

**STUDIO TRANSPORTATION DRIVERS
LOCAL UNION NO. 399 OF
THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
AND
ASSOCIATION OF INDEPENDENT COMMERCIAL PRODUCERS, INC.**

**MEMORANDUM OF AGREEMENT
Location Scouts/Managers**

This Memorandum of Agreement (“MOA”) is entered between the Studio Transportation Drivers Local Union No. 399 of the International Brotherhood of Teamsters (“Local 399” or “Union”), on the one hand, and the Association of Independent Commercial Producers, Inc. (“AICP”), on behalf of the commercial and promo production companies that have consented or hereafter consent to be bound by the collective bargaining agreement negotiated between Local 399 and AICP (individually, “Employer,” and collectively, “Employers”), on the other hand. Together, Local 399 and the Employers will be referred to as the “Parties.”

The Parties have met and reached a tentative agreement for a successor to their existing 2022-2023 collective bargaining agreement covering location scouts/managers. Such successor collective bargaining agreement shall contain the provisions of the 2022-2023 agreement (which, in turn, modified the Parties’ 2017 collective bargaining agreement), except as modified below. This tentative agreement is subject to ratification by the bargaining unit’s membership.

Underlined text indicates new language. Strikethrough text indicates deleted language. Bracketed text is for reference but will not appear in the agreement.

1. Term

Three-year contract: July 1, 2023, through June 30, 2026.

All new terms of the agreement to be effective thirty days following notification to AICP of ratification.

2. Wages

- Year 1 (*i.e.*, 30 days following ratification) July 30, 2023: A one-time 3% economic recovery adjustment, and a 3% increase to the scale rate
- Year 2 (*i.e.*, June 30, 2024): 4% increase to scale rate
- Year 3 (*i.e.*, June 29, 2025): 4% increase to scale rate

3. Grievance Procedure

- Amend Article V accordingly:

“Any dispute between the Employer on the one hand and Local 399 on behalf of itself or an affiliated Local Union and/or any covered employee(s) on the other hand concerning the interpretation and/or application of this Agreement which cannot be initially resolved between the parties shall be referred to the designated representatives of Local 399 and AICP for resolution. Such representatives will meet within ten (10) days of the referral and the party responding to the grievance will provide a written response to the grievance within ten (10) days of the meeting. If the parties are unable to resolve the matter, it may be submitted to arbitration by either Local 399 or the Employer. If an arbitrator cannot be mutually selected, then one shall be selected by lot from an arbitration panel obtained from ~~the Federal Mediation and Conciliation Service~~ the American Arbitration Association. The arbitrator and parties shall follow the labor arbitration rules of the American Arbitration Association. Any claim not reduced to writing and submitted to the other party within forty-five (45) calendar days following the incident giving rise to the claim or within forty-five (45) calendar days after the affected employee(s), Local 399 or affiliated Local Union had a reasonable opportunity to become aware of the incident, whichever is the later, but in no event more than one year after the incident, shall be deemed to be waived.”

4. Employment of Scouts and Managers

- A. Amend Article VIII(a) accordingly:

“(a) A Location Scout/Manager must be hired on any production for locations that are not self-contained. For the purposes of clarification a “self-contained location” includes, but is not limited to, the following:

- a) Studio lots;
- b) Warehouses;
- c) Stages; and/or
- ~~d) Filming Ranches; and/or~~
- ed) Other locations not open to the public with sufficient parking for the production other than on public streets.”

- B. Add the following subparagraph (i) to Article VIII:

“(i) If a tech scout is performed 48 or fewer hours before the first shoot day of a production, a Location Scout/Manager must be on payroll for that production on the day of the tech scout and on each intervening day prior to the first shoot day.”

5. Wages

A. Amend Article XI(d) accordingly:

“(d) Daily Overtime

“(i) Although the parties agree that bargaining unit employees are exempt employees, for all work following ~~14-12~~ 12 elapsed hours on shoot days and technical scout days when an employee is not able to exercise discretion and independent judgment in the performance of the employee’s duties or work schedule because the employee is required to service the needs of the Employer as directed, the employee shall receive one-tenth (1/10) of the daily rate in effect for each additional hour worked in increments of one-half (½) hour or part thereof. ~~employees shall nevertheless be paid one tenth of their daily rate for each additional hour worked or part thereof.~~

~~“(ii) Effective February 3, 2019, for all work following 13 elapsed hours on shoot days, employees shall nevertheless be paid one tenth of their daily rate for each additional hour worked in increments of ½ hour or part thereof.”~~

B. Amend Article XI(e) accordingly:

“(e) Workweek, Sixth and Seventh Days

“The workweek shall be any five work days within seven consecutive days, starting with the first day worked. For a sixth work day in the workweek, employees shall be paid one and one-half (1½) times their regular daily rate. For a seventh consecutive work day in the workweek, employees shall be paid two (2) times their regular daily rate. Notwithstanding the foregoing, any two consecutive non-work days shall start a new workweek commencing with the next work day.

~~“For all work on a sixth and seventh consecutive day on the same production, employees shall be paid one and one-half (1½) times their regular daily rate. There shall be no layoffs or other reductions solely to avoid 6th or 7th days. Location Scouts/Managers shall notify the Employer prior to working a sixth or seventh consecutive day.”~~

C. Add a new subparagraph (i) to Article XI – Wages that provides as follows:

“(i) Effective as soon as the Employer’s payroll company is able to provide the following detail, and as soon as possible following July 1, 2023, the Employer will include, on each paycheck of each employee, a detailed breakdown of the Employer’s contributions to the employee’s Individual Account Plan (“IAP”), as well as the number of meal penalties accrued and amount of meal penalties paid to the employee, in the payroll period covered by the paycheck.”

D. Add a new subparagraph (j) to Article XI that provides as follows:

“(j) Payment of wages shall be made no less frequently than semi-monthly. Wages earned between the first (1st) and fifteenth (15th) of the month shall be paid no later than the twenty-sixth (26th) of the month; wages earned between the sixteenth (16th) and the end of the month shall be paid no later than the tenth (10th) day of the following month.”

6. Rest Periods

- Amend Article XII accordingly:

~~“Location Managers should be entitled to a minimum nine (9) hour rest period between calls. Such rest period shall not be invaded unless specifically authorized by the Production Coordinator or an authorized representative of the Producer on such production. When the rest period is so invaded as authorized, the Location Manager shall receive an additional premium equal to one-half (½) of the applicable daily rate.~~

~~Effective February 3, 2019, t~~There shall be a ~~nine (9)~~ ten (10) hour rest period following all studio zone, studio and local location work assignments for Location Scouts/Managers. There shall be ~~an eight (8)~~ a nine (9) hour rest period following all overnight location assignments. Rest periods shall not be invaded unless specifically authorized by the Production Supervisor. If at least ~~nine (9)~~ ten (10) (or ~~eight (8)~~ nine (9) on overnight locations) hours of rest are not provided but ~~six (6)~~ seven (7) (or ~~six (6)~~ six (6) hours on an overnight location) or more have been provided, the penalty for each invaded hour shall be one tenth (1/10th) of the applicable scale rate per hour, paid in ½ hour increments. If less than ~~six (6)~~ seven (7) hours (or ~~six (6)~~ six (6) on an overnight location) of rest have been provided, then the employee shall receive an additional premium equal to one-half (½) of the applicable daily rate until ~~nine (9)~~ ten (10) (or ~~nine (9)~~ nine (9) on overnight locations) hours of rest have been provided.”

7. Low Budget Productions

- Amend the third paragraph of Article XIII accordingly:

“A Low Budget Commercial is defined as a commercial whose costs (excluding "Editorial and Finishing", "Talent Costs" & "Talent Expenses") as set forth in the AICP Film Production Cost Summary does not exceed \$100,000 \$150,000 per shoot day and the total cost does not exceed ~~\$500,000.00~~ \$700,000.”

8. Locations/Travel

- The Studio Zone referenced in Article XV, Locations/Travel, Section (a) shall be expanded to the following location points for employers who are not covered by the

“Alternative Commercials Supplement:” Anaheim Stadium; Disneyland; the Honda Center; and Ventura Farms.

9. Reimbursement of Expenses

A. Amend Article XVI(c) accordingly:

“(c) Reimbursement for use of the employee’s entire kit (e.g., computer, cell phone, cameras, printer, maps) shall be no less than ~~\$60.00~~ \$80.00 per work day, including shoot days. ~~Effective February 3, 2019, reimbursement for use of the employee’s entire kit (e.g., computer, cell phone, cameras, printer, maps) shall be no less than \$65.00 per work day, including shoot days.~~”

B. Add a new subparagraph (d) to Article XVI that provides the following:

“(d) Upon the submission of a receipt from the employee that is satisfactory to the Employer, the Employer will reimburse each employee up to twenty-five dollars (\$25) per meal on Scout Days.”

10. Commercial Industry Administrative Fund (CIAF)

- Amend the second paragraph of the CIAF article accordingly:

“The funds of the CIAF shall not be used to support non-union productions, discourage or undermine membership in the Union, nor fund any actions adverse to the Union, and it is agreed that such adverse actions do not include the administration or negotiation of the Commercials Agreement or actions taken in the protection of provisions under these agreements, rights and remedies in any forum. The CIAF shall be funded by Producer/Employer contributions who are signatory to the ~~2022~~ 2023 Commercials Agreement in the amount equal to ~~thirty cents (\$.30)~~ thirty-five cents (\$.35) for each hour worked or guaranteed by each covered employee under the Commercials Agreement. This amount will increase to forty cents (\$.40) per hour worked or guaranteed effective October 1, 2023, and forty-five cents (\$.45) per hour worked or guaranteed effective October 1, 2024. The foregoing amounts ~~of thirty (\$.30) cents for each hour worked or guaranteed~~ shall be increased to the same amounts to and effective on the same dates as set forth in the then current AICP/IATSE Commercials Production Agreement.

11. Bona Fide Employers

- Add new article entitled “Bona Fide Employers” that provides as follows:

“(a) “Bona Fide Production Employer” (“BFPE”) is a production company that exercises operational control over a production covered by this Agreement. For the purposes of this section, indications of operational control include but are not limited to

the following: (i) the production company is the common law employer of the employees (which may include the employees' loan-out companies) or is an "employer" as defined by Section 2(2) of the National Labor Relations Act (29 U.S.C. § 152(2)); (ii) the employees act, at least in part, to serve the interests of the production company, or the production company otherwise controls the manner and means by which the employees render services; (iii) the production company has agreements with the stages and/or locations where production is scheduled; and (iv) the production company establishes and controls the budget.

"(b) "Commercials Alternative Supplement" is a supplement to this Agreement that includes alternative terms to those provided for in the main body of this Agreement. When the Commercials Alternative Supplement is applicable, the terms of the Commercials Alternative Supplement will apply instead of any conflicting provisions in the main body of this Agreement, including terms that the Commercials Alternative Supplement specifies are inapplicable to companies operating under the Commercials Alternative Supplement.

"(c) BFPE's that are AICP members as of the effective date of this Agreement and who consented to be bound by this Agreement prior to such effective date or who consent to be bound within three months after such effective date; BFPE's who become first-time members of the AICP and elect to be bound by this Agreement during the term of this Agreement; and BFPE's who are not members of the AICP but who become signatory to the terms of this Agreement within three months of this Agreement's effective date; will be subject to the terms of this Agreement without the Commercials Alternative Supplement. Except as provided in subparagraph (d) below, all other production companies that consented to be signatory to this Agreement will be subject to the terms of this Agreement including the Commercials Alternative Supplement.

"(d) Companies that consented to be signatory to the 2023-2026 Agreement but who do not meet the operational control requirements set forth in paragraph (a) to qualify as a BFPE may, notwithstanding such consent, on notice to the AICP and the Union given within three months of the effective date of the 2023-2026 Agreement, elect to decline to become signatory to this Agreement including the Commercials Alternative Supplement. In the absence of such election, the company shall be bound to this Agreement including the Commercials Alternative Supplement."

- Add a "Commercials Alternative Supplement" that provides as follows:

"AICP/Teamsters Local 399
Location Scouts/Managers Agreement
2023 Commercial Agreement
Commercials Alternative Supplement

"Employers that are bound to the terms of this Commercials Alternative Supplement ("Supplement") pursuant to Article [Z] of the Location Scouts/Managers Agreement

“Agreement”) shall be bound by all terms of the Agreement, except as modified by this Supplement. Such employers will be referred to singularly as “Employer” in this Supplement.

“Low-Budget Productions

“The low budget provisions of the Agreement – Article XIII – do not apply with respect to employers covered by this Supplement.

“Individual Account Plan

“Employers covered by this Supplement are bound by Article IX of the Agreement, entitled ‘Health, Welfare & Pension.’ Notwithstanding anything to the contrary in that Article, contributions to the Individual Account Plan shall be no less than seven percent (7%) of the scale Regular Basic Hourly Rate of pay.

“Wages

“The following wage chart will apply to the Employer in lieu of Article XI(c) of the Agreement:

“Daily On Call Wage Rates

<u>Effective July 30, 2023</u>	<u>Effective June 30, 2024</u>	<u>Effective June 29, 2025</u>
<u>\$966.81</u>	<u>\$1,005.48</u>	<u>\$1,045.70</u>

“Cancellation of Calls

“The following provisions apply in lieu of Article VIII(d) of the Agreement:

“The Employer may cancel the call of any employee subject to this Agreement by notifying the employee of the cancelled call no later than 4:00 p.m. on the evening before the day of the call. If the Employer fails to notify an employee of a cancelled call by 4:00 p.m. on the evening before the day of the call, such employee shall be paid as if he or she worked the call.

“Daily Overtime

“The following provisions apply in lieu of Article VIII(d) of the Agreement:

“Although the parties agree that bargaining unit employees are exempt employees, for all work following twelve (12) elapsed hours, employees shall be paid additional compensation equal to 12.5% of the employee’s daily rate for each hour or part thereof in excess of twelve (12).

“Rest Periods

“The following provisions apply in lieu of Article XII of the Agreement:

“Location Managers are entitled to a minimum ten (10) hour rest period between calls. Such rest period shall not be invaded unless specifically authorized by the Production Coordinator or an authorized representative of the Producer on such production. When the rest period is so invaded as authorized, the Location Manager shall receive an additional premium equal to one-half (1½X) of the applicable daily rate.

“Meal Periods and Meal Penalties

“(a) Employees shall be permitted time, relieved of work duty, to eat meals. Meal periods shall not be less than one-half (1/2) hour.

(b) The employee’s first meal period shall commence within six (6) hours following the time of first call for the day; succeeding meal periods shall commence within six (6) hours after the end of the preceding meal period. An employee’s first meal period shall commence no earlier than three (3) hours after such employee reports for work except for persons called in earlier than the regular crew call who are provided with a hot breakfast and time to sit and eat it, in which case their first meal period will be due at the same time as the meal is due for the regular crew.

(c) A meal penalty allowance for delayed meals shall be computed as follows:

<u>(1) First ½ hour meal delay or fraction thereof</u>	<u>\$10</u>
<u>(2) Second ½ hour meal delay or fraction thereof.....</u>	<u>\$12.50</u>
<u>(3) Third ½ hour or fraction thereof.....</u>	<u>\$15.00</u>
<u>(4) Fourth ½ hour or fraction thereof.....</u>	<u>\$20</u>
<u>(5) Fifth ½ hour or fraction thereof.....</u>	<u>\$25</u>

Such allowance shall be in addition to the compensation for work time during the delay and shall not be applied as part of any guarantee. After twenty (20) meal penalties in a workweek, one-tenth (1/10th) of the applicable rate for the day (inclusive of any applicable overtime) shall be paid for each ½ hour violation.”

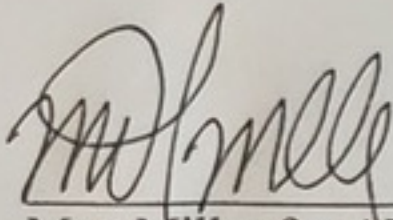
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"Kit Rental

"Employers covered by the Commercials Alternative Supplement Agreement will paid \$90 instead of \$80 for the Location Scout/Manager kit rental."

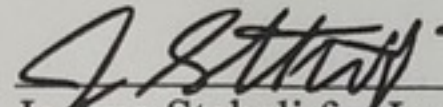
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So agreed:



Matt Miller for AICP

DATE: 6/28/2023



Joshua Staheli for Local 399

DATE: 6.28.23