004 and to \$1,319,688 per episode effective December 4, 2005; the one-hour series budget figure shall increase to \$1,896,250 per episode effective November 28, 2004 and to \$1,953,138 per episode effective December 4, 2005.

2. All of the terms and conditions of the IATSE Videotape Agreement of 2003 shall apply, except as provided in the special conditions in this sideletter.
3. These special conditions shall not apply to any post-production work on the productions covered hereunder, and all post-production and lab work shall be performed in accordance with the IATSE Basic Agreement of 2003 and the West Coast Studio Local Agreements.

4. The "Preference of Employment" provisions of the IATSE Videotape Agreement are fully applicable; however, prospective employees are free to accept or refuse a call to work on any production covered hereunder and any refusal to accept a call will not count as a refusal under the "Preference of Employment" provisions of Article 8 of the Videotape Agreement.
5. The special conditions applicable to the productions covered hereunder are:
 - (i) Notwithstanding any wage rate changes made in the future in the Videotape Agreement, wages are as listed in the "Made for Television Long-Form Agreement Rate Schedules" attached to the sideletter re "Special Conditions for Long-Form Television Motion Pictures Including Movies-of-the-Week, Mini-Series and Two (2) Hour Pilots for Which No Commitment for a Series Exists at the Time of the Pilot Order" in the 2003 Basic Agreement.
 - (ii) Producer may interchange employees as provided in the Videotape Agreement.
 - (iii) Overtime will be paid at the rate of time and one-half after eight (8) hours worked; double time to be paid after fourteen (14) elapsed hours. Overtime pay for weekly employees shall be based on one-fortieth (1/40) of the weekly rate.
 - (iv) Meal periods - The time for breaking for the meal period may be extended by up to one-half hour beyond the time specified in the Videotape Agreement without penalty at the request of the Director. Notice for such a delayed break must be given no later than one (1) hour before the meal period and the extension may not be scheduled.
 - (v) 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 Videotape Agreement; thereafter, the unworked holiday pay provisions in the Videotape Agreement shall apply.
 - (vi) No vacation pay shall be payable for a pilot and the first year of any series; in the second year of the series, vacation will be payable at one-half of the applicable percentage in the Videotape Agreement; thereafter, the vacation provisions in the Videotape Agreement shall apply.

- (vii) Producer will not be required to pay any transportation allowance, such as that specified in Article 23 of the Videotape Agreement (commonly called "drive to monies").
 - (viii) An employee hired as a weekly employee shall be paid a full week's pay. Producer will not prorate the weekly rate for the purpose of paying the employee on a daily rate or fractional weekly basis, unless the employee elects not to perform the full week's work (e.g., the employee, hired for a week, works three days and quits).
6. Prior to actual employment, Producer shall inform and provide written information to each employee to be hired of the special conditions applicable to the production.
 7. Producer will provide to the IATSE the name of the project and, upon request, the names and classifications of the employees who will be employed under the special conditions of this sideletter.
 8. Prior to commencement of recording of any production which the Producer intends to cover under this sideletter, the Producer shall so notify the IATSE and advise the IATSE of the title of the production, locations and start date of the series and a statement that the pattern budget does not exceed the budget standard set forth above. Representatives of the IATSE (including employed or retained professionals) shall have the right to review promptly the pattern budget. Neither the IATSE nor its representatives shall disclose any of the information contained therein.
 9. Upon the conclusion of each season, the IATSE shall have the right to review the Producer's actual direct costs of production for that season of the series in the same manner as described above and subject to the same non-disclosure requirement.
 10. After production for the season begins, should any material element of the series change (e.g., replacement or addition of a star performer) such that the series will no longer be eligible for treatment under this television sideletter, the Producer shall so advise the IATSE and, thereafter, subsequently-produced episodes for

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that season shall be covered under the applicable provisions of the IATSE Videotape Agreement (which may include the Sideletter re "Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to October 1, 2003, and for One-Half Hour and One-Hour Pilots," or the Sideletter re "Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences on or after October 1, 2003," as applicable). In any other case in which the Producer's actual direct costs of production for a season of the series, exceed, on average per episode, the budget standard, the employees employed thereon shall be paid retroactively for the entire season under the otherwise applicable provisions of the IATSE Videotape Agreement (which may include either the Sideletter re "Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to October 1, 2003, and for One-Half Hour and One-Hour Pilots," or the Sideletter re "Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences on or after October 1, 2003," as applicable).


11. Work performed prior to the effective date of this sideletter on series which are otherwise covered hereunder shall be subject to the currently-applicable terms and conditions of the Videotape Agreement (which may include either the Sideletter re "Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to October 1, 2003, and for One-Half Hour and One-Hour Pilots," or the Sideletter re "Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences on or after October 1, 2003," as applicable).

Sincerely,



J. Nicholas Counter III

ACCEPTED AND AGREED:



Thomas C. Short
International President, IATSE

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15503 Ventura Boulevard
Encino, California 91436
(818) 995-3600
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J. Nicholas Counter III
President

As of October 1, 2003

Thomas C. Short
International President
International Alliance of Theatrical Stage Employees
1430 Broadway, 20th Floor
New York, New York 10018

Re: Programs Made for the Internet

Dear Tom:

This Sideletter confirms the understanding of the International Alliance of Theatrical Stage Employees (hereinafter "the IATSE"), on behalf of itself and its West Coast Studio Local Unions, on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of the Producers it represented in the negotiations for a successor agreement to the 2001 Producer - I.A.T.S.E. Videotape Electronics Supplemental Basic Agreement (collectively "the parties"), concerning the application of the 2003 Producer - I.A.T.S.E. Videotape Electronics Supplemental Basic Agreement (hereinafter "the Videotape Agreement") to entertainment motion pictures of the type that have traditionally been covered under the Videotape Agreement made for the Internet or other similar delivery systems ("Internet"). With respect to such programs intended for initial use on the Internet, the parties agree as follows:

Part A - Letter of Adherence

- Part A of this Sideletter authorizes a letter of adherence for Producers producing entertainment motion pictures of the type that have traditionally been covered under the Videotape Agreement for the Internet.
- A Producer, at its option, may execute this letter of adherence to cover any such program or multiple programs, at the Producer's election, made for the Internet. The terms of the letter of adherence shall be binding upon the IATSE and the Producer, and shall require the Producer to make contributions on behalf of employees employed in the job classifications covered by the I.A.T.S.E. Videotape Agreement on such program(s) to the Motion Picture Industry Pension Plan and Health Fund as provided in Article 34 of the 2003 Videotape Agreement. The provisions of Article 6, "Shop Requirements," also

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shall apply. No other terms of the Videotape Agreement shall apply to the employment of such employees unless agreed in writing between the IATSE and the employee, on the one hand, and the Producer, on the other hand.

Part B – Meeting Between Parties

Upon request of the IATSE, the parties shall meet annually on an industry-wide basis to discuss developments in the production of original programming for the Internet. The purpose of such meetings shall be to freely exchange information regarding the types of programming being produced for the Internet, and the patterns of employment, economics and industry trends connected therewith. The IATSE shall also have the right to request individual meetings with Producers who are engaged in the production of such programs.

Part C – Mutual Reservation of Rights

Nothing contained in this Sideletter shall be deemed a waiver of any party's legal position with respect to the application of this or any prior Videotape Agreement to programs made for the Internet. The parties reserve all of their legal positions with respect to such programs.

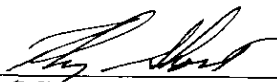
Very truly yours,



J. Nicholas Counter III

ACCEPTED AND AGREED:

On behalf of the INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYES
AND MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE
UNITED STATES AND CANADA



Thomas C. Short
International President