

**MEMORANDUM OF AGREEMENT OF AUGUST 1, 2018
BETWEEN ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
AND STUDIO TRANSPORTATION DRIVERS, LOCAL #399**

This Memorandum of Agreement is entered into as of August 1, 2018 between Studio Transportation Drivers, Local #399 of the International Brotherhood of Teamsters (hereinafter "the Union"), on the one hand, and the Alliance of Motion Picture and Television Producers (hereinafter "AMPTP"), on behalf of those Producers listed on Exhibit 1 attached hereto (each hereinafter respectively referred to as the "Producer" and collectively referred to as the "Producers"), on the other hand.

This Memorandum of Agreement reflects the complete understanding reached between the parties. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language with conforming changes to be made as applicable. This Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise. This Memorandum of Agreement shall be subject to ratification by the membership of the Union.

EFFECT OF CHANGES

All of the provisions of the current collective bargaining agreement between these parties shall remain the same unless otherwise specifically changed as noted herein.

The appropriate provisions herein shall be incorporated in the 2015 Producer – Studio Transportation Drivers, Local #399 Agreement (hereinafter "2015 Agreement") to create the 2018 Producer – Studio Transportation Drivers, Local #399 Agreement (hereinafter "the Agreement").

Provided that the AMPTP receives notice of ratification on or before October 15, 2018, the provisions herein shall be effective on the first Sunday following notice of ratification, unless a contrary date is specified, in which case such provision shall be effective as of the date so specified.

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

1. Term

The term of the Agreement shall be for three (3) years, commencing on August 1, 2018 and terminating on July 31, 2021.

2. Wages

- a. Except as provided in 2.b. and 2.c. below, minimum contract wage rates in the 2015 Agreement shall be increased by three percent (3%) effective July 29, 2018, by an additional two and one-half percent (2.5%) effective August 4, 2019 and by an additional two and one-half percent (2.5%) effective August 2, 2020. These increases shall be compounded.
- b. Minimum wage rates for productions covered under Sideletter No. 5 (Special Conditions for One-Hour Episodic Television Series, the Production of Which Commenced Prior to August 1, 2003, and for One-Half Hour and One-Hour Pilots) and Sideletter No. 6 (Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences On or After August 1, 2003 and for One-Half Hour Digital or Videotape Single Camera Dramatic Television Series and Digital or Videotape Non-Dramatic Series of Any Length, the Production of Which Commences on or After October 1, 2006) shall be calculated in accordance with the terms of those Sideletters, *i.e.*, they lag one year behind the regular minimum wage rates.
- c. Minimum wage rates in Sideletter No. 7 (Special Conditions for Movies for Television and Long-Form Television Motion Pictures, Made for DVD Productions and Low Budget Theatrical Productions) shall be calculated at eighty-five percent (85%) of the otherwise applicable theatrical wage rates.

3. Pension, Health and Individual Account Plan

- a. *Modify subparagraph (a) of Article 12A ("Motion Picture Industry Individual Account Plan") as follows:*

“(a) The Producer shall contribute to the Individual Account Plan the following amounts on behalf of each employee employed by the Producer hereunder (other than Occ. Code No. 3500, Transportation Coordinator; Occ. Code No. 3525, Stunt and/or Blind Driver; Occ. Code No. 3550, Ramrod; and Occ. Code No. 3571 Trainer (Domestic Livestock)):

“For all hours worked by or guaranteed such employee during the period ~~August 1, 2015~~ July 29, 2018 to and including ~~July 30, 2016~~ August 3, 2019, ~~six percent (6%)~~ seven percent (7%) of the scale Regular Basic Hourly Rate of pay. (In the case of “on call” employees (other than Occ. Code No. 3500, Transportation Coordinator), such percentage payment shall be based on the scale “on call” rate.)

“For all hours worked by or guaranteed such employee during the period ~~July 31, 2016~~ August 4, 2019 to and including ~~July 29, 2017~~ August 1, 2020, ~~six and one-half percent (6.5%)~~ seven and one-half percent

(7.5%) of the scale Regular Basic Hourly Rate of pay. (In the case of 'on call' employees, such percentage payment shall be based on the scale 'on call' rate.)

“For all hours worked by or guaranteed such employee during the period ~~July 30, 2017~~ August 2, 2020 to and including ~~July 31, 2018~~ July 31, 2021, ~~seven percent (7%)~~ eight percent (8%) of the scale Regular Basic Hourly Rate of pay. (In the case of 'on call' employees, such percentage payment shall be based on the scale 'on call' rate.)

“As to each Transportation Coordinator (Occ. Code No. 3500), Stunt and/or Blind Driver (Occ. Code No. 3525), Ramrod (Occ. Code No. 3550) or Trainer (Domestic Livestock) (Occ. Code No. 3571) in its employ, Producer shall contribute to the Individual Account Plan as follows:

“During the period ~~August 1, 2015~~ July 29, 2018 to and including ~~July 30, 2016~~ August 3, 2019, ~~two dollars and twelve cents (\$2.12)~~ two dollars and fifty-five cents (\$2.55) per hour based upon the number of hours on which contributions to the Health Plan and Pension Plan are otherwise made on behalf of such employee.

“During the period ~~July 31, 2016~~ August 4, 2019 to and including ~~July 29, 2017~~ August 1, 2020, ~~two dollars and thirty cents (\$2.30)~~ two dollars and seventy-three cents (\$2.73) per hour based upon the number of hours on which contributions to the Health Plan and Pension Plan are otherwise made on behalf of such employee.

“During the period ~~July 30, 2017~~ August 2, 2020 to and including ~~July 31, 2018~~ July 31, 2021, ~~two dollars and forty-seven cents (\$2.47)~~ two dollars and ninety-one cents (\$2.91) per hour based upon the number of hours on which contributions to the Health Plan and Pension Plan are otherwise made on behalf of such employee.”

b. **13th and/or 14th Checks**

Provide for a 13th and/or 14th check by modifying Article 12(f)(2) of the Agreement to provide as follows:

“(2) The bargaining parties agree to recommend to the Directors of the Pension Plan that the Pension Plan provide a thirteenth and fourteenth check on or about November 1st of each year of this Agreement to those retirees who retired on or before August 1, 2009, provided that the Pension Plan's actuaries, in conjunction with the Health Plans' consultants, determine, taking into account the costs of such thirteenth and fourteenth checks, that (i) at least eight (8) months of reserves exist in each of the Active Employees Fund and the Retired Employees Fund at that time; (ii) the Plan is certified to be in the Green Zone in the calendar year in which the check(s) are paid; (iii) ~~to remain in~~

compliance with the Pension Relief Act of 2010, the Plan actuary provides the Plan, for any thirteenth and fourteenth checks in 2015 and 2016, with a certification that satisfies the requirements of Internal Revenue Code Section 431(b)(8)(D)(i), including but not limited to a certification that the thirteenth and fourteenth checks, if any, granted in 2015 and 2016 are funded by additional contributions not previously allocated to the Plan; (iv) the cost of thirteenth and fourteenth checks, if any, granted during the term of the Agreement in 2017 shall be amortized over the current fifteen (15) year amortization period commencing January 1, 2017 ~~twelve (12) years~~; and (iv) if there are insufficient funds in the Pension Plan after accounting for existing obligations to provide both a thirteenth and fourteenth check, then a thirteenth check will be provided.”

c. **Additional Contributions**

- i. Increase the hourly Health Plan contribution rate set forth in Article 11(b) for any Producer which qualifies as a “\$15 Million Contributor” (see below) by twenty cents (\$0.20) for each hour worked by or guaranteed an employee effective July 29, 2018; by an additional ten cents (\$0.10) per hour worked by or guaranteed an employee effective August 4, 2019; and by an additional ten cents (\$0.10) per hour worked or guaranteed an employee effective August 2, 2020. This contribution rate shall be referred to as the “Basic Rate.”

A list of Producers qualifying as “\$15 Million Contributors” has been previously supplied to the Union. It is understood that any related or affiliated entity of a Producer that qualifies as a “\$15 Million Contributor” that exists now or may exist in the future, and any entity currently or hereafter recognized by the Motion Picture Industry Pension and Health Plans as a “\$15 Million Contributor,” is also considered a “\$15 Million Contributor.”

- ii. In recognition of the disproportionate level of Post ‘60s and Supplemental Market contributions made to the Motion Picture Industry Pension and Health Plans by certain signatory Producers, the parties agree to increase the hourly Health Plan contribution rate set forth in Article 11(b) of the Agreement for any Producer signatory to the Agreement not included in Item 3.b.i. above by seventy-five cents (\$0.75) for each hour worked by or guaranteed an employee effective July 29, 2018 (for a total hourly contribution rate of \$4.863), by an additional seventy-five cents (\$0.75) for each hour worked by or guaranteed an employee effective August 4, 2019 (for a total hourly contribution of \$5.613) and by an additional seventy-five cents (\$0.75) for each hour worked by or guaranteed an employee effective August 2, 2020 (for a total hourly contribution of \$6.363). This contribution rate shall be referred to as the “Premium Rate.”

- iii. *Modify the first paragraph of Article 11(e) (and make conforming changes to Articles 12(d) and 13(c)) of the Agreement to provide as follows:*

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

“(1) Partial week - twelve (12) hours per day;

“(2) Five day week - sixty (60) hours;

“(3) Six day week - seventy-two (72) hours effective July 29, 2018 sixty-seven (67) hours; and

“(4) Seven day week - eighty-four (84) hours effective July 29, 2018 seventy-five (75) hours.”

- d. **Requirement that the Pension Plan be in the Green Zone for Contingent Pension Benefit Increases after 2021**

Modify the third paragraph of Article 12(f)(1)(ii) so that, in addition to the current criteria set forth therein, pension benefit increases after 2021 are contingent upon the Pension Plan actuary certifying that the Pension Plan is in the Green Zone in the calendar year in which the evaluation is made.

- e. **Allocation of Excess Funds**

Modify Article 12A(c) as follows:

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

“(1) Only that portion of the reserves in the Active Health Plan that exceeds the amount needed to furnish benefits to participants in such Health Plan for twelve (12) months, and that portion of the reserves in the Retiree Health Plan that exceeds the amount needed to furnish benefits to participants in such Health Plan for twenty (20) months, measured as of September 30 of each year, shall be subject to reallocation. Reserve levels shall be calculated in accordance with the continuation value measurement methodology heretofore adopted by the Health Plan.

“(2) If the Pension Plan’s finalized actuarial valuation report for the prior Plan Year shows that the Pension Plan is less than one hundred percent (100%) funded under the Pension Protection Act (‘PPA’), the excess amount shall be reallocated to the Pension Plan. If such actuarial valuation report shows that the Pension Plan is at least one hundred percent (100%) funded, then ~~Of the excess amount to be reallocated;~~ eighty percent (80%) of the excess amount to be reallocated shall be allocated to the accounts of participants in the Individual Account Plan and twenty percent (20%) of the excess amount shall be designated

as a credit against future Supplemental Markets or Post '60s payments, to be divided up among those Companies, each of which has made Supplemental Markets payments to the Health Plan of not less than \$15,000,000 (or has made Post '60s payments to the Retired Employees Fund of not less than \$6,000,000) in the aggregate during the three (3) year period beginning January 1, 1994 and ending on December 31, 1996 or in any subsequent three (3) consecutive year period. For these purposes, the Supplemental Markets and Post '60s payments made by Columbia and TriStar shall be aggregated and the Supplemental Markets and Post '60s payments made by Amblin Entertainment Inc. and DreamWorks shall be aggregated.

“(3) It is understood that funding of the pension benefit increases described in the 1997, 2001, 2004, 2007 and 2010 Producer–Studio Transportation Drivers, Local #399 Agreements shall take place before any monies are reallocated pursuant to this subparagraph (c).”

f. **Housekeeping:** *Modify Article 15(b) as follows:*

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

“(i) First, to the defined benefit plan to fund the cost of: (A) the two (2) additional checks (*i.e.*, a 13th and 14th check) which were granted to all employees who retired prior to August 1, 2000 pursuant to the provisions of Article 12(f)(2) of the 2001 Producer–Studio Transportation Drivers, Local #399 Agreement ~~amortized over seventeen (17) years beginning January 1, 2000; provided, however, that with~~ any unamortized amounts remaining as of December 31, 2003 ~~shall be amortized over twenty (20) years~~ 2016 amortized over fifteen (15) years; (B) the two additional checks (*i.e.*, a 13th and 14th check) which were granted to all employees who retired prior to August 1, 2003 pursuant to the provisions of Article 12(f)(1)(ii) of the 2004 Producer–Studio Transportation Drivers, Local #399 Agreement, ~~amortized over seventeen (17) years with any unamortized amounts remaining as of December 31, 2016~~ amortized over fifteen (15) years; (C) the two additional checks (*i.e.*, a 13th and 14th check) which were granted to all employees who retired prior to August 1, 2006 pursuant to the provisions of Article 12(f)(1)(ii) of the 2007 Producer–Studio Transportation Drivers, Local #399 Agreement, ~~amortized over twenty (20) years with any unamortized amounts remaining as of December 31, 2016~~ amortized over fifteen (15) years; and (D) the two additional checks (*i.e.*, a 13th and 14th check) which were granted to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f) of the 2010 Producer–Studio Transportation Drivers, Local #399 Agreement, ~~amortized over fifteen (15) years with any~~

unamortized amounts remaining as of December 31, 2016 amortized over fifteen (15) years.

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

“(iii) Then, next, to the defined benefit plan to fund the cost of (A) ~~the two additional checks (i.e., a 13th and 14th check), or one additional check (a 13th check), granted in 2015 and 2016 to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f) of the 2015 Producer–Studio Transportation Drivers, Local #399 Agreement, and (B) the two additional checks (i.e., a 13th and 14th check) (or one additional check (a 13th check) if only a 13th check is granted),~~ amortized over twelve (12) years, granted in 2017 to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of the 2015 Producer–Studio Transportation Drivers, Local #399 Agreement; and (EB) the two additional checks (i.e., a 13th and 14th check), or one additional check (a 13th check), granted during the term of this Agreement to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of this Agreement, amortized over the fifteen (15) year period commencing January 1, 2017.

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

“(v) Then, next, to the defined benefit pension plan to the extent that Supplemental Markets and New Media (as defined in Article III of Exhibit A of the Trust Agreement) monies are insufficient to fund the 23% increase in the defined benefit plan granted to active employees pursuant to the provisions of Article 12(f)(1)(i) of the 2001 Producer–Studio Transportation Drivers, Local #399 Agreement, the 15% increase in the defined benefit plan granted to active employees pursuant to the provisions of Article 12(f)(1)(i) of the 2004 Producer–Studio Transportation Drivers, Local #399 Agreement and the 10% increase in the defined benefit plan granted to active employees pursuant to the provisions of Article 12(f)(1)(i) of the 2007 Producer–Studio Transportation Drivers, Local #399 Agreement.

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

“(vii) Then, next, to the extent that the level of reserves in the Retired Employees Fund exceeds twenty (20) months, and to the extent that the level of reserves in the Active Employees Fund exceeds twelve (12) months, reserves in excess of such amounts shall be reallocated ~~eighty percent (80%) to the Individual Account Plan, with the remaining twenty percent (20%) designated as a credit against future Post ‘60s and Supplemental Markets payments by certain companies, as more specifically provided in Article 12A:(c)(2).~~”

- g. **Housekeeping:** *Modify Article 21(b)(4) of the Agreement as follows:*

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

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

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

“(iii) Then, next, to the Pension Plan to the extent that Post ‘60s monies (as provided in Article 15(b)(1)(iii) of the Producer-Studio Transportation Drivers, Local #399 Agreement) are insufficient to fund (A) the cost of the two additional checks (*i.e.*, a 13th and 14th check); ~~or one additional check (a 13th check) if only a 13th check is granted~~, granted in 2017 to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of the 2015 Producer-Studio Transportation Drivers, Local #399 Agreement and (B) the cost of the two additional checks (*i.e.*, a 13th and 14th check), or one additional check (a 13th check), granted to all employees who retired on or before August 1, 2009 pursuant to the provisions of Article 12(f)(2) of this Agreement;

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

“(v) Then, next, to the extent that the level of reserves in the Retired Employees Fund exceeds twenty (20) months, and to the extent that the level of reserves in the Active Employees Fund exceeds twelve (12) months, reserves in excess of such amounts shall be reallocated ~~eighty percent (80%) to the Individual Account Plan, with the remaining twenty percent (20%) designated as a credit against future Post ‘60s and Supplemental Markets payments by certain companies, as more specifically provided in Article 12A(c)(2).~~”

- h. **Housckeping:** Delete Article 12(g), which currently provides: “The bargaining parties agree to recommend to the Directors of the Pension Plan to change the fixed amortization schedule for all unfunded liabilities from fifteen (15) years to sixteen (16) years effective January 1, 2013.”

Make conforming changes, including by re-lettering subparagraphs (h) through (j) as subparagraphs (g) through (i), respectively.

4. **Mechanic's Tool Allowance**

Modify Paragraph 72.1 as follows:

"Mechanics who are required to supply tools shall be given a tool allowance of ~~\$35.00~~ \$60.00 per week."

5. **New Classification for Drivers of 32 Passenger Vans**

Add a new classification (and a new Occupation Code 3527) to the studio and distant location wage scales applicable to drivers of 32 passenger vans at the same rate that applies to Occupation Code 3521 (subject to the general wage increase set forth in Item 2.a., above). Make conforming changes, including by adding the same classification and new Occupation Code 3527 to Sideletter No. 5 (at the Sideletter No. 5 rate applicable to existing Occupation Code 3521), and by adding the same classification and new Occupation Code 4682 to Sideletter No. 7 (at the Sideletter No. 7 rate applicable to existing Occupation Code 4629).

6. **Daily Rundown**

Modify Paragraph 15.1 to provide as follows:

"15.1 Daily Rundown

"The Producer shall, on a daily basis, provide to the Union a 'rundown sheet' which shall include the following information: the name of each driver the Producer intends to employ the following day, the name of the production on which the driver is to be employed, the driver's anticipated call time and the piece of equipment that the driver is expected to drive.

"Effective January 1, 2019, the Producer will either provide a 'rundown sheet' with the 'On Production' or 'Off Production' status of the drivers listed or, alternatively, provide a 'rundown sheet' with such information on a production-by-production basis.

"The parties agree that this information is supplied with the understanding that the names of those drivers actually employed may differ from the names listed, the actual start times may vary from the anticipated call time, and the production and piece of equipment to which the driver is assigned and the driver's 'On Production' or 'Off Production' status may change.

"Inadvertent failure to provide the 'rundown sheet' on a timely basis shall not be treated as a violation of this provision."

7. **Coverage Under the Agreement**

Add a Sideletter to the Agreement to provide as follows:

“As of *[insert date of notice of ratification]*”

“Steve Dayan
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

“Re: Coverage Under the Agreement

“Dear Steve:

“During the 2018 negotiations, the parties discussed whether an individual hired under this Agreement by a Producer in Los Angeles County to perform services elsewhere within the United States – for example, in Atlanta – who remains in Atlanta following completion of his/her assignment on that production and then immediately accepts employment with the same or another Producer on a second project in Atlanta will be covered under the Agreement on the second project.

“The parties agree that the mere fact that the individual in question was not furnished transportation from Los Angeles to Atlanta by the second production shall not disqualify the individual from coverage under the Agreement, provided that the second production furnishes the individual transportation to Los Angeles at the conclusion of the second production.

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

“*[Signature blocks omitted]*”

8. **Training**

a. **Deadline to Complete Training After Initial Roster Placement**

- i. *Replace “(90) days” with “six (6) months” in Paragraph 62(f)(5) of the Agreement as follows:*

“(5) A person on the Industry Experience Roster (or a person on both the Industry Experience Roster and a Studio Seniority Roster) who fails to complete successfully legally-required industry safety training courses within ~~ninety (90) days~~ six (6) months after placement thereon, or refresher Safety Pass training and/or harassment prevention

training on a date scheduled by CSATF, or to renew all required forklift certifications within ~~ninety (90) days~~ six (6) months after notice by CSATF of the recertification deadline, shall be suspended from the Industry Experience Roster (and Studio Seniority Roster, if applicable). During the time the person is so suspended from such Roster, the Producer is not obligated to call such person and such time shall not be counted by CSATF for purposes of advancing in roster grouping on the Industry Experience Roster. Such person shall be reinstated to his former position on the Roster upon successful completion of said courses and/or training or upon renewal of all required forklift certifications, as applicable. The requirement to renew forklift certifications and the consequences of a failure to renew such certifications by the recertification deadline shall also apply to "hyphenate" driver/electricians and "hyphenate" driver/laborers."

- ii. *Modify the eleventh paragraph of Paragraph 62(b) of the Agreement as follows:*

"Each applicant for roster placement shall have the burden of establishing his or her eligibility. Such application shall be subject to appropriate verification by CSATF. ~~The parties hereby confirm that I-9 information must be provided to CSATF as a condition of placement on the Industry Experience Roster.~~ If it is determined that any such applicant possesses the necessary work experience (as set forth above), then such applicant's name shall be placed in Group 3 of the Industry Experience Roster as of the date of the completion of the work experience which was the basis for applicant's eligibility (herein referred to as Roster date), subject to ~~both of~~ the following conditions:

"Any person added to the Roster as a driver must: (1) possess a valid Class A California Driver's License at the time of application; ~~and~~ (2) satisfactorily pass a prescribed physical examination administered by medical doctors designated by CSATF; (3) provide CSATF with I-9 information; and (4) satisfactorily complete the 'A' safety training course and the harassment prevention course through CSATF."

- iii. *Modify the first paragraph of Paragraph 62(g)(1) of the Agreement as follows:*

"(g) Eligibility Availability

"(1) In order for any eligible person to be placed on any Seniority or Industry Experience Roster of Producer, such person shall make written application to be placed on such Roster on application forms provided for such purpose and must satisfactorily complete the 'A' safety

training course and the harassment prevention training course through CSATF. Whenever a person has put in the required number of days to earn plant (studio) seniority, he must request it in writing within thirty (30) days of the time of having earned it or he shall not be entitled to such seniority. Any person claiming to have fulfilled the Seniority or Industry Experience Roster requirements shall have the burden of establishing and proving such claims, including documentary evidence of having actually worked the number of days above required in the specified periods.”

b. **Stipend for Safety Pass Courses**

Increase the stipend for required Safety Pass Courses to \$20.00 per hour effective August 4, 2019 by modifying the first sentence of the fourth paragraph of Article 18(a) as follows:

“A \$15.00 per hour (\$20.00 per hour effective August 4, 2019) stipend shall be paid to any individual for attending CSATF required safety training classes during non-working time.”

9. **Contract Services Administration Trust Fund**

- a. Increase the general contribution rate to the Contract Services Administration Trust Fund (“CSATF”) by seven cents (\$0.07) per hour effective July 29, 2018 and by an additional seven cents (\$0.07) per hour effective August 2, 2020, increasing the CSATF general contribution rate from forty-six cents (\$0.46) per hour to fifty-three cents (\$0.53) per hour effective July 29, 2018 and to sixty cents (\$0.60) per hour effective August 2, 2020 and prorating this increase for laboratory employees to increase the contributions made on behalf of these employees from one and thirty-three hundredths cents (\$0.0133) per hour to one and fifty-three hundredths cents (\$0.0153) per hour effective July 29, 2018 and to one and seventy-five hundredths cents (\$0.0175) per hour effective August 2, 2020.
- b. The parties agree to form a joint committee which will meet within one hundred twenty (120) days following ratification of the Agreement to review the Alcohol and Controlled Substance Testing Program set forth in Paragraph 85.1 of the Agreement. Should the parties fail to agree to modifications of the Alcohol and Controlled Substance Testing Program (if any) within this time, the Producers shall continue to operate the currently existing program as set forth in Paragraph 85.1.

The joint committee shall also discuss the following issues during the term of the Agreement: (1) whether to increase from two to three the number of “strikes” a driver may have on his or her record before becoming ineligible for future employment under the Agreement and being permanently removed from the Industry Experience Roster; (2) compliance on an industry-wide basis though

CSATF with the background check requirements of federal regulations (*i.e.*, 49 C.F.R. §40.25 and §391.23) for drivers working under the Agreement; (3) cooperation with CSATF's efforts to utilize the California Department of Motor Vehicle's Employer Pull Notice Program (and equivalent monitoring programs in other states) to obtain drivers' Motor Vehicle Reports (including by, for example, requiring drivers to consent to the monitoring of such reports as a condition of placement and maintenance on the Industry Experience Roster). If the joint committee reaches agreement about any of these issues, it may recommend to the bargaining parties a mid-term modification of the Agreement.

- c. Local #399 will assist CSATF with the collection of outstanding "acknowledgments of receipt" of the Alcohol and Controlled Substance Testing Policies, as set forth in Paragraph 85.1(i).

10. **Safety Rules and Regulations**

Modify Article 23(b) as follows:

"(b) Rigid observance of safety regulations must be adhered to and willful failure of any employee to follow safety rules and regulations can lead to disciplinary action including discharge; however, no employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life or limb, or for making a good faith report to his or her supervisor, the Department Head or the Unit Production Manager relating to the safety of another employee exposed to a clear and present danger to life or limb. No set of safety regulations, however, can comprehensively cover all possible unsafe practices of working. The Producer and the Union therefore undertake to promote in every way possible the realization of the responsibility of the individual employee with regard to preventing accidents to himself or his fellow employees. For purposes of this subparagraph (b), the question whether an employee has made a report in good faith is subject to the grievance and arbitration procedure set forth in Article 7 of this Agreement."

11. **Diversity and Inclusion Task Force**

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

The Task Force shall: (a) meet at least once every four months during the term of the Basic Crafts Agreements and thereafter; (b) examine characteristics of the labor pool; (c) share information and discuss ways to improve existing initiatives; (d) develop new initiatives, such as new training programs, aimed at increasing the employment of under-represented groups, including but not limited to women, people of color, people

with disabilities, LGBTQ individuals, etc. and (e) develop criteria to benchmark success in these areas.

12. City of Huntington Beach

Modify Paragraph 20(a) as follows:

“(a) The secondary studio zone shall be the area extending ten (10) miles from the perimeter of the studio zone and including John Wayne Airport and the City of Huntington Beach. It does not include any of the areas that fall within the definition of the studio zone in Paragraph 19 above.”

Make conforming changes.

13. Canadian Holiday Exchange

Add a footnote to the end of the first sentence of Paragraph 8(b) as follows:

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

- (i) Victoria Day in lieu of Memorial Day; and
- (ii) Canada Day in lieu of Independence Day (July 4th);

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

Make conforming changes.

14. Waiver of Paid Sick Leave Laws

Modify Article 35 as follows:

“ARTICLE 35. Waiver of New York City Earned Safe and Sick Time Act and Similar Laws

“The Union expressly waives, to the full extent permitted by law, application of the following to all employees employed under this Agreement: the New York City Earned Safe and Sick Time Act of 2013(N.Y.C. Admin. Code, Section 20-911

et seq.); Section 1-24-045 of the Municipal Code of Chicago; the Cook County Earned Sick Leave Ordinance (Ordinance No. 16-4229); the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the Paid Sick Leave Ordinance of Berkeley, California (Municipal Code Chapter 13.100); all requirements pertaining to "paid sick leave" in Chapter 37 of Title 5 of the Municipal Code of Emeryville, California (including, but not limited to, Chapter 37.0.1.e), 37.03, 37.07.a)1)B.ii. and 37.07.f)); the Oakland Sick Leave Law (Municipal Code Section 5.92.030.); Chapter 4.62.025 of the Santa Monica Municipal Code (enacted by Ordinance No. 2509); the Seattle Paid Sick and Safe Time Ordinance (Ordinance No. 123698); Chapter 18.10 of Title 18 of the Municipal Code of the City of Tacoma, Washington (enacted by Ordinance No. 28275); Article 8.1 of Title 23, Chapter 2 of the Arizona Revised Statutes; the New Jersey Paid Sick Leave Act (C.34:11-56a *et seq.*); Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*); Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey; Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey; the Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Jersey City Municipal Code; the Sick Leave for Private Employees Ordinances of Elizabeth, New Jersey (Ordinance No. 4617); Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Newark, New Jersey (City Ordinance 13-2010); Morristown, New Jersey (Ordinance No. O-35-2016); Passaic, New Jersey (Ordinance No. 1998-14); Paterson, New Jersey (Paterson Code Chapter 412); and Trenton, New Jersey (Ordinance No. 14-45) and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the Union and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement."

FOR THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, ON BEHALF OF THE COMPANIES LISTED ON EXHIBIT 1 ATTACHED HERETO

Date: _____
Carol A. Lombardini, President

FOR STUDIO TRANSPORTATION DRIVERS, LOCAL #399

Date: _____
Steve Dayan, Secretary-Treasurer