

**AGREEMENT OF AUGUST 1, 2015 BETWEEN PRODUCER
AND STUDIO TRANSPORTATION DRIVERS, LOCAL #399
OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
(LOCATION MANAGERS AGREEMENT)**

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**AGREEMENT OF AUGUST 1, 2015 BETWEEN PRODUCER
AND STUDIO TRANSPORTATION DRIVERS, LOCAL #399
OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
(LOCATION MANAGERS AGREEMENT)**

THIS AGREEMENT is executed as of August 1, 2015 between **STUDIO TRANSPORTATION DRIVERS, LOCAL #399 of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS** (hereinafter referred to as the "Union"), on the one hand, and the **ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, on behalf of**

Abominable Pictures, Inc.	Lakeshore Entertainment LLC
Alameda Productions, LLC dba Legendary Alameda Productions LLC	Legendary Pictures Productions, LLC
Artcraft Productions Inc.	Main Processing, Inc. Malibu Road, LLC
Bonanza Productions Inc.	Metro-Goldwyn-Mayer Pictures Inc.
Bronson Avenue LLC	MFV Productions LLC
Cameron Slater Inc.	MGM Television Entertainment Inc.
Cast & Crew Production Payroll, LLC	Monarch Consulting dba PAEINC
CBS Films Inc.	New Regency Productions, Inc.
CBS Studios Inc.	Next Step Productions LLC
Columbia Pictures Industries, Inc.	Pacific 2.1 Entertainment Group, Inc.
Concrete & Clay LLC	Paramount Pictures Corporation
Corporate Management Solutions, Inc. dba CMS Productions	Picrow, Inc.
CPT Holdings, Inc.	Screen Gems Productions, Inc.
DreamWorks II Production Co., LLC	Sicario Movie LLC
Ease Entertainment Services, LLC	Sony Pictures Studios, Inc.
EPSP Management Services	Sunny Television Productions, Inc.
Eye Productions Inc.	TVM Productions, Inc.
Forward Processing CA, Inc.	Twentieth Century Fox Film Corporation
Good Lie Productions, LLC	Universal City Studio LLC
Grand Experiment LLC	Universal Network Television LLC
Horizon Scripted Television Inc.	Warner Bros. Pictures
Howler Monkey Productions Inc.	Warner Bros. Television

AND THOSE PRODUCERS WHICH HAVE EFFECTIVELY CONSENTED, IN WRITING, TO BE A PART OF THE SINGLE MULTI-EMPLOYER BARGAINING UNIT, (each hereinafter respectively referred to as the "Producer" and collectively referred to as the "Producers"), on the other hand.

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

ARTICLE 1. SCOPE OF AGREEMENT

This Agreement shall be applicable to the classifications of employees listed in the "Wage Scales, Hours of Employment and Working Conditions" set forth herein, employed by Producer to perform services in the County of Los Angeles, or hired by the Producer in the County of Los Angeles to perform services outside the said County, but within the thirteen (13) Western States.

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

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

The parties agree to establish a committee to discuss whether revisions to this Article 1. are needed.

ARTICLE 2. RECOGNITION

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

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

ARTICLE 3. UNION SECURITY

(a) 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 but within the thirteen (13) Western states, shall be and remain a member in good standing of the Union on the thirtieth 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 Union 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 (3) 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) Producer agrees to inform the Union within seven (7) working days of a newly-hired employee covered by this Agreement. Such notice will include full name, address and social security number.

(d) Employees of Producer who heretofore have been members of the Union, no matter what their current membership status, shall be deemed in compliance with Article 3 of this Agreement by the payment of the periodic dues uniformly required of other members classified as Location Managers.

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

ARTICLE 4. WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING CONDITIONS

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

ARTICLE 5. BETTER CONDITIONS - DEAL MEMOS - PERSONAL SERVICE CONTRACTS

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

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

The following language shall be included in all deal memos or personal service contracts: "All provisions of this deal memo (or personal service contract) are subject to and must provide no less than the terms and conditions of the Location Managers (Local #399) Agreement."

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

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

ARTICLE 6. AUTHORITY OF UNION AND PRODUCER

The Union and the Producer each agrees that it will not maintain nor adopt any Articles or By-laws or any rules or orders which will prevent compliance with this Agreement.

ARTICLE 7. GRIEVANCE AND ARBITRATION PROCEDURE

In the event of any dispute between the Union or any of the persons subject to this Agreement and the Producer with regard to wages, hours or other conditions of employment under this Agreement, or with regard to the interpretation of this Agreement,* the procedure, unless otherwise specifically provided herein, shall be as follows:

Step One

The aggrieved party shall discuss the matter with his immediate supervisor. In the event the matter is not resolved, then within five (5) days thereafter, the aggrieved party shall reduce the grievance to writing and mail or deliver same to the other party and concurrently furnish a copy of such notice to the designated representative of the Local Union. Such written notice shall contain the specific contract provisions and sections which are alleged to have been violated, a clear statement of the facts of the alleged violation, the name of the grievant and the remedy that is being requested. Upon receipt of such written notice, the receiving party will be required to respond within ten (10) working days. The Shop Steward and the Department Head shall immediately discuss the matter and the grievance shall be settled if at all possible. The decision, if any, of these representatives shall be final and binding upon the parties and any employees concerned.

Step Two

If the grievance is not settled in Step One within ten (10) days following the invocation of Step One, or if there is no Shop Steward, the aggrieved party may proceed to Step Two by delivering or mailing, within ten (10) days thereafter, a written demand, which shall include a statement of the particulars of the claim, upon the other party. Failure of the aggrieved party to so serve such demand shall constitute a waiver of the claim.

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

Upon receipt of such written notice, but no later than ten (10) days after receipt of such notice, the Business Representative of the Local Union and the designated representative of the Producer shall immediately discuss the matter and the grievance shall be settled if at all possible. The decision, if any, of these representatives shall be final and binding upon the parties and any employees concerned.

Step Three

In the event the grievance is not settled in Step Two, or if the Business Representative of the Local Union and the designated representative of the Producer fail to meet in Step Two, the aggrieved party may proceed to Step Three by delivering or mailing to the other party and Contract Services Administration Trust Fund (CSATF), within ten (10) days following the completion of Step Two or, if there is no meeting in Step Two, within ten (10) days after service of the demand in Step Two, a written request for Step Three proceedings. The dispute shall thereupon be submitted for resolution to a panel comprised of three (3) Union representatives and three (3) Producer representatives. The three (3) Union representatives shall consist of Secretary-Treasurer Steve Dayan, or his designee, and two (2) additional persons designated by the Union. The three (3) Producer representatives shall consist of AMPTP President Carol A. Lombardini, or her designee, and two (2) additional persons designated by the Producer. However, such additional persons cannot be a party to the dispute or have a beneficial interest in the determination of the dispute. The Union representatives and the Producer representatives shall each have one vote.

The grievance shall be heard by such Producer and Union representatives at a mutually-established time and place. The parties to the grievance shall be present and shall be responsible for the presentation of their own evidence at such time and place. Failure of either party to the grievance to comply with the foregoing requirements shall be deemed a waiver of the claim or waiver of any defense to the claim, as the case may be.

The panel shall schedule the order of the grievances to be heard. The panel will afford the parties an oral hearing on the merits of such grievance and render a written decision thereon within five (5) working days from the close of the hearing, but in no event later than twenty (20) working days after the hearing is commenced. The panel shall determine its own rules and procedures. The decision of the panel, if any, shall be final and binding upon the parties and any employees concerned.

Step Four

If no decision is rendered by the Step Three panel within the above-mentioned period, by failing to agree or otherwise, then the parties may proceed to expedited arbitration or regular arbitration as provided below:

The aggrieved party may elect to proceed to expedited arbitration in cases involving the discharge for cause of an employee subject to Paragraph 25 within ten (10) working days following the completion of Step Three. The aggrieved party may also elect to proceed to expedited arbitration following Step Three in cases wherein the claim for wages does not exceed fifteen thousand dollars (\$15,000). The aggrieved party may also proceed to expedited arbitration following Step Three over disputes with regard only to the "Wage Scales, Hours of Employment and Working Conditions" provision of this Agreement, subject to this Article 7, and provided the claim for damages does not exceed fifteen thousand dollars (\$15,000). Any other case may be submitted to expedited arbitration only by the mutual agreement of the parties.

If any aggrieved party decides to so proceed to expedited arbitration, that party must, within ten (10) working days after the close of Step Three as above mentioned, proceed by delivering or mailing to the other party and to CSATF a written request for such expedited arbitration. In the case in which mutual agreement to proceed to expedited arbitration is required, such party may, at the same time, request an invocation of the regular arbitration procedure provided for below and, in the event no such mutual agreement to proceed to expedited arbitration, when required, is received by the aggrieved party within five (5) working days after service of such request, the aggrieved party may proceed to the regular arbitration procedure provided below.

In the alternative, the aggrieved party may proceed to regular arbitration by delivering or mailing to the other party a written demand for regular arbitration within ten (10) calendar days following the close of Step Three, as above mentioned. Failure of the aggrieved party to so serve such a request and/or demand within the respective prescribed periods shall constitute a waiver of the claim.

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

(a) Expedited Arbitration

Cases that are submitted to expedited arbitration shall be heard by an expedited arbitration panel within ten (10) working days after the other party receives the demand for expedited arbitration or within ten (10) working days after the other party gives notice of its agreement to proceed to expedited arbitration in cases in which the mutual agreement of the parties is required.

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

From the panel of names of the neutral arbitrators, the arbitrators shall be assigned, in rotation, by Contract Services Administration Trust Fund (hereinafter "CSATF") to the cases as they arise. The parties to an expedited arbitration 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.

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

The parties will not file briefs or use a stenographic record, but may present a written statement of the facts. The arbitrator shall have authority to rule on all motions and decide the case. The neutral arbitrator shall render a written decision within five (5) days from the conclusion of the hearing. The writing of an opinion will be at the discretion of the neutral arbitrator.

Hearings will be scheduled at CSATF as soon as reasonably practical after the selection of the neutral arbitrator, unless the parties and the neutral arbitrator mutually agree otherwise. If such person selected as the arbitrator is not available, another arbitrator shall be selected by the same process as above described. The decision 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 as described in the first paragraph of this Article 7 and, when appropriate, award wage payments, adjustments or damages consistent with the contract, in an amount not to exceed fifteen thousand dollars (\$15,000), but shall not have the power to

amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional disputes between the Union and any other labor organization. The decision of the neutral arbitrator in an expedited arbitration 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 Union.

The bills of the arbitrator, together with a completed information form, shall be sent by the arbitrator to the Union and the Producer involved in the expedited arbitration, with copies to CSATF. The information form shall be jointly prepared by the Chairman of the Basic Crafts and CSATF. The fees of the impartial arbitrator and the costs of the arbitration shall be borne by the losing party. The arbitrator shall have the discretion to determine who is the "losing party." All other costs and fees shall be borne by the party incurring same.

(b) Regular Arbitration

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

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

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

labor organization. Except for disputes described in the asterisked footnote to the first paragraph of this Article 7, the arbitrator shall not have the power to determine disputes arising under Paragraph 23 of this Agreement, "Non-Discrimination;" such disputes are instead subject to non-binding mediation.

The 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. The fees and expenses of the arbitrator shall be borne by the losing party. The arbitrator shall have the discretion to determine who is the "losing party." 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 thirty (30) consecutive calendar days after the employee is entitled to such monies, or after the employee or the Union has had a reasonable opportunity to become aware of the occurrence, shall be deemed to be waived. Any claims for the payment of holiday or vacation pay shall be subject to the time limits established in the applicable provisions of this Agreement.

Any other claim or grievance not presented under Step One, within (i) sixty (60) calendar days after the occurrence of the subject matter of the grievance or (ii) sixty (60) calendar days after the employee or the Union has had a reasonable opportunity to become aware of 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

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.

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

ARTICLE 8. NO STRIKE - NO LOCKOUT

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

The Producer will not discipline any employee covered by this Agreement because of refusal as an individual to cross a picket line, provided that such picket line has been sanctioned by the Joint Council of Teamsters, No. 42.

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

Notwithstanding anything herein contained, it is agreed that in the event the Producer is delinquent at the end of a period in the payment of contributions to the Health or Pension Plan or Plans created under this Agreement, in accordance with the rules and regulations of the Trustees of such Funds, after the proper official of the Union has given seventy-two (72) hours notice to the Producer, specifically identifying such delinquency in health or pension payments, the Union shall have the right to take such action as it deems necessary until such delinquent payments are made, and it is further agreed that in the event such action

is taken, the Producer shall be responsible to the employees for losses resulting therefrom.

ARTICLE 9. CONFLICT WITH LAWS

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

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

The terms and conditions of such appropriate modifications, if any, by the said Arbitration Committee, shall be effective and operative as of the date on which the provisions, so modified accordingly, were so affected by any such legislation, decision of a court of competent jurisdiction or governmental regulation, as the case may be, in such manner and to the extent as above described and provided. The amounts and payments of wages or other financial benefits contained in such appropriate modifications, if any, made by such Arbitration Committee, shall be computed and paid thereunder retroactive to the effective date of

such modifications. In the event that no such modifications can be made, as above provided, because of any legislation, decision of a court of competent jurisdiction or governmental regulation, Producer shall not be liable for any retroactive back pay adjustments, or any other penalty, if any such modification is thereafter permissible. The decision of the said Arbitration Committee shall be final and shall not be subject to the Grievance and Arbitration Procedure in Article 7 above, but its authority to decide shall be limited to the issue and remedy herein provided. The above procedure and conditions shall be the exclusive remedy for determining any dispute arising under this Article 9.

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

ARTICLE 10. TERM OF AGREEMENT

The term of this Agreement shall be for a period commencing with August 1, 2015 and extending to and including July 31, 2018.

Either party may, by written notice (certified mail) to the other served on or before May 31, 2018, request renegotiation of the "Wage Scales, Hours of Employment and Working Conditions" of this Agreement. Such notice shall set forth in detail the proposals or recommendations of the party serving said notice of request for renegotiation. If such notice is served, the parties agree to commence negotiations within thirty (30) days after May 31, 2018 concerning the proposals or recommendations set forth in such notice and to continue negotiations diligently and in good faith on such proposals or recommendations which are submitted in such negotiations.

ARTICLE 11. INTERPRETATION

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

ARTICLE 12. HEALTH PLAN

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

(b) In accordance with Article V, Sections 1 and 2 of such Health Plan, and subject to the provisions for changes hereinafter set forth, the Producer shall pay into the Health Plan four dollars eleven and three-tenths cents (\$4.113) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2015 to and including July 31, 2018 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.²

Commencing with the quarter ending September 30, 2015 and at the end of every subsequent calendar quarter during the term of this Agreement, the consultants for the Health and Pension Plans shall project the level of reserves in the Active Employees Fund for the term of the Agreement.

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

(c) In the event additional crafts and classifications of work shall, as herein provided, become subject to this Agreement subsequent to July 31, 2015, then and in such event, this Article 12 shall only be effective and applicable to employees thereafter employed hereunder by Producer in such crafts and classifications of work, commencing as of a

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

date thereafter upon which the Producer and the Union shall mutually agree.

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

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

- (1) Partial week - twelve (12) hours per day
- (2) Five day week - sixty (60) hours
- (3) Six day week - sixty-seven (67) hours; and
- (4) Seven day week - seventy-five (75) hours

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

(f) During the period August 1, 2015 to and including July 31, 2018:

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

If, at any time during the term of this Agreement, the level of reserves in the Active Health Fund drops below eight (8) months, the Trustees, in conjunction with the Plan consultants, shall review the projections as to future reserve levels. If the consultants project, taking into account a reasonable amount of Supplemental Markets income, that the level of reserves in the Active Employees Fund will fall below six

(6) months during the term of this Agreement, the following steps shall be taken:

(1) First, monies received from Post '60s payments in excess of the amount needed for an eight (8) month level of reserves in the Retired Employees Fund shall be allocated to the Active Employees Fund;

(2) Thereafter, if the consultants project, taking into account a reasonable amount of Supplemental Markets income and the reallocation of wages and/or contributions from the Individual Account Plan as provided in the last paragraph of Article 12(b) above, that the level of reserves will drop below four (4) months during the term of this Agreement, then employer contributions will be increased to the amount and for such time as is necessary to create a four (4) month reserve level for the maintained benefits.

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

(h) Effective August 1, 2015, for a dental plan, the Producer shall pay eighteen and seven-tenths cents (18.7¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2012 under the terms of this Agreement, including "straight time" or "overtime" hours on any day worked. The provisions of subsections (c), (d) and (e) shall apply to the provisions of this subsection.

(i) Effective August 1, 2015, for a vision care plan, the Producer shall pay into the Health Plan five cents (5¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2012 under the terms of this Agreement, including "straight time" and "overtime" hours for any day worked. The provisions of subsections (c), (d) and (e) shall apply to this subsection.

(j) In the event a national health act is passed by the Congress of the United States during the term of this Agreement, which causes the cost of health care to the Producer to be reduced to an amount less than the contributions under this Agreement, then such difference in cost will be used to provide mutually agreed-upon benefits.

ARTICLE 13. PENSION PLAN

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

(b) In accordance with Article III, Sections 2 and 3 of the Pension Plan, the Producer shall pay into the Pension Plan:

(1) For August 1, 2015, a total of one dollar twenty-six and sixty-five hundredths cents (\$1.2665) for each hour worked by or guaranteed an employee by such Producer on August 1, 2015;

(2) For the period commencing August 2, 2015 to and including July 30, 2016, a total of one dollar forty-four and sixty-five hundredths cents (\$1.4465) for each hour worked by or guaranteed an employee by such Producer during the period August 2, 2015 through July 30, 2016;

(3) For the period commencing July 31, 2016 to and including July 29, 2017, a total of one dollar sixty-two and sixty-five hundredths cents (\$1.6265) for each hour worked by or guaranteed an employee by such Producer during the period July 31, 2016 through July 29, 2017; and

(4) For the period commencing July 30, 2017 to and including July 31, 2018, a total of one dollar eighty and sixty-five hundredths cents (\$1.8065) for each hour worked by or guaranteed an employee by such Producer during the period July 30, 2017 through July 31, 2018.

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

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

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

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

- (1) Partial week - twelve (12) hours per day
- (2) Five (5) day week - sixty (60) hours
- (3) Six (6) day week - sixty-seven (67) hours; and
- (4) Seven (7) day week - seventy-five (75) hours

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

(e) In the event additional crafts and classifications of work shall, as herein provided, become subject to this Agreement subsequent to July 31, 2015, then and in such event this Article 13 shall only be effective and applicable to employees thereafter employed hereunder by Producer in such crafts and classifications of work, commencing as of a date thereafter upon which the Producer and the Union shall mutually agree.

(f) (1) The bargaining parties agree to recommend to the Directors of the Pension Plan the following pension benefit increase(s) for employees covered under this Agreement:

(i) Retroactive Pension Benefit Increase for Active Participants on or after August 1, 2015. Effective January 1, 2017, increase the pension benefit accrual rates by ten percent (10%) for Credited Hours and Frozen Benefits accumulated prior to January 1, 2017, but after the most recent "Break in Service," as that term is defined in Article 1, Section 3 of the Pension Plan Trust Agreement, for those individuals who are active participants in the Pension Plan on or after August 1, 2015, provided that these new pension amounts or accrual rates shall not apply to pensions (including Frozen Benefits) that went into pay status before August 1, 2015 and, provided further, that, as soon as practicable following the end of the first quarter of 2017, the Health Plans' consultants, in conjunction with the Pension Plan's actuaries, certify that each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves as of January 1, 2017, based upon the assumptions and methodologies, including but not

limited to the funding priorities established for Supplemental Markets and Post '60s contributions, approved by the bargaining parties. For those individuals who had a Break in Service, the increase shall apply only to Credited Hours accumulated after the date of the most recent Break in Service through December 31, 2016. (For example, an active participant in the Pension Plan on January 1, 2017 who failed to accumulate at least two hundred (200) Vested Hours in 2008 and 2009 is entitled to the ten percent (10%) increase only for those Credited Hours accumulated on or after January 1, 2010 through December 31, 2016.) Any retroactive payments required by the foregoing shall be made without interest and as soon as practicable following the consultants' certification of reserves as provided above. The benefit accrual rates for Credited Hours accumulated on or after January 1, 2017 shall remain at the following rates, unless changed pursuant to subparagraph (ii) below:

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

(B) \$0.04972 multiplied by the Participant's total Credited Hours accumulated during the Participant's next ten (10) Qualified Years; and

(C) \$0.04972 multiplied by the Participant's total Credited Hours accumulated after the Participant has completed twenty (20) Qualified Years.

(ii) Contingent Pension Benefit Increase(s) Effective January 1, 2021 and Every Three (3) Years Thereafter.³

Effective January 1, 2021, increase the pension benefit accrual rates by ten percent (10%) for Credited Hours and Frozen Benefits accumulated on or after January 1, 2017 through December 31, 2020 for those individuals who are active participants in the Pension Plan on or after January 1, 2017, provided that these new pension amounts or accrual rates shall not apply to pensions (including Frozen Benefits) that went into pay status before January 1, 2017 and, provided further, that as soon as practicable following the end of the first quarter of 2021, the Health Plans' consultants, in conjunction with the Pension

³ This provision assumes that the term of the successor agreements to the 2015 IATSE Basic Agreement is three (3) years. If the term of a successor agreement is for a period other than three (3) years, the evaluation year shall be the final year of the applicable IATSE Basic Agreement and the period of the pension benefit increase shall be equivalent to such term, except that the period of the pension benefit increase immediately following January 1, 2017 shall be equivalent to such term plus one (1) year.

Plan's actuaries, certify that each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves as of January 1, 2021, based upon the assumptions and methodologies, including but not limited to the funding priorities established for Supplemental Markets and Post '60s contributions, approved by the bargaining parties. For those individuals who had a Break in Service during the period commencing with January 1, 2017 to and including December 31, 2020, the increase shall apply only to Credited Hours accumulated after the date of the most recent Break in Service. (For example, an active participant in the Pension Plan. on January 1, 2021 who failed to accumulate at least two hundred (200) Vested Hours in 2018 and 2019 is entitled to the ten percent (10%) increase only for those Credited Hours accumulated on or after January 1, 2020.) Any retroactive payments required by the foregoing shall be made without interest and as soon as practicable following the consultants' certification of reserves as provided above.

In the event that the reserve levels are below eight (8) months in the Active Health Fund or the Retired Employees Fund on January 1, 2021, the benefit accrual rates for Credited Hours accumulated on or after January 1, 2017 shall remain at the rates provided in subparagraph (f)(1)(i)(A)-(C) above.

As soon as practicable following the end of the first quarter of 2024 and every three years thereafter ("the evaluation year"), the Health Plans' consultants, in conjunction with the Pension Plan's actuaries, shall determine whether each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves as of January 1st of the evaluation year based upon the assumptions and methodologies, including but not limited to the funding priorities established for Supplemental Markets and Post '60s contributions, approved by the bargaining parties. In the event that both the Active Health Fund and the Retired Employees Fund have at least eight (8) months of reserves on January 1st of the evaluation year, the pension benefit accrual rates and Frozen Benefits shall be increased, effective January 1st of the evaluation year, by ten percent (10%) retroactively for Credited Hours accumulated during the three (3) year period immediately following the most recent increase in the pension benefit accrual rate. For those individuals who had a Break in Service during the three (3) year period immediately preceding January 1st of the evaluation year, the increase shall apply only to Credited Hours accumulated after the date of the most recent Break in Service. (For example, an active participant in the Pension Plan on January 1, 2024 who failed to accumulate at least two hundred (200) Vested Hours in 2021 and 2022 is entitled to the ten percent (10%) increase only for

those Credited Hours accumulated on or after January 1, 2023.) Any retroactive payments required above shall be made without interest and as soon as practicable following the consultants' certification of reserves as provided above.

In the event that the reserve levels are below eight (8) months in the Active Health Fund or the Retired Employees Fund on January 1st of the evaluation year, the benefit accrual rates for Credited Hours accumulated since the most recent increase in the pension benefit accrual rate shall remain at the rates provided in subparagraph (f)(1)(i)(A)-(C) above.

(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: (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 in 2017 shall be amortized over twelve (12) years; and (v) 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.

(g) Future pension benefit increases shall be recommended contingent upon the maintenance of a funding margin of ten percent (10%) (as measured by withdrawal liability for PBGC purposes), which margin is expected to be maintained in future years.

(h) The parties agree to recommend to the Board of Directors of the Motion Picture Industry Pension Plan the adoption of the entry age normal actuarial cost method and an increase in the interest rate assumption to eight percent (8%).

(i) Suggestions for changes in the early retirement benefit shall be referred for review and study to a cooperative committee consisting of an equal number of Producer and Union representatives.

(j) The parties agree to recommend to the Board of Directors of the Motion Picture Industry Pension Plan the adoption of an amendment to the Trust Agreement which would add a plant closing benefit for employees of the Metrocolor facility. The bargaining parties will review other plant closings on a case-by-case basis and make appropriate recommendations to the Trustees.

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

ARTICLE 13A. MOTION PICTURE INDUSTRY INDIVIDUAL ACCOUNT PLAN

(a) The Producer shall contribute to the Motion Picture Industry Individual Account Plan, on behalf of each employee employed by the Producer hereunder, six percent (6%) of the scale “on call” rate for each such employee during the period August 1, 2015 to and including July 30, 2016 (six and one-half percent (6.5%) for the period July 31, 2016 to and including July 29, 2017 and seven percent (7%) for the period July 30, 2017 to and including July 31, 2018).

For Key Assistant Location Managers, the applicable minimum rates listed in Paragraph 1 of this Agreement or the applicable minimum rates under the episodic series and long-form television sideletters, if applicable, shall be considered the “scale ‘on call’ rate” on which the percentage contribution shall be based.

The provisions of Article 12(d) and (e) shall apply to this Article.

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

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

(1) Only that portion of the reserves in the Active Employees Fund that exceeds the amount needed to furnish benefits to participants in such Health Plan for twelve (12) months, and that portion of the reserves in the Retired Employees Fund that exceeds the amount

needed to furnish benefits to participants in such Health Plan for twenty (20) months, measured as of September 30 of each year, shall be subject to reallocation. Reserve levels shall be calculated in accordance with the continuation value measurement methodology heretofore adopted by the Health Plan.

(2) Of the excess amount to be reallocated, eighty percent (80%) 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 improvements in Article 13(f) of this Agreement, in Article 13(f) of the 2002 (as amended), 2006 and 2009 Producer –Studio Transportation Drivers, Local #399 (Location Managers) Agreements and as awarded in 1996, 2000 and 2001 shall take place before any monies are reallocated pursuant to this subparagraph (c).

ARTICLE 14. MOTION PICTURE INDUSTRY HEALTH PLAN – RETIRED EMPLOYEES FUND

(a) Producer shall, for the period August 1, 2015 to and including July 31, 2018, pay to the Industry Pension Plan through its Administrator, as agent for transmittal to the Motion Picture Industry Health Plan–Retired Employees Fund (subject to the provisions for changes hereinafter set forth), thirty cents (\$.30) for each hour worked by or guaranteed an employee by such Producer during the period August 1, 2015 to and including July 31, 2018 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked.

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

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

- (1) Partial week - twelve (12) hours per day
- (2) Five day week - sixty (60) hours
- (3) Six day week - sixty-seven (67) hours; and
- (4) Seven day week - seventy-five (75) hours

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

(d) The above rate of contribution of thirty cents (\$.30) per hour effective August 1, 2015 represents no increase over the rate of contribution required for the period August 1, 2012 to July 31, 2015.

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

Commencing with the quarter ending September 30, 2015 and the end of every subsequent calendar quarter during the term of this Agreement, the consultants for the Health and Pension Plans shall project the level of reserves in the Retired Employees Fund for the term of the Agreement.

(f) During the period August 1, 2015 to and including July 31, 2018:

Except for (i) the Coordination of Benefits rules adopted on March 28, 2011 and made retroactive to January 1, 2011, which shall be

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

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

(g) With respect to those employees who are not included within a unit covered by a collective bargaining agreement, but who are members of a group the Producer has designated as eligible employees in accordance with the requirements of the Industry Pension Plan and who are participants in the Industry Pension Plan, Producer hereby agrees that it shall likewise pay the above respective amounts for each hour worked by or guaranteed an employee by such Producer on and after August 1, 2012, as above defined.

(h) The money received by the Administrator of the Industry Pension Plan from such payments, as above provided, shall be kept separate and apart from any funds of the Industry Pension Plan, and shall be paid to the Retired Employees Fund upon demand by such Health Plan. Such Retired Employees Fund shall provide for such health coverage and, under such conditions as the Directors of such Fund may determine to be appropriate, for the employees retired under the Industry Pension Plan and the private retirement plans referred to in Article XV of the "Motion Picture Industry Pension Plan."

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

(i) Effective August 1, 2015, for a dental plan, the Producer shall pay into the Retired Employees Fund five and one-tenth cents

(5.1¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2015 under the terms of this Agreement, including "straight time" and "overtime" hours on any day worked. The provisions of subsections (b) and (c) shall apply to this subsection.

(j) Effective August 1, 2015, for a vision care plan, the Producer shall pay into the Retired Employees Fund two cents (2.0¢) for each hour worked by or guaranteed an employee by such Producer on or after August 1, 2015 under the terms of this Agreement, including "straight time" and "overtime" hours for any day worked. The provisions of subsections (b) and (c) shall apply to this subsection.

(k) In the event a national health act is passed by the Congress of the United States during the term of this Agreement, which causes the cost of health care to the Producer to be reduced to an amount less than the contributions under this Agreement, then such difference in cost will be used to provide mutually agreed-upon benefits.

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

ARTICLE 15. MULTI-EMPLOYER BARGAINING UNIT

The bargaining unit covered by this Agreement is a single multi-employer unit consisting of the Producers listed in the preamble to this Agreement on page 1 and those Employers who have and may hereafter become parties to this Agreement and who voluntarily signify their consent, in writing, to be part of this multi-employer bargaining unit and to be bound by this Agreement and any amendments, extensions or renewals thereof.

ARTICLE 16. EMPLOYEE ASSISTANCE PROGRAM FOR DRUG AND ALCOHOL ABUSE

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

An employee who has an alcohol or drug abuse problem which interferes with job performance or attendance will be disciplined in accordance with normal disciplinary procedures. In such cases, before an employee is discharged or disciplinary action is taken, the Producer will give advance notice to the Union and will meet or confer with the Union representative. As a part of those procedures or as an alternative thereto, such an employee may be referred to counseling through a qualified employee assistance program. Any employee who refuses to accept treatment through such a program or who is again disciplined or discharged pursuant to this section by his/her employer for unsatisfactory job performance or other misconduct arising out of or resulting from drug or alcohol abuse shall not be entitled to have the second or subsequent disciplinary action(s) reviewed pursuant to the grievance and arbitration procedure. Notwithstanding the participation by any employee in an employee assistance program created pursuant to this Agreement, the Producers and the Union recognize that each employee is and remains responsible for his/her own satisfactory job performance.

ARTICLE 17. LOAN-OUTS

The Producer may utilize the services of an employee on a loan-out basis for work covered by this Agreement under the following conditions:

(a) All seniority rights and terms of the Industry Experience Roster of this Agreement shall be fully applicable to the use of the services of the employee on loan-out.

(b) With respect to compensation and conditions under this Agreement, the Producer shall provide at least the minimum compensation and conditions under this Agreement to the loan-out company, but shall not be responsible for payment by the loan-out company to its employee.

(c) Any claims or disputes between the employee on loan-out and the Producer regarding salaries or terms and conditions of employment that would be covered by the grievance and arbitration provisions of this Agreement if the employee had been hired directly by the Producer shall be subject to such grievance and arbitration provisions with the right of the Union to file grievances on behalf of employee on loan-out.

(d) With respect to pension and health and contract services administration, during such time as an employee is engaged by a borrowing Producer through the employee's loan-out company, the borrowing Producer shall make pension and health and CSATF contributions directly to the Motion Picture Industry Health Plan and the Motion Picture Industry Pension Plan on behalf of the employee so employed based upon hours worked or guaranteed, whichever is greater. Contributions may not be made by loan-out companies.

(e) A Producer who borrows an employee from a loan-out company under this Article, whose employment if directly by the Producer would have been covered by this Agreement, shall, within ten (10) days after the execution of the agreement covering the loan-out transaction, give the Union a written notice of the transaction including the names of the loan-out company and the employee loaned out to the Producer. An inadvertent failure by the Producer to give such notice shall not be deemed to be a breach of this Agreement.

"Loan-out company," for purposes of this Article, is defined as a company controlled by the loaned-out employee, who is the only employee of the loan-out company who performs work covered by this Agreement.

ARTICLE 18. EMPLOYER IN DEFAULT

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

ARTICLE 19. DESIGNATING RESPONSIBLE EMPLOYER

The Union and the AMPTP agree to develop a procedure to be used whenever more than one employer is involved in the production of a motion picture covered by this Agreement for designating the employer responsible for compliance with the obligations set forth in this Agreement.

ARTICLE 20. SAFETY

(a) It is agreed by the parties that too great an emphasis cannot be placed on the need to provide a safe working environment. In that context, it shall be incumbent on each employer (herein referred to as the Producer) to furnish employment and a place of employment which are safe and healthful for the employees therein; to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful; to do every other thing reasonably necessary to protect the life, safety and health of employees. Correspondingly, no employer shall require or permit any employee to go or be in any employment or place of employment which is not safe and healthful. In addition, every employer and every employee shall comply with occupational safety and health standards and all rules, regulations and orders pursuant to applicable laws which are applicable to his own actions and conduct; no person (employer or employee) shall remove, displace, damage, destroy or carry off any safety device, safeguard, notice or warning, furnished for the use in any employment or place of employment; no person shall interfere with the use of any method or process adopted for the protection of any employee, including himself, in such employment or place of employment.

(b) Rigid observance of safety regulations must be adhered to and willful failure of any employee to follow safety rules and regulations can lead to disciplinary action including discharge; however, no employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life or limb. 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.

(c) It is also agreed that when unresolved or continuing disputes exist regarding Safety and Health compliance, noncompliance or interpretation therein of Title 8, Chapter 4, Subchapter 7, General Industry Safety Orders, said disputes shall be referred to the AMPTP and CSATF-administered Labor-Management Safety Committee for review, investigation, interpretation and advisory recommendations to the Employer(s). It is understood that it is not the responsibility of the Safety Committee, or any member of the Committee, the Union, CSATF or the AMPTP to implement or comply with any such recommendations.

(d) The Labor-Management Safety Committee shall meet at least once a month.

(e) The cost of the Labor-Management Committee will be borne by CSATF.

(f) A separate bulletin shall be issued by the AMPTP to provide the following:

(1) The Producers reaffirm their commitment to regularly inspect the studio working areas and to establish preventive maintenance procedures to assure safe working conditions.

(2) Complaints of unsafe conditions will be promptly investigated by the Producer and appropriate action will be taken if the Producer finds that an unsafe condition does exist.

(3) Each Producer will designate an individual as the responsible safety officer for its respective studio, facility, laboratory or location site. Except on location, each safety officer will have a well-publicized "hot-line" phone number which employees can anonymously call to alert management to any existing safety problems which may require correction.

(4) The Producers will provide access to all working areas to the Safety Director of CSATF so that he will periodically inspect same.

(5) Communication regarding safety policy will be made available to all affected employees directly or by posting on bulletin boards.

ARTICLE 21. "PROFESSIONAL" CAPACITY

The Union and the Producer agree that Location Managers are employed by the Producer in a "professional" capacity within the meaning of the Fair Labor Standards Act of 1938, as amended.

ARTICLE 22. CONTRACT SERVICES ADMINISTRATION TRUST FUND

For the purpose of establishing and administering the Industry Experience Roster described in Paragraph 25 herein and Step Three of the grievance procedure, Producer shall contribute to CSATF as follows for the period August 1, 2015 to and including July 31, 2018: (1) nine and three-quarters cents (9.75¢) per hour for each hour worked by or guaranteed each employee employed by such Producer in the multi-employer bargaining unit on August 1, 2015; (2) thirteen and one-half cents (13.5¢) per hour for each hour worked by or guaranteed each employee employed by such Producer in the multi-employer bargaining unit from August 2, 2015 to and including July 29, 2017; and (3) seventeen and one-quarter cents (17.25¢) per hour for each hour worked by or guaranteed each employee employed by such Producer in the multi-employer bargaining unit from July 30, 2017 to and including July 31, 2018.

A \$15.00 per hour stipend shall be paid to any individual for attending CSATF-required safety training classes. It is understood that any check so issued shall include payment for course A of the Safety Pass Program, whether completed before or after the individual was placed on the Industry Experience Roster.

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

ARTICLE 23. EFFECTIVE DATES

The provisions of this Agreement shall be effective as of the date specified. In all other cases where no date is specified, the effective date shall be August 1, 2015.

ARTICLE 24. GENDER - INCLUDED MEANINGS

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

ARTICLE 25. PAYROLL DEPOSIT

(a) In the event that a Producer (1) has filed for bankruptcy protection or had a trustee/receiver appointed to handle its affairs within five (5) years prior to the commencement of principal photography on a given production; (2) has no prior history with the Union; or (3) fails to make payroll in a given payroll period, the Union may require such Producer to deposit with a payroll company of the Producer's choosing an amount equal to two (2) weeks of estimated payroll plus two (2) weeks of pension, health and IAP contributions for covered employees. Such amount shall be used solely for the purpose of satisfying amounts owed to covered employees and/or benefit plan(s), as applicable, under this Agreement.

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

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

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

(e) The foregoing shall not apply (1) to a Producer signatory to this Agreement which, together with its related or affiliated entities, has

made Supplemental Markets payments to the Motion Picture Industry Pension and Health Plans in an aggregate amount of not less than fifteen million dollars (\$15,000,000) (or has made Post '60s payments of not less than six million dollars (\$6,000,000)) during the three (3) year period beginning January 1, 1994 and ending on December 31, 1996, or in any subsequent three (3) consecutive year period, or (2) to any of its related or affiliated entities.

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

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

ARTICLE 26. CALIFORNIA SICK LEAVE

(a) Accrual. Commencing July 1, 2015, eligible employees covered by this Agreement shall accrue one (1) hour of paid sick leave for every thirty (30) hours worked in California for Producer, up to a maximum of forty-eight (48) hours or six (6) days. (In lieu of the foregoing hourly accrual of paid sick leave, and provided that advance notice is given to the employee, a Producer may elect to provide employees, upon their eligibility to use sick leave as provided below (*i.e.*, upon working thirty (30) days in California for the Producer and after their ninetieth (90th) day of employment in California with the Producer (based on days worked or guaranteed), with a bank of twenty-four (24) hours or three (3) days of sick leave per year, such year to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Under this elected option, such banked sick leave days may not be carried over to the following year.)

(b) To be eligible to accrue paid sick leave, the employee must have worked for the Producer for at least thirty (30) days in California within a one (1) year period, such year to be measured, as designated by the Producer, as either a calendar year or starting from the employee's

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

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

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

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

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

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

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

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

ARTICLE 27. WAIVER OF NEW YORK EARNED 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 Sick Time Act of 2013; the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); 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.); 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); Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*); the Sick Leave for Private Employees Ordinances of Irvington, New Jersey (Ordinance

No. MC-3513); Montclair, New Jersey; Newark, New Jersey (City Ordinance 13-2010); Passaic, New Jersey (Ordinance No. 1998-14); Paterson, New Jersey (Paterson Code Chapter 412) and Trenton, New Jersey; 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.

**WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING
CONDITIONS**

I. STUDIO MINIMUM WAGE SCALE

1. MINIMUM WAGE RATES

	Studio Rates			
	Schedule C			
	Weekly "On Call"			
	Effective			
	8/1/15	8/2/15 - 7/30/16	7/31/16- 7/29/17	7/30/17- 7/31/18
Classification	Per Week	Per Week	Per Week	Per Week
Location Managers	\$2,811	\$2,895	\$2,967	\$3,041
Key Assistant Location Managers+	Subject to individual negotiation, but no less than:			
	\$1,687	\$1,738	\$1,781	\$1,826
Assistant Location Managers	\$1,156	\$1,191	\$1,221	\$1,252

The daily rate shall be one-fifth (1/5) of the weekly rate.

+ Employees who have met the experience requirements for Key Assistant Location Managers set forth below may negotiate for the Key Assistant Location Manager classification, at no less than the rate indicated.

Assistant Location Managers hired on or after February 1, 1986 are eligible for employment as Key Assistant Location Managers after completion of one hundred fifty (150) actual workdays within a three (3) year period and are eligible for employment as Location Managers after completion of three hundred (300) actual workdays within a three-year period in either or both Assistant Location Manager classifications.

Once a Location Manager has been hired, a Producer may hire in any of the above job classifications. A Producer is not required to hire a Key Assistant Location Manager before hiring an Assistant Location Manager. A Key Assistant Location Manager who becomes eligible for employment as a Location Manager may nevertheless continue to be employed as a Key Assistant Location Manager. However, once a Key

Assistant Location Manager is employed as a Location Manager, he may not be re-employed as a Key Assistant Location Manager or an Assistant Location Manager until at least one (1) year has elapsed from his first day of employment as a Location Manager. Likewise, a Location Manager may accept employment as a Key Assistant or an Assistant, in which case he will not be eligible for employment as a Location Manager for one (1) year.

++ *"On Call" Employee Work on Holidays; "On Call" Employee Work on Six or Seven Days within the Employee's Workweek*

If an employee hired under the "on call" schedule is specifically instructed and required by Producer to perform work on six (6) days within the employee's workweek, under the direction and control of Producer, he shall be paid an additional one and one-half times one-fifth (1/5) of the scheduled studio minimum for the sixth day so worked.

If an employee hired under the "on call" schedule is specifically instructed and required by Producer to perform work on a recognized holiday or on seven (7) days within the employee's workweek, under the direction and control of Producer, he shall be paid an additional two (2) times one-fifth (1/5) of the scheduled studio minimum "on call" weekly rate in effect for each such holiday and for each such seventh day so worked.

2. CLASSIFICATION AND WAGE SCHEDULE

Each employee shall be notified at the time of his employment under which classification and wage schedule he is employed.

2.1 REPORT OF NEW HIRES

Effective January 3, 2016, Producer will provide a report of new hires, if any, to the Union not less frequently than weekly. Producer satisfies the foregoing obligation if it provides the Union with a daily report of employees, including new hires. Producer shall not be deemed to be in default under this Paragraph until the Union has notified the Producer in writing of a violation hereof, and the Producer has not, within three (3) business days, provided such report.

3. PAYROLL WEEK

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

4. WAGE SCHEDULE

Schedule C (Weekly) employees shall be paid on the scheduled weekly basis for all full workweeks of employment and on the fractional weekly basis (Paragraph 5) for other days of employment.

5. MINIMUM GUARANTEES; WORKWEEK

(a) Schedule C (Weekly) employees employed for a full workweek are guaranteed a minimum of five (5) consecutive days at the Schedule C rate per week. An employee employed for a fractional workweek shall be paid one-fifth (1/5) of the Schedule C rate per day (including holidays not worked).

(b) The studio workweek shall consist of any five (5) consecutive days out of any 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 day requirement.)

A workday starting on one calendar day and running into the next calendar day shall be credited to the first calendar day.

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

(d) A Cooperative Committee comprised of AMPTP, Company and Union representatives shall be established to resolve complaints of capricious scheduling arising out of the implementation of subparagraph (b) above. Any action taken by the Committee shall be consistent with the policy and purposes of subparagraphs (b) and (c) above.

*See Paragraph 12(c) for work on six (6) and/or seven (7) days within the employee's workweek on distant location.

The above minimum guarantees shall apply for fractional weeks when employees are called back for retakes, changes or added scenes on the same production.

6. DEFINITION OF WORK

The professional duties of a Location Manager consist of finding and arranging motion picture locations, as more specifically set forth below. This work may be done with the assistance of Assistant Location Managers, Key Assistant Location Managers or additional Location Managers.

A "location" is a place where filming occurs that is not a stage or a studio.

Location Manager duties include, but are not limited to:

- (a) Locating sites, whether through file search or scouting.
- (b) Contacting property owners.
- (c) Negotiations of property rental and use rates between owners and production companies.
- (d) Obtaining necessary permission or permits for location sites and location parking from appropriate governmental agencies.
- (e) Maintaining the negotiated condition and use of the location site in accordance with the rental contract or government permit.
- (f) Contacting appropriate area film council and maintaining a liaison with same during the course of location use.
- (g) Location Managers, in the performance of their duties, may drive others provided such driving does not interfere with the regular duties of the Location Manager.

The foregoing description of duties is not intended, nor shall it be construed, either to enlarge or diminish the duties of Location Managers or other personnel, as such duties are presently and were heretofore customarily performed in the motion picture industry. The Producer agrees that the utilization of Location Managers shall not be unreasonably withheld.

7. USE OF EMPLOYEE'S CAR

(a) Each employee hereunder shall receive a car allowance of seventy-five dollars (\$75.00) (eighty dollars (\$80.00) effective July 31, 2016 and eighty-five dollars (\$85.00) effective July 30, 2017) for each day the car is driven by the employee in the service of the Producer.

(b) The above allowance shall be paid in the weekly pay check.

(c) The parties agree that reimbursement for gasoline is an appropriate subject for individual bargaining between any employee covered under this Agreement and the Producer.

(d) The Producer may elect to provide the Location Manager with a vehicle and pay its operating costs and need not rent the employee's personal vehicle.

(e) The parties will establish a committee consisting of representatives of the Producers and representatives of Local #399 to discuss automobile insurance issues unique to Location Managers and to discuss indemnification language which appears in the deal memos of Location Managers.

8. HOLIDAYS

(a) 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.

(b) The total amount of salary paid in the period from January 1, 2015 to and including December 31, 2015, in the period January 1, 2016 to and including December 31, 2016, and in the period January 1, 2017 to and including December 31, 2017, to an employee hired under the "on call" schedule 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) "Weekly schedule of pay," in the case of an employee hired under the "on call" schedule, shall be deemed to mean the pay rate specified in the wage scale, plus overscale payment, if any. A day's holiday pay for such schedule shall be considered as one-fifth (1/5) of such weekly schedule rate of pay, plus overscale payment, if any, for studio workweeks, and one-sixth (1/6) of such rate of pay for distant location workweeks.

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

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

9. REST PERIODS

Location Managers, Key Assistant Location Managers and Assistant Location Managers should be entitled to a minimum eight (8) hour rest period between calls. Such rest period shall not be invaded unless specifically authorized by the Unit Production Manager or an authorized representative of the Producer on such production. When the rest period is so invaded as authorized, the Location Manager, Key Assistant Location Manager or Assistant Location Manager shall receive an allowance equal to one-fifth (1/5) of the applicable weekly rate.

II. NEARBY LOCATION DEFINITIONS AND WORKING CONDITIONS

10. NEARBY LOCATIONS DEFINED

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

11. STUDIO RATES AND WORKING CONDITIONS

Studio rates and working conditions shall prevail on nearby locations.

III. DISTANT LOCATION MINIMUM WAGE SCALE

12. DISTANT LOCATION MINIMUM WAGE SCALE

(a) All employees shall receive, in addition to their current studio rate, a distant location allowance of six dollars (\$6.00) per diem.

(b) (1) The regular distant location workweek shall consist of any six (6) consecutive days out of any seven (7) consecutive days, commencing with the first of such six (6) days. However, the six (6) consecutive day requirement shall not apply upon the commencement of any regularly-scheduled six-day-per-week shift. (For example, on starting a new shift, a schedule that provides for an employee to work on Monday and Tuesday, with Wednesday as a regular day off, and is followed by work on Thursday through the following Saturday does not violate the six (6) consecutive days requirement.)

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

(c) Payment Provisions Applicable to the Sixth and Seventh Days in an Employee's Workweek on Distant Location and to Partial Workweeks

Notwithstanding any other provision of this Agreement, the following shall apply to all employees with respect to the sixth and seventh days in the employee's workweek on distant location:

(1) Sixth and/or Seventh Day in an Employee's Workweek Not Worked

Unless agreed to otherwise by the employee and the Producer,* with respect to the sixth and/or seventh day in an employee's workweek not worked on distant location, if the employee is on distant location for six (6) or seven (7) days, respectively, in the week, he shall receive for the sixth day not worked an allowance equal to one-twelfth (1/12) of the scheduled studio minimum "on call" rate, plus pension and health contributions for seven (7) hours and, for the seventh day not

worked, an allowance equal to one-twelfth (1/12) of the scheduled studio minimum "on call" rate, plus pension and health contributions for eight (8) hours.

*As a matter of policy, the Producer will attempt to give the Union notice of such agreement. An inadvertent failure to give such notice shall not be considered a breach of such policy.

(2) Sixth Day Worked in the Employee's Workweek

If work is actually performed on six (6) days in the employee's workweek in such a distant location workweek at the direction of the Producer, then for such sixth day worked in the employee's workweek, the employee shall be paid, in lieu of the amount provided in the foregoing subparagraph, an additional amount equal to one and one-half (1½) times one-fifth (1/5) of the scheduled studio minimum "on call" rate in addition to his "on call" salary in effect.

(3) Seventh Day Worked in the Employee's Workweek

If work is actually performed on seven (7) days in such a distant location week at the direction of the Producer, then, for such seventh day worked in the employee's workweek, the employee shall be paid an additional amount equal to one-third (1/3) of the scheduled studio minimum "on call" rate in addition to his "on call" salary in effect, separate and apart from the three-tenths (3/10) additional amount due for the sixth day worked on location pursuant to the above subparagraphs.

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

(d) Holidays on Distant Location

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

(2) Work on a Recognized Holiday

If an employee is specifically instructed and required by Producer to perform work on a recognized holiday on distant location, under the direction and control of Producer, Producer shall pay such

employee one-sixth (1/6) of his "on call" weekly salary in effect for each such recognized holiday so worked.

Said amount shall be payable not later than the second Thursday following the employee's return to the studio.

IV. DISTANT LOCATION DEFINITIONS AND WORKING CONDITIONS

13. DISTANT LOCATIONS DEFINED

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

14. TRAVELING EXPENSES AND ACCOMMODATIONS

(a) Traveling Expenses

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

(b) Accommodations

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

15. TRAVEL INSURANCE

The Producer shall provide accidental death insurance in a sum not less than one hundred thousand dollars (\$100,000) for the benefit of the employee's designated beneficiary when the employee is required to travel at the request of the Producer in transportation furnished by the Producer.

Employees shall be permitted to fill out a form specifying a beneficiary. Such form shall be filed with the designated representative of the Producer.

An employee, by refusing in good faith to travel by airplane, will not jeopardize his future working opportunities on assignments which do not require travel by airplane.

16. EMPLOYEES HIRED OUTSIDE OF LOS ANGELES COUNTY

(a) Persons subject to this Agreement who are hired outside of Los Angeles County but within the thirteen (13) Western states to perform services on production units originating from the County of Los Angeles shall be covered only by the "**WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING CONDITIONS**" provision of this Agreement, except those provisions which follow:

- (1) Paragraph 8, "Holidays" - Only applicable if worked.
- (2) Section V, "General Clauses."
- (3) Article 12, "Health Plan."
- (4) Article 13, "Pension Plan."
- (5) Article 17, "Loan-Outs."
- (6) Article 20, "Safety."

(b) Within the thirteen (13) Western states, on motion pictures originating from the County of Los Angeles on which no Location Manager covered under this Agreement is assigned, the Producer will not employ a locally-hired employee in lieu of a Location Manager covered under this Agreement to perform substantially all of the duties set forth in Paragraph 6, except when the locally-hired employee possesses *bona fide* qualifications or experience in the locale which the Producer reasonably deems necessary for the efficient performance of the work required. A violation of this subparagraph (b) is subject to the grievance and arbitration provision.

V. GENERAL CLAUSES

17. HAZARDOUS WORK

The employee selected to perform hazardous work and Producer are to negotiate and agree upon a rate in advance for such work and, if no agreement is so reached, the employee will not jeopardize working opportunities by refusing to perform work that is considered hazardous.

If an employee is required to sign a waiver due to hazardous conditions for any state or governmental agency or owner of private property, and refuses to sign such waiver, such employee may be replaced, but such refusal shall not limit such employee's future employment opportunities with Producer.

When Producer knows in advance that such a waiver is required, Producer will advise the Union of the situation.

18. AIRCRAFT FLIGHT PAY

In taking motion pictures or scouting locations when airborne in an aircraft, under the direction of Producer, an allowance of sixty dollars (\$60.00) per flight, subject to a maximum of one hundred eighty dollars (\$180.00) in any single shift of work, shall be paid.

19. ABNORMALLY COLD OR WET WORK

Producer will provide suitable wearing apparel for abnormally cold or wet work.

20. EARNINGS REPORTS

At the end of each quarter, the Producer will submit a list of its employees subject to this Agreement, showing each employee's earnings for that quarter.

21. PERSONAL SERVICE CONTRACTS

The Producer will notify the Union, in writing, stating the name of the contractee and stating that wages and conditions are at least equal to the minimum requirements of this wage agreement.

22. STUDIO PASS

The duly authorized Business Representative of the Union shall be furnished a pass to the studio or location site. Such pass will permit driving the Representative's car into the Producer's studio, lot, ranch or location site, provided such is the custom and practice. The Business Representative shall be permitted to visit any portion of the studio, lot, ranch or location site necessary for the proper conduct of the business of the Union during working hours.

23. NON-DISCRIMINATION

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

Except for those disputes described in the asterisked footnote to the first paragraph of Article 7, disputes arising under this provision are not subject to the provisions of Article 7, "Grievance and Arbitration Procedure;" such disputes are instead subject to non-binding mediation.

24. FOREMEN AND SUPERVISORY EMPLOYEES

Notwithstanding anything contained in the Constitution and By-laws of the Union, or in the obligation taken by a person upon becoming a member of the Union, or otherwise, which directly, indirectly, or impliedly places upon a foreman (or any person who is a supervisory employee within the meaning of that term as set forth in the Labor Management Relations Act of 1947, as amended), the duty or obligation to accord an unlawful employment preference to members of the Union, such foreman or supervisory employee shall not give or recommend any unlawful employment preference, and the Union shall not in any manner discipline or threaten with discipline any such foreman or supervisory employee for failing or refusing to give or recommend any such unlawful employment preference.

25. SENIORITY

(a) Establishment of Industry Experience Roster

An Industry Experience Roster shall be constituted for the multi-employer bargaining unit in accordance with the following parameters:

(1) Subject to appropriate verification by CSATF, three hundred (300) actual workdays within a three (3) consecutive year period will be required for placement on the Roster, provided that at least one of such workdays was performed within a one (1) year period immediately preceding the date the employee submitted a completed application to be placed on the Roster and presented all supporting documentation.

(2) One group will be established for preference of employment in case of hiring, layoff and rehiring.

(b) Provisions Applicable Upon Establishment of Industry Experience Roster

(1) Hiring, Layoff and Rehiring

The Producer shall give preference of employment to qualified available persons within the job classifications covered by this Agreement. Such preference of employment in hiring and rehiring shall be given in the said job classifications to qualified persons as follows: First, to such qualified persons on the Industry Experience Roster; in the event there are insufficient available qualified persons on the Industry Experience Roster to meet the employment needs of the Producer in said classifications, Producer may secure employees from any source. The foregoing preference of employment requirement shall not apply to the hiring of *bona fide* Location Managers with non-roster experience.

In the event of layoffs in such job classifications, the Producer will lay off employees not listed on the Industry Experience Roster before laying off employees listed on the Industry Experience Roster. The above layoff provisions, with respect to Weekly Schedule employees, shall be effective as of the completion of such employee's current assignment.

Unless otherwise provided in this Agreement, each qualified person listed on the Industry Experience Roster shall have preference of employment, as above provided, equal to the preference of employment of all other qualified persons listed on the Industry Experience Roster and the Producer shall have complete freedom of selection from among such persons for the purpose of hiring, layoff and rehiring.

In administering hiring, layoff and rehiring, the Producer, upon giving advance notice to the Local Union, may: (1) 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 (2) call or recall, and thereafter retain, out of Industry Experience status an employee because there are insufficient qualified available persons on the Industry Experience Roster, as above provided.

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

In the event of a failure to settle the dispute in the discussion, as provided above, the matter shall be subject only to the expedited arbitration procedure provided for in Article 7, and shall be heard within three (3) working days from the time of notification by the Union to CSATF of the failure to settle such dispute. Such procedure shall be limited as herein provided. Failure or refusal of such representative of either party to meet at the appointed time shall constitute an automatic and final withdrawal or approval of the protest, as the case may be.

If, in such expedited arbitration procedure, it is determined there was no need so to call, retain or recall an employee out of 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 7 of this Agreement.

(2) Removal of Person from Producer's Industry Experience Roster

(i) A person may be removed by the Producer from its Industry Experience Roster for any of the following reasons:

(A) Discharge by the Producer for cause.

Producer will immediately notify employee and Union and will reduce the cause for discharge into writing and mail or deliver same to the employee, the Union and CSATF. In the event the discharge is not protested in writing within ten (10) calendar days from receipt by the Union of notice (excluding Saturdays, Sundays and holidays), the discharge shall be deemed to be for cause and shall not be subject to the grievance procedure hereunder or any other procedure. If such protest is made within such ten-day period, it shall immediately be submitted to Step One of the grievance procedure in Article 7. Either party may, within the time provided in Step One, elect to go either (i) to Steps Two and Three of the grievance procedure; or (ii) directly to expedited arbitration. The selection by either party of expedited arbitration shall prevail. Three discharges for just cause shall subject the employee to automatic removal from the Industry Experience Roster.

(B) If an employee is called three (3) times by the Producer and refuses such calls, the Producer will give written notice to the Union of such employee's failure to accept such calls and the Union will be given seven (7) days to ascertain the reason for such employee's refusals. After seven (7) days have elapsed after receipt of notice by the Union, if such employee fails again to accept a call by the Producer, the Producer may remove such employee from the Producer's Industry Experience Roster by written notice to such employee.

(C) Voluntary resignation. The Union shall be notified of the employee's action.

(D) In the event a person called by the Producer accepts the call and fails or refuses to report for work after accepting such calls on two (2) occasions during the term of this Agreement, the Producer may remove such employee from the Producer's Industry Experience Roster by written notice to the employee. The Producer agrees to notify the Union in writing of such employee's first failure to work after accepting such call.

With respect to calls for work, the Producer's call record shall be *prima facie* evidence of the fact that such person was called and said call record shall be available for inspection by the Union.

(E) Not hired or laid off and not rehired, under the terms and conditions of this Agreement, within a period of two (2) consecutive years.

(F) Absence because of illness exceeding one (1) year, provided the Union receives written notice before the employee is taken off the Roster.

(G) Retirement under the Motion Picture Industry Pension or private company pension plan; however, the employer may employ such employee as though he had not been removed from such Roster.

(H) Death.

(ii) A person on the Industry Experience Roster who fails to successfully complete legally-required industry safety training courses within 90 days of first being placed on the Industry Experience Roster, or refresher Safety Pass training and/or harassment prevention training on a date scheduled by CSATF, shall be temporarily removed from the Roster. During the time the person is so temporarily removed by CSATF from such Roster, the Producer is not obligated to call such person. Such person shall be reinstated to his former position on the Roster upon successful completion of said courses and/or training.

(3) Absences

For the purposes of this Paragraph, an employee who has been employed in any of the job classifications covered by this Agreement shall not be removed from the Industry Experience Roster for any of the following reasons:

(i) Absence because of illness;

(ii) Absence because of military service;

(iii) Absence because of service (in the same line of occupation pursued by the employee in the motion picture industry) for the United States Government on any research projects for the defense of the United States, provided such employee was expressly recruited by authorized government representatives for such service;

(iv) Employment in a paid full-time job in Los Angeles County, California by the Teamsters, Local #399;

(v) Employment by the Producer as a supervisor when employee has had previous work and experience in the motion picture industry in the job classifications covered by this Agreement.

The burden of proving the above absences from service with Producer shall be on the employee.

(4) Establishing Eligibility

In order for any eligible person to be placed on the Industry Experience Roster of Producer, such person shall make written application to be placed on such Roster on application forms provided for such purpose.

Any person claiming to have fulfilled the Industry Experience Roster requirements shall have the burden of establishing and proving such claims.

Applicants must provide I-9 information to CSATF and complete Course A of the Safety Pass Program as a condition of placement on the Industry Experience Roster.

(5) Roster Certification Form

The Producers and the Union will jointly develop a form for use by all Employers to notify CSATF that an individual is being certified for Roster placement. The form will include provisions for:

(i) The number of qualifying days worked by the employee;

(ii) The roster classification within which the employee worked; and

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

(6) Roster Arbitration Procedure

Disputes regarding the placement of any person on, or the removal of any person from, the Industry Experience Roster arising from the contention that the person is not eligible to be placed on the roster, or from the contention that the person should be removed from the roster, under this Agreement shall be resolved in the following manner:

(i) CSATF shall notify the Union of its intention to place a person on or remove a person from the Industry Experience Roster. In a case involving the removal of a person from the roster, CSATF shall also notify the involved person at his last-known address. The Union may protest the intended action of CSATF within ten (10) business days by a written notice to CSATF. In a case involving the removal of a person from the roster, the person to be removed shall also have the right to challenge the removal. In the event of a protest, CSATF shall notify the Producer(s) involved, the Union and the person. The person will not be placed on or removed from 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.

(ii) The Union 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. The Union and CSATF agree to submit to final and binding arbitration before the impartial arbitrator disputes involving the removal of any person from the Industry Experience Roster.

(iii) The Union and Producers select Orison Marden to act as the impartial arbitrator in all cases submitted to arbitration under this Article involving disputes regarding the placement of any person on the roster. The Union and CSATF select Orison Marden to act as the impartial arbitrator in all cases submitted to arbitration under this Article involving disputes regarding the removal of any person from the roster. In the event that the impartial arbitrator is unable or unwilling to act, the arbitrator shall be selected by mutual agreement of the Union and the Producers, in a case involving the placement of any person on the roster or, in a case involving the removal of any person from the roster, by mutual agreement of the Union and CSATF.

(iv) In an arbitration conducted pursuant to this Article involving the placement of any person on the Roster, CSATF shall participate as an administrative witness and a custodian of records. 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 Union.

In an arbitration conducted pursuant to this Paragraph involving the removal of any person from the Roster, CSATF and the

Union shall participate as parties. Any person whose intended roster removal is involved in such dispute shall be entitled to have his own counsel at his own expense present at the arbitration.

(v) The impartial arbitrator shall hold a hearing in a case involving the placement of any person on the Roster within ten (10) business days after receipt of a request from the Union or Producer(s). The impartial arbitrator shall hold a hearing in a case involving the removal of any person from the Roster within ten (10) business days after receipt of a request from the Union and CSATF. 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.

(vi) 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 Union, in a case involving the placement of any person on the roster, or by CSATF and the Union, in a case involving the removal of any person from the roster. The written award of the impartial arbitrator shall be final and binding upon the Union, CSATF, the Producer(s) and any person whose roster placement or removal 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.

(vii) 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 Union in cases involving the placement of any person on the roster or, in cases involving the removal of any person from the roster, by CSATF and the Union. All other costs and fees shall be borne by the party incurring the same.

(7) Posting

Said Industry Experience Roster has been posted by the Producer on the bulletin board in the applicable studio departments. A copy of such roster was furnished to the Union and the Union posted a copy of such roster on the bulletin board at its business office.

Such roster, when posted, shall remain posted for a period of thirty (30) days.

Any objections by the Union or any person affected to the contents of such roster as so posted shall be made, in writing, to the

Producer within thirty (30) days and, if not so made, shall be deemed to be waived.

The said roster shall be revised from time to time as required.

26. REPORTING OF ACCIDENTS

The nature and place of hospitalization of all accident cases requiring hospitalization shall be reported to the Union as soon as practicable after the accident.

27. EMPLOYEES IN THE ARMED SERVICES

Recognizing the moral and legal responsibility to the employees subject to this Agreement who have entered into the Armed Services, the Producer and the Union agree that they have a joint responsibility (subject to the then-existing statutes) in the reinstatement of such employees to the jobs such employees held prior to their entry into the Armed Services.

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

28. VACATIONS

(a) Vacations with pay will be allowed as follows:

Straight Time Days Worked in Preceding Year	Days of Vacation With Pay in Succeeding Year
Over 200	10 (Maximum)
Between 181 and 200	9
Between 161 and 180	8
Between 141 and 160	7
Between 121 and 140	6
Between 101 and 120	5
Between 81 and 100	4
Between 61 and 80	3

(continued)

(continued)

Between 41 and 60	2
Between 21 and 40	1
**20 and Under	0

**For vacation purposes only, full six (6) day workweeks on distant location shall be credited as five (5) days worked.*

***Employees who are employed less than twenty-one (21) days and who do not qualify for a day's vacation pay under this provision shall be paid four percent (4%) of daily or weekly rate.*

(b) Vacations are earned in one calendar year and are granted and/or paid for in the succeeding calendar year. For practical reasons, the employee's personal income tax reporting year may be used instead of the actual "calendar" year.

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

For Schedule C employees, days worked are equal to the number of calls paid for, subject to the provisions of Paragraph 28(a)* above.

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

(1) For freelance employees, one (1) day is equal to one-fifth (1/5) of pay of average weekly guarantee during the "preceding year."

(2) For regular employees, one (1) day is equal to one-fifth (1/5) of the weekly rate in effect at start of vacation (or termination of employment). See subparagraph (f)(2) below.

(e) Additional Vacation Provisions

The following additional vacation provisions shall apply to employees who meet the necessary eligibility qualifications:

(1) Eligibility Requirements

Commencing with vacations earned in the year 1981 and payable in the year 1982 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; the term "straight time" days shall be deemed to include the five (5) or six (6) weekdays of employment, as the case may be, specified under the respective five-day or six-day cumulative Weekly Schedules.

Any tax year in which the employee actually works less than one hundred (100) "straight time" days for Producer shall be excluded in computing the required eight (8) "eligible" tax years, and the "straight time" days worked in such year shall not be counted in computing the required aggregate of 1,600 "straight time" days to be worked in such eight (8) tax years.

Employees who fail to work more than one hundred (100) "straight time" days for such employer in each of any two (2) consecutive tax years shall, at the end of such second year, be considered new employees hereunder with no previous employment credit with Producer for the purpose of establishing the above eligibility requirements. Provided, however, that in determining such two (2) consecutive years, no year shall be included (and the "straight time" days worked in such year shall not be counted for any eligibility purposes hereunder) in which the employee could not work one hundred (100) "straight time" days for Producer due to either or both of the following:

(i) The period of recorded leaves of absence granted by Producer;

(ii) For the period during which the employee was absent and physically unable to work for Producer solely as a result of an "industrial accident" occurring to such employee while employed by Producer.

(2) Vacation Days and Pay

Weekly Schedule or Daily Schedule employees who become eligible on or after such date, as above provided, shall, beginning with the date they so become eligible, earn with Producer fifty percent (50%) more in vacation time and money, based upon the applicable Weekly Schedule or Daily Schedule 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 such 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.

(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.

However, if an employee requests and receives a postponement of his scheduled vacation and, during such postponement, his rate of pay is increased, his vacation pay shall be computed at the rate which was in effect when the vacation was scheduled to be taken. If the Producer postpones any scheduled vacation, the vacation pay shall be computed at the rate in effect when the vacation is actually taken. If production requirements prevent the taking of vacations in the "succeeding" year, no new assignment shall be given the employee in the year following such "succeeding" year until the employee has taken his vacation earned in the "preceding" year. In this event, such delayed vacation shall not be considered "cumulative" with the normal vacation of that calendar year.

(3) Days that would otherwise be considered the sixth or seventh day in the employee's workweek and holidays occurring during vacation periods are not counted as days granted.

(4) When any portion of the vacation period is less than a full payroll week by mutual agreement between the Producer and the employee, the Producer may grant leave of absence without pay for the remaining fractional portion of the payroll week.

(5) Eligible employees who are no longer employed at the beginning of the calendar year in which their vacation pay for the preceding year is payable may obtain such vacation pay at any time subsequent to March 15 by notifying the Producer of their desire to obtain such vacation pay. Such notice shall set forth a date on or subsequent to the date of notice for the commencement of the period to which such vacation pay shall apply. The designation of such commencement date shall be at the sole discretion of such employees and the Producer agrees to pay such employees the vacation pay due on or prior to such commencement date, but in no event shall the Producer be obligated to make such payment prior to March 15.

(6) In the event of a layoff, an employee eligible for vacation shall not be required to take vacation at time of layoff.

(7) Each eligible employee shall, if he so desires, submit to his Department Head, prior to June 1st, three (3) vacation dates in the order of his preference. In the event that none of the three preferential dates is granted, the Department Head may establish date of vacation if conditions permit. However, he shall give any such employee not less than one week's notice as to date of vacation unless, upon the request of the employee, it is otherwise mutually agreed. Employees who do not submit preferential dates shall receive vacations on dates subject to the discretion of the Department Head.

(8) Producer shall pay an eligible employee his vacation pay check not later than noon of the pay day preceding the commencement day of his vacation, provided the employee has made a request to Producer for such vacation check at least one week prior to such pay day preceding the commencement of such vacation.

(9) If a successor company buys out Producer and continues the operation of Producer's studio, and if the buying company continues the employment at the studio of an employee of Producer, such employee shall retain with the buying company his appropriate vacation pay experience credit accrued with the selling company. If such employee is not so continued in employment by the buying company, then Producer only 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.

29. JURISDICTIONAL DISPUTES

The Union agrees to cooperate in good faith with the Producer and other Local Unions in the industry in working out a method for the determination of jurisdictional disputes without work stoppages. Appropriate clauses shall be incorporated in this Agreement to cover any method or means that shall be agreed upon.

30. SEVERANCE PAY

(a) General

(1) (i) An employee employed by the Producer under this Agreement or its predecessor agreements for one or more qualified years (as defined in subparagraph (f) hereof) whose employment is severed during the term of this Agreement; or

(ii) an employee who had at least one (1) qualified year (as defined in subparagraph (f) hereof) as of August 1, 1985 who has made the required application for retirement to the Motion Picture Industry Pension Plan at least sixty (60) days prior to retiring or has made the required application for retirement for any private retirement plan referred to in Article XV of the Trust Agreement of the Motion Picture Industry Pension Plan and who retires shall receive the applicable severance pay set forth below (as modified by subparagraphs (c) and (d) hereof) unless such employee is disqualified for severance pay purposes pursuant to subparagraph (e) hereof.

Qualified Years	Number of Weeks
1-2	1
3-4	2
5-8	3
9	4
10	5
11-12	6
13-14	7
15	8
16	9
17	10

(continued)

(continued)

18	11
19	12
20	13

The rate at which severance pay is payable shall be determined in the same manner as the rate at which vacation pay is determined under the vacation pay provisions of this Agreement; provided, however, that the base period used in computing the employee's average earnings shall, for the purpose of severance pay, be based on the twelve (12) consecutive month period ending on the date of severance, instead of the employee's personal income tax earnings year used in computing vacation pay.

(2) Ninety (90) elapsed days after severance occurs, such employee shall be entitled to:

(i) One (1) week of said severance pay if he has two (2) or less qualified years as of date of severance;

(ii) One and one-half (1½) weeks of said severance pay if he has three (3) qualified years as of date of severance;

(iii) Two (2) weeks of said severance pay if he has four (4) or more qualified years as of date of severance; provided, however, such employee shall not receive such severance pay if, within such ninety (90) day period, he receives the following employment by Producer:

(A) Five (5) days' employment, not necessarily consecutive, if he has one (1) or two (2) qualified years as of the date of such severance.

(B) Eight (8) days' employment, not necessarily consecutive, if he has three (3) qualified years as of the date of such severance.

(C) Ten (10) days' employment, not necessarily consecutive, if he has four (4) or more qualified years as of the date of such severance.

(3) If such employee entitled to severance pay after ninety (90) elapsed days has five (5) or more qualified years as of the date of

severance, he shall be entitled to the balance of his accrued severance pay ninety (90) elapsed days following the completion of the first ninety (90) day period, unless, during the second ninety (90) day period, he receives fifteen (15) days' employment by Producer, not necessarily consecutive.

(b) Payment of Full Severance Pay

Once an employee has received full accrued severance pay pursuant to subparagraph (a) above, he shall thereafter be a new employee for severance pay purposes and future computation of qualified years shall apply only to employment by Producer, if any, after the receipt of such full severance pay.

(c) Offset

If an employee on the date of severance of employment with Producer would otherwise already have five (5) or more qualified years with Producer, he shall be entitled to the total number of weeks of severance pay, as provided in subparagraph (a) above, less an "offset" in the number of weeks of any severance pay he received from Producer in connection with employment which is considered in the computation of such qualified years or with "bridged" years as referred to in subparagraph (f) hereof. This "offset" shall apply only towards payments due after the completion of the second of two ninety (90) day periods referred to in subparagraph (a)(3) above.

(d) Reduction of Severance Pay Amounts

Any severance pay paid to an employee hereunder shall correspondingly reduce the total number of weeks of severance pay to which he is thereafter entitled before again becoming a new employee hereunder. An employee who receives or has received full severance pay hereunder shall be considered to be a new employee thereafter for severance pay purposes.

(e) Disqualification for Severance Pay

Employees hereunder shall be disqualified for severance pay in accordance with the provisions of subparagraphs (1) and (2) below.

(1) Refusal of Offers of Employment

If an employee rejects an offer of employment from Producer hereunder during either of the ninety (90) day periods referred to in subparagraph (a)(3) hereof, such employee shall lose his qualification for severance pay and, if subsequently rehired, shall be rehired as a new employee for severance pay purposes. If any employee was not available, or could not be reached when called for work by Producer, he shall be deemed to have rejected an offer of employment provided, however, that:

(i) Producer shall be obligated, in the event of such rejection or unavailability, to notify the Union on the same day by telephone unless the Union office is not open, in which case such notification must be made on the next following workday, and to confirm such call by letter posted on the day of such notification to the Union.

(ii) If Producer is unable to reach the employee (including such inability to reach because no one answers employee's telephone), Producer shall be obligated to telephone the Union and request the Union to make the call, in which event the Union shall either promptly confirm to the Producer by telephone its inability to reach the employee or advise the Producer by telephone that it has reached the employee and of the results of such call.

(iii) It is recognized that in certain circumstances it may be difficult for an employee to accept a call immediately when he is currently employed at another studio. It is further recognized that in certain circumstances it may be difficult for the employee, as well as a hardship to the studio 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 would be given so that the employee would not lose his severance pay credits. To this end, it is the intent of the parties hereto that if an employee who is qualified for severance pay has been laid off by a studio and, within either of the ninety (90) day periods referred to, such studio recalls the employee at a time when such employee is unable to accept such recall because of other employment in the motion picture industry, then either of such ninety (90) day periods shall be deemed extended by a period equivalent to the period of employment for which the employee was being recalled, but in no event to exceed twenty (20) days.

In the event such employee is again recalled within either of the ninety (90) day periods and does not accept such recall because of other employment in the motion picture industry, or for any other reason, except as otherwise herein provided, then such employee shall lose his qualification for severance pay and, in the event he is subsequently rehired by the Producer, then such rehire shall be as a new employee for severance pay purposes, except that if the employee's call was on a daily basis there may be two extensions of either of the ninety (90) day periods by reason of inability to accept calls because of employment elsewhere in the motion picture industry.

(iv) If the employee is unavailable to accept such recall because of employment outside the motion picture industry at the time of such recall, he shall have a maximum of two (2) days after the date of such recall to make himself available and, if he fails to do so, then such employee shall lose his qualification for severance pay and, if he is subsequently rehired, shall be a new employee for severance pay purposes.

(2) Severance Beyond Control of Producer

In the event any severance is the result of a dismissal due to seniority requirements, a voluntary resignation or a layoff as a result of physical incapacity, epidemic, fire, action of the elements, strike, walk-outs, labor dispute, governmental order, court order or order of any other legally constituted body, act of God, public enemy, war, riot, civil commotion or for any other cause 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 arising out of the completion of both of the ninety (90) day periods following such severance. In the event any severance is the result of dismissal for cause, the employee so severed shall be disqualified for severance pay.

(f) Qualified Years

As used herein, the term "qualified years," with respect to any employee, shall refer to the number of consecutive periods of three hundred sixty-five (365) consecutive days each, calculated backward from the date of his severance, in each of which the employee has been employed by Producer for two hundred (200) or more workdays (including paid vacation days as workdays); it being understood and agreed that if, in any such three hundred sixty-five (365) day period, such employee was employed for less than two hundred (200) workdays by Producer, such three hundred sixty-five (365) day period shall not be counted as a qualified year but shall be "bridged" for severance pay

purposes, with the result that any such three hundred sixty-five (365) day period or periods prior to such "bridged" year in which employee was employed by Producer for two hundred (200) or more workdays shall be counted as qualified years; provided, however, that any three hundred sixty-five (365) day period in which employee received any authorized leave of absence without pay shall be extended by the length of such leave and provided, further, that the computation of qualified years shall be subject to the following exception:

If an employee is determined to have less than two (2) qualified years, he shall be credited with a qualified year only if, in addition to having been employed for at least two hundred (200) or more workdays in the three hundred sixty-five (365) days immediately preceding his date of severance, he shall have been employed for at least one (1) day during the first six (6) months of the eighteen (18) month period immediately preceding his date of severance, in which case he shall be credited with one (1) qualified year.

(g) Severance Obligation of Successor Company

If a successor company buys out Producer and continues the operation of Producer's studio, and if the buying company continues the employment at the studio of an employee of Producer, such employee shall retain with the buying company his appropriate severance pay experience credit accrued with Producer and his employment shall not be considered to be terminated for severance pay purposes as a result of such successor company's acquisition of Producer. If such employee is not so continued in employment by the buying company, then Producer is responsible for any severance pay due the employee at the time of his termination. If such employee is offered employment by the buying company, but elects not to continue his employment with the buying company, he shall not be entitled to any severance pay from either Producer or buying company.

31. RE-EMPLOYMENT OF FORMER LABOR UNION OFFICERS

Any employee who has been employed by the Producer for the twelve (12) consecutive months (and has actually received pay for two hundred (200) or more days in that period) immediately prior to the date of his election or appointment to a paid full-time job with Teamsters, Local #399 in the motion picture industry shall be re-employed in his former job within ninety (90) days after leaving his Union position, on the same basis and seniority as though he had never left such job with Producer. Provided, however, that such job is available at the time of

request for re-employment; that the job is not then held by an employee holding a personal service contract; that the employee, in the opinion of the Producer, is qualified and able to perform the duties required in such job; and that such employee has made application within thirty (30) days of leaving his Union position.

If such position has been abolished or the labor requirements of the Producer have materially changed, then, subject to the above conditions, the Producer will give such employee preference of employment for any job available within the classification of the bargaining unit.

32. RETURN OF TRANSFERRED EMPLOYEE TO BARGAINING UNIT

Any employee of the Producer subject to this Agreement who is transferred or promoted to a position with Producer outside the classifications of the bargaining unit may, at the sole discretion of the Producer, upon the termination of such transfer or promotion, be restored to a position within the classifications of the bargaining unit, on the same basis and seniority as though he had never been transferred or promoted from such bargaining unit. Provided, however, that such employee makes application with Producer for reinstatement to such position within the bargaining unit within ninety (90) days after severance from the position to which he had been transferred or promoted, as above described.

33. LEAVE OF ABSENCE

A regular employee's request for a leave of absence, not to exceed six (6) months, will be given consideration by the Producer. Producer will not unreasonably refuse to grant such a leave of absence for good cause, provided the employee's services can be reasonably spared. All such requests for leaves of absence will be in writing. No such leave of absence will be extended beyond six (6) months, except for compelling reasons.

34. PREGNANCY LEAVE OF ABSENCE

The Producer agrees to grant the necessary time off for pregnancy leave of absence. Upon return from pregnancy leave of absence, the Location Manager shall suffer no loss of seniority, position or wage bracket. Any dispute regarding this clause shall be referred to expedited arbitration as provided herein.

35. BULLETIN BOARDS

Producer will make available in an appropriate area in the studio (such as Department Headquarters) a glass-enclosed bulletin board which can be locked. It shall be at least 3 x 2 feet in size. The material posted shall be subject to review by Producer.

36. INTERPRETATIONS OF CONTRACT PROVISIONS

The AMPTP will advise CSATF, in writing, as to current interpretations of contract provisions identified by the Union in writing.

37. MEAL PERIODS AND MEAL REIMBURSEMENT

(a) Reasonable time for meals shall be allowed all employees hereunder, it being understood that the Location Manager is responsible for determining his own meal periods.

(b) On a shooting day, when the Location Manager is performing duties required by the Producer on location (other than distant) and away from the shooting company, he shall be reimbursed for the actual cost of his second (evening) meal, not to exceed fifteen dollars (\$15.00). Reimbursement shall be contingent upon submission of a receipt for payment of the meal.

38. REIMBURSEMENT OF STOLEN CASH FUNDS

The Location Manager shall not be required to reimburse cash funds advanced by the Producer which are stolen, provided the theft is verified and provided the Location Manager has exercised due diligence in caring for the funds. In any dispute concerning the Producer's right to require reimbursement, the Location Manager shall have the burden of verifying the theft.

39. LATE PAYMENTS

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

40. PAYMENT FOR WORK FOLLOWING COMPLETION OF ASSIGNMENT

If, following completion of his assignment, a Location Manager, Key Assistant Location Manager or Assistant Location Manager renders services relating to the completed assignment at the request of and with the authorization of the Producer, such Location Manager, Key Assistant Location Manager or Assistant Location Manager shall be paid one-tenth (1/10) of the weekly rate if four (4) or fewer hours of work is required or one-fifth (1/5) of the weekly rate if more than four (4) hours of work is required.

41. PAYROLL COMPANY NOTICE

The Payroll Company shall give advance notice to the Union of its involvement as a “primary employer” in connection with any motion picture or television production when services falling within the work justification of this Agreement are to be performed. Said advance notice shall be given as soon as practicable, but in no event later than the Monday immediately following the issuance of the first payroll covering employees under the Agreement. Said notice may be oral and confirmed in writing within two (2) working days thereafter and shall include the following, if known:

- (a) Name of production company;
- (b) Title of production;
- (c) Scheduled pre-production and production dates; and
- (d) Production locations.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

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

By:  Date: January 4, 2016
Carol A. Lombardini
President

STUDIO TRANSPORTATION DRIVERS, LOCAL #399, OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By:  Date: 12/21/15
Steve Dayan
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403

Tel: 818.995.3600 • Fax: 818.285.4450 • www.amtp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 1995
Revised as of August 1, 1998
Revised as of August 1, 2002
Revised as of October 31, 2004
Revised as of August 1, 2006
Revised as of August 1, 2009
Revised as of August 1, 2012
Revised as of August 1, 2015

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

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

Dear Steve:

This will memorialize the agreement reached in the 1995 negotiations, and confirmed in the 1998, 2002, 2004, 2006, 2009, 2012 and 2015 negotiations, to apply the following special conditions to pre-production and production of new one-hour episodic television series, the production of which commenced prior to August 1, 2003, and all pilots (half-hour or one-hour) which are committed to be produced in Los Angeles:

- a. Wages - For pilots and the first year of any series, except series which receive a short order of seven or fewer episodes in the first year, the wage rates set forth in the Agreement for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2016 to July 29, 2017, the wages for the period August 2, 2015 to July 30, 2016 shall apply). Thereafter, the wage rates in the Agreement shall apply.

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

Sideletter No. 1

- b. Vacation - No vacation pay shall be payable for a pilot and the first year of any series; in the second year of the series, vacation will be payable at one-half of the applicable percentage in the Agreement; thereafter, the vacation provisions in the Agreement shall apply.
- c. Holidays Not Worked - No unworked holiday pay shall be payable for a pilot and the first year of any series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Agreement; thereafter, the unworked holiday provisions in the Agreement shall apply. "On call" employees will be paid for any holiday not worked during their period of employment.
- d. Holidays Worked - Each employee working on a holiday shall be paid a minimum of eight (8) hours at double time for such holiday.

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

Sincerely,



Carol A. Lombardini

ACCEPTED AND AGREED:



Steve Dayan
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403

Tel: 818.995.3600 • Fax: 818.285.4450 • www.amtp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of October 31, 2004
Revised as of August 1, 2006
Revised as of August 1, 2009
Revised as of August 1, 2012
Revised as of August 1, 2015

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

Re: 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 August 1, 2012

Dear Steve:

This will memorialize the agreement reached in the negotiations held in October 2004, (which resulted in a one year extension of the 2002 Location Managers Agreement), and confirmed in the 2006, 2009, 2012 and 2015 negotiations, to apply the following special conditions to pre-production and production of one-hour episodic television series, the production of which commences on or after August 1, 2003, which are committed to be produced in Los Angeles and the agreement reached in the 2012 negotiations to apply the following special conditions to pre-production and production of one-half hour digital or videotape single camera dramatic television series and to digital or videotape non-dramatic series of any length, the production of which commences on or after August 1, 2012, 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 Agreement for the period immediately preceding the period in question shall apply (e.g., during the period July 31, 2016 to July 29, 2017, the wage rates for the period August 2, 2015 to July 30, 2016 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 Agreement; thereafter, the vacation provisions in the Agreement shall apply.
- c. Holidays Not Worked – No unworked holiday pay shall be payable for a pilot and the first year of any series; in the second year of the series, unworked holiday pay will be payable at one-half of the applicable percentage in the Agreement; thereafter, the unworked holiday provisions in the Agreement shall apply. "On call" employees will be paid for any holiday not worked during their period of employment.
- d. Holidays Worked – Each employee working on a holiday shall be paid a minimum of eight (8) hours at double time for such holiday.

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

Sincerely,



Carol A. Lombardini

ACCEPTED AND AGREED:



Steve Dayan
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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Tel: 818.995.3600 • Fax: 818.285.4450 • www.amtp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2002
Revised as of October 31, 2004
Revised as of August 1, 2006
Revised as of August 1, 2009
Revised as of August 1, 2012
Revised as of August 1, 2015

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

Re: Special Conditions for Movies for Television, Long-Form Television Motion Pictures, Programs Made for Initial Exhibition on DVD and Low Budget Theatrical Productions.

Dear Steve:

This will confirm the agreement reached by the ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, on behalf of the Producers listed in the 2015 Location Managers, Local #399 Agreement (hereinafter referred to individually as "the Producer") and STUDIO TRANSPORTATION DRIVERS, LOCAL #399:

WHEREAS the Producer is a signatory party to the Location Managers, Local #399 Agreement of 2015; and

WHEREAS special conditions exist regarding movies for television (also referred to as "movies-of-the-week"), long-form television productions, programs made for initial exhibition on DVD and low budget theatrical productions; and

WHEREAS it is agreed that for purposes of this Agreement, a "low budget" theatrical production shall not exceed \$9,000,000; and

WHEREAS special conditions exist in order to preserve and maintain employment for Location Manager members of Local #399;

THEREFORE, it is agreed as follows:

1. This sideletter and its special conditions shall apply to those made for television long-form projects (including movies-of-the-week and mini-series), programs made for initial exhibition on DVD and low budget theatrical productions which are produced by the Producer in Los Angeles between August 1, 2015 and July 31, 2018.
2. All of the terms and conditions of the Location Managers Agreement of 2012 shall apply, except as provided in the special conditions in this sideletter.
3. The roster provisions of the Location Managers Agreement are fully applicable; however, prospective employees are free to accept or refuse a call to work on any production covered hereunder and any refusal to accept a call will not count as a refusal under the roster provisions of Paragraph 25(b)(2)(i)(B) of the Agreement.
4. The special conditions applicable to the productions covered hereunder are:
 - (i) The following minimum wage rates shall apply to Location Managers and Assistant Location Managers employed on long-form television motion pictures, programs made for initial exhibition on DVD and low budget theatrical productions:

	Weekly "On Call" Rates			
	8/1/15	8/2/15-7/30/16	7/31/16-7/29/17	7/30/17-7/31/18
Location Managers	\$2,577	\$2,654	\$2,720	\$2,788
Assistant Location Managers	\$1,544	\$1,090	\$1,117	\$1,145

The daily rate shall be one-fifth (1/5) of the weekly rate.

Wage rates for Key Assistant Location Managers employed on long-form television motion pictures, programs made for initial exhibition on DVD and low budget theatrical productions shall be subject to individual negotiation, but the minimum shall be as indicated below.

	Weekly "On Call" Rates			
	8/1/15	8/2/15- 7/30/16	7/31/16- 7/29/17	7/30/17- 7/31/18
Key Assistant Location Managers	\$1,058	\$1,590	\$1,630	\$1,671

The daily rate shall be one-fifth (1/5) of the weekly rate.

- (ii) Producer will not be required to pay the percentage of salaries for the specified contractual holidays; however, any employee working on such holiday will be paid double time. "On call" employees will be paid for any holiday not worked during their period of employment.
 - (iii) Producer will not be required to pay the percentage of salaries as vacation pay.
5. The car allowance shall be set at seventy-five dollars (\$75.00) (eighty dollars (\$80.00) effective July 31, 2016 and eighty-five dollars (\$85.00) effective July 30, 2017) per day for each day the car is driven by the employee in the service of the Producer.
 6. Prior to actual employment, Producer shall inform and provide written information to each employee to be hired of the special conditions applicable to the production.
 7. Producer will provide to the Union the name of the project and, upon request, the names and classifications of the employees who will be employed under the special conditions of this sideletter.

Sincerely,



Carol A. Lombardini

ACCEPTED AND AGREED:



Steve Dayan
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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

J. Nicholas Counter III
President

As of August 1, 1998

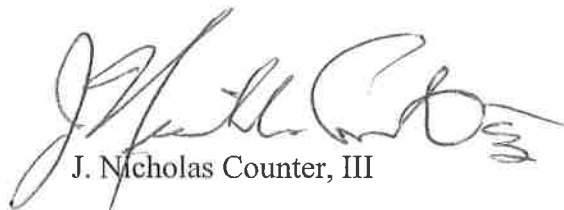
Leo Reed
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

Re: Professional Equipment Rental

Dear Leo:


During the 1998 negotiations between Location Managers, Local #399 and the Producers represented by the AMPTP, the Union brought to the Producers' attention that Location Managers and Assistant Location Managers utilize professional equipment in the service of the Producer. The parties have issued this sideletter to emphasize that reimbursement for the use of such equipment, when required by the Producer and necessary for the performance of the Location Manager's or Assistant Location Manager's duties, is an appropriate subject for individual bargaining between the Producer and the Location Manager.

Sincerely,



J. Nicholas Counter, III

ACCEPTED AND AGREED:



Leo Reed
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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J. Nicholas Counter III
President

As of August 1, 1998

Leo Reed
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

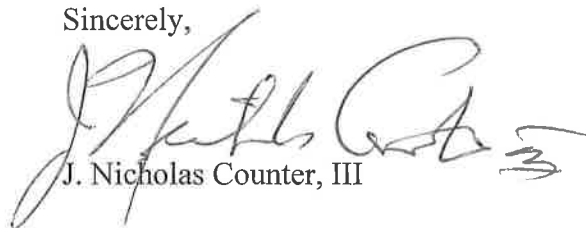
Re: Screen Credit for Location Managers

Dear Leo:

This will confirm that during the negotiations for the 1998 Location Managers Agreement, the Producers and Studio Transportation Drivers, Local #399 agreed that Producers who agree to grant screen credit to a Location Manager or Assistant Location Manager should consider a reasonable and appropriate placement of that credit, consistent with the significance of the Location Manger's or Assistant Location Manager's contribution to the production.


In order to ensure that our agreement is conveyed to the Producers signatory to the 1998 Location Managers Agreement, the AMPTP has agreed to issue a bulletin to those Producers advising of our agreement on this issue.

Sincerely,



J. Nicholas Counter, III

ACCEPTED AND AGREED:



Leo Reed
Secretary-Treasurer

Sideletter No. 5

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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J. Nicholas Counter III
President

As of August 1, 2002

Leo Reed
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

Re: Out-of-Pocket Expenses

Dear Leo:

This will confirm that during the negotiations for the 2002 Location Managers Agreement, the Producers and Studio Transportation Drivers, Local #399 agreed that a Producer will reimburse a Location Manager, Key Assistant Location Manager and/or Assistant Location Manager for pre-approved and authorized out-of-pocket expenses incurred in the course and scope of employment.

Sincerely,



J. Nicholas Counter III

ACCEPTED AND AGREED:



Leo Reed
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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J. Nicholas Counter III
President

As of August 1, 2002

Leo Reed
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

Re: Negotiation of Hourly Rates

Dear Leo:

This will confirm that during the negotiations for the 2002 Location Manager Agreement, the Producers and Studio Transportation Drivers, Local #399, agreed that the Producers may individually negotiate with a Key Assistant Location Manager or Assistant Location Manager to employ the Key Assistant Location Manager or Assistant Location Manager on a daily or weekly basis with an hourly rate. In any such employment arrangement, the Producer and the Key Assistant Location Manager or Assistant Location Manager shall also agree upon the projected number of hours to be worked. It is not the intention of the parties to utilize the provisions of this Sideletter to undercut the minimum weekly "on call" rates otherwise applicable to Key Assistant Location Managers and Assistant Location Managers.

It is understood that Key Assistant Location Managers or Assistant Location Managers employed on a daily or weekly basis as described above shall receive overtime premium payments of time and one-half after eight (8) hours worked in a day or forty (40) hours worked in a workweek, although these overtime amounts will not be "pyramided" nor "compounded." In addition, any Key Assistant Location Manager or Assistant Location Manager who is employed on a daily or weekly basis as described above shall have pension, health, retiree health and

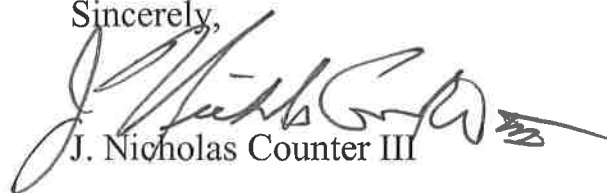
Sideletter No. 7

As of August 1, 2002

Page 2


Individual Account Plan contributions made on his or her behalf based on the number of hours worked or guaranteed, whichever is greater.

Sincerely,



J. Nicholas Counter III

ACCEPTED AND AGREED:



Leo Reed
Secretary-Treasurer

Sideletter No. 7

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403

Tel: 818.995.3600 • Fax: 818.285.4450 • www.amtp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2012
Revised as of August 1, 2015

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

Re: **Productions Made for New Media**

Dear Steve:

This Sideletter confirms the understanding of Studio Transportation Drivers, Local #399 (Location Managers) of the International Brotherhood of Teamsters (hereinafter “the Union”), on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of the Producers it represented in the negotiations for a successor agreement to the Agreement of August 1, 2012 between Producer and Studio Transportation Drivers, Local #399 of the International Brotherhood of Teamsters (Location Managers Agreement) (hereinafter “the Location Managers Agreement”), on the other hand (hereinafter collectively “the parties”), concerning the terms and conditions applicable to the production of entertainment motion pictures of the type that have traditionally been covered under the Location Managers Agreement that are made for the Internet, mobile devices, or any other new media platform in existence as of August 1, 2009 (hereinafter collectively referred to as “New Media”).¹ With respect to such productions intended for initial use in new media, the parties agree as follows:

The parties mutually recognize that the economics of New Media production are presently uncertain and that greater flexibility in terms and conditions of employment is therefore mutually beneficial. If one or more business models develop such that New Media production becomes an economically viable medium, then the parties mutually recognize that future agreements should reflect that fact.

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

A. Recognition

The Producer recognizes the Union as the exclusive bargaining representative of employees employed in the job classifications covered by the Location Managers Agreement within the geographic scope of such Agreement on entertainment motion pictures of the type traditionally covered under the Location Managers Agreement which are intended for initial exhibition in New Media, but excluding news, sports, documentaries and “Experimental New Media Productions.”

B. Coverage

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

An “Experimental New Media Production” is defined as any Original New Media Production for which the actual cost of production does not exceed: (1) \$15,000 per minute of program material as exhibited, and (2) \$300,000 per single production as exhibited, and (3) \$500,000 per series of programs produced for a single order.

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

Producer shall use reasonable efforts to notify the Union that it intends to cover an “Experimental New Media Production” by the start of principal photography.

C. Terms and Conditions of Employment on Derivative New Media Productions

A “Derivative New Media Production” is a production for New Media based on an existing scripted, dramatic television motion picture covered by the Location Managers Agreement that was produced for “traditional” media – *e.g.*, a free television, basic cable or pay television motion picture (‘the source production’) – and is itself a scripted, dramatic production.

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

In all other situations, terms and conditions of employment are freely negotiable between the Employee and the Producer, except for those provisions identified in Paragraph E. below which shall be automatically applicable to Employees.

D. Terms and Conditions of Employment on Original New Media Productions

Terms and conditions of employment on Original New Media Productions are freely negotiable between the Employee and the Producer, except for those provisions identified in Paragraph E. below which shall be automatically applicable to Employees.

E. Other Provisions

(1) Union Security

The provisions of Article 3, "Union Security," of the Location Managers Agreement shall apply to New Media Productions, except that the requirement to become a member in good standing of the Union shall not apply until an individual has been employed for at least thirty (30) workdays on New Media Productions covered under this Sideletter, or for a combined total of thirty (30) workdays on New Media Productions covered under this Sideletter and on motion pictures of the type traditionally covered under the Location Managers Agreement.

The Union acknowledges and agrees that the obligations set forth in subparagraph (c) of Article 3 apply only to newly-hired employees who are not members of the Union hereunder.

(2) Pension, Health and Individual Account Plans

On covered New Media Productions budgeted at \$25,000 or less per minute (using the same cost elements described in the third paragraph of Paragraph B. above), Producer's only obligation hereunder shall be to make contributions to the Active Health Fund, as required by Article 12 of the Location Managers Agreement, and to the Retired Employees Fund, as

required by Article 14 of the Location Managers Agreement, on behalf of each Employee employed under the terms of this Sideletter.

On New Media Productions budgeted at more than \$25,000 per minute (using the same cost elements described in the third paragraph of Paragraph B. above), or when Employees are assigned by the Producer to a Derivative New Media Production as part of their regular workday on the source production, Producer shall be obligated to make pension, health and Individual Account Plan contributions in accordance with the provisions of Articles 12, 13, 13A. and 14 of the Location Managers Agreement.

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

There shall be no preference of employment of any kind or nature in the employment of Employees on New Media Productions hereunder. The provisions of the Location Managers Agreement relating to Preference of Employment and to the Industry Experience Roster shall not be applicable to New Media Productions, except to the extent provided in paragraph (8) below. An Employee need not be on the Industry Experience Roster nor on the New Media Roster described below, if one is established, in order to be employed on a New Media Production.

(4) Grievance and Arbitration

Any dispute with regard to wages, hours of employment or working conditions concerning an Employee employed by Producer under the terms of this Sideletter shall be resolved in accordance with the grievance and arbitration procedure set forth in Article 7 of the Location Managers Agreement.

(5) Staffing

It is expressly understood and agreed that there shall be no staffing requirements on productions made for New Media.

(6) No Strike, No Lockout

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

(7) Union Consultation

The parties agree that an employee may consult with the Union during his or her negotiations with a Producer over the terms and conditions of employment.

(8) New Media Roster

The parties agree that, during the term of this Agreement, the Union may elect to establish a New Media Roster. The Union shall give the AMPTP and Contract Services Administration Trust Fund ("CSATF") ninety (90) days written notice before a New Media Roster may be implemented. Should the Union so elect, the provisions relating to such New Media Roster shall be as follows:

Work on New Media Productions in job classifications covered by and within the geographic scope of the Location Managers Agreement for which the same work, if performed in connection with a theatrical or television motion picture, would qualify for placement on the Local's Industry Experience Roster, shall be counted for purposes of placement on a New Media Roster. Any individual with thirty (30) days of such work experience shall be added to such New Media Roster.

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

Any person on the New Media Roster who works an additional one hundred twenty (120) days on New Media Productions covered under this Sideletter, or a combined total of one hundred twenty (120) days on New Media Productions covered under this Sideletter and on motion pictures of the type traditionally covered under the Location Managers Agreement, shall be entitled to be transferred to the Industry Experience Roster.

(9) Primary Function

The parties recognize that Location Manager duties may be performed by individuals whose primary function is to perform duties not covered under the Location Managers Agreement. In that case, the Producer shall not be

required to hire a Location Manager to perform duties under this Sideletter.

(10) Complaints or Issues Which Arise Out of the New Media Sideletter

The parties agree that if either party has a complaint or raises an issue of interpretation or application of this Sideletter, the parties will meet to discuss such complaint or issue.

(11) No Other Terms Applicable

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

F. "Sunset" Clause

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

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

Sincerely,



Carol A. Lombardini

ACCEPTED AND AGREED:



Steve Dayan
Secretary-Treasurer

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

15301 Ventura Boulevard, Building E, Sherman Oaks, CA 91403

Tel: 818.995.3600 • Fax: 818.285.4450 • www.amtp.org

Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2012
Revised as of August 1, 2015

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

Re: Productions Made for Basic Cable

Dear Steve:

The following terms and conditions shall be applied to productions made for basic cable:

Employees working on the pilot or first season of any made-for-basic-cable series, or on any one-time program made for basic cable, shall be subject to the terms and conditions of the Long-Form Television Sideletter (Sideletter No. 3) to the Agreement. Employees working on the second and third seasons of any such series shall be subject to the terms and conditions of the Sideletter re 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 Non-Dramatic Series of Any Length, the Production of Which Commences on or After August 1, 2012 (Sideletter No. 2) to the Agreement (except that the reference in subparagraph a. of that Sideletter to “the first two (2) production seasons” shall be changed to “the second and third

production seasons” and the references in subparagraphs b. and c. of that Sideletter to “the first year” and “the second year” shall be changed to “the second year” and “the third year,” respectively). The terms and conditions of the Agreement shall apply to all subsequent seasons of such series.


Sincerely,



Carol A. Lombardini

CAL:bel

ACCEPTED AND AGREED:



Steve Dayan

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Carol A. Lombardini
President

Direct: 818.935.5930
carol@amptp.org

As of August 1, 2012

Leo Reed
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

Re: Location Managers Hired in Los Angeles County to Perform Work Outside the Thirteen Western States, but Within the United States

Dear Leo:

This letter will service to codify the longstanding practice of applying the provisions of the Studio Transportation Drivers, Local 399 (Location Managers) Agreement to Location Managers and Assistant Location Managers whom the Producer elects to hire in Los Angeles County to perform work outside the thirteen Western states, but within the United States, and to affirm the intention of the parties to continue to abide by this practice.

Please signify your concurrence with the foregoing by executing the additional copy of this letter in the space reserved for your signature and returning same to me.

Sincerely,



Carol A. Lombardini

CAL:bel

ACCEPTED AND AGREED:



Leo Reed

Sideletter No. 10

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS

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Carol A. Lombardini
President

Direct: 818.935.5930

As of August 1, 2012

Leo Reed
Secretary-Treasurer
Studio Transportation Drivers, Local #399
P.O. Box 6017
North Hollywood, California 91603

Re: Coverage under the Location Managers Agreement

Dear Leo:

During the 2012 negotiations, the parties discussed whether an individual hired by a Producer in Los Angeles County to perform services as a Location Manager or Assistant Location Manager within the thirteen Western states — for example, in New Mexico — who remains in New Mexico following completion of his/her assignment on that production and then immediately accepts employment as a Location Manager or Assistant Location Manager with another Producer on a second project in New Mexico 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 to New Mexico 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.

The parties likewise agree that the foregoing shall apply when the individual's services as a Location Manager or Assistant Location Manager are to be performed outside the thirteen Western states, but within the United States, and the second Producer elects to cover the individual under this Agreement.

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

Sincerely,

Carol A. Lombardini

CAL:bel

ACCEPTED AND AGREED:


Leo Reed