

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("Memorandum") is entered into by and between HBO Entertainment, Showtime Pictures Development Company, and Starz Independent, LLC (referred to individually as "Employer" and collectively as "Employers"), on the one hand, and the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, AFL-CIO, CLC ("Union"), on the other hand, and amends each Employer's collective bargaining agreement with the Union effective January 1, 2019 through December 31, 2022 (referred to individually as "CBA" and collectively as "CBAs"). This Memorandum will become effective January 1, 2019, provided that it is approved by the Union's Executive Board prior to that time. The CBA between each Employer and the Union, as amended by this Memorandum, will constitute the CBA between that Employer and the Union until it is replaced by a full collective bargaining agreement incorporating the terms of this Memorandum.

Effective January 1, 2019, each Employer's CBA with the Union is amended as follows:

1. Term. January 1, 2019 through and including December 31, 2022.
2. Article I, "Scope and Application." Amend the following language, "This Agreement shall be applicable to dramatic episodic and mini-series television programs, including those made on film, tape or otherwise whether by means of motion picture cameras, electronic cameras or new devices without regard to their manner of distributing or viewing which are produced in the United States by [HBO Entertainment] [Showtime Pictures Development Company] [Starz Independent, LLC] or by production entities which it controls, and their related or affiliated entities, for first exhibition on [the Home Box Office and Cinemax Pay Television Services] [the Showtime Pay Television Services] [the Starz Pay Television Services.] The Union also shall consider in good faith any request made by an Employer to apply the terms of this Agreement to any related or affiliated entity producing dramatic episodic and mini-series television programs for any other pay television service."
3. Article V, "Administration." The Parties agree to create a Project Information Form and add the following new provision, "The Employer shall serve written notice on the I.A.T.S.E. General Office of its intent, or that of another production entity controlled by, related to or affiliated with the Employer, to employ persons under this Agreement prior to engaging such employees for a given production no later than two (2) weeks after opening a production office for such production. There shall be no penalty for inadvertent failure to comply with this provision."  
  
The union shall create a draft Pay TV Project Information Form for review by the Employers.
4. Article VIII, "No Discrimination." Replace the existing language with the following, "The Employer is committed to providing equal employment opportunity for all persons regardless of race, color, religion, sex (including



pregnancy), national origin, ancestry, marital status, sexual orientation, gender identity, gender expression, genetic characteristic, age, disability, military or veteran status, union membership or any characteristic protected by applicable law.

Claims alleging a violation of this “No Discrimination” provision are not subject to arbitration. Non-binding mediation shall be the exclusive contractual remedy for claims alleging a violation of this “No Discrimination” provision.

Notwithstanding the above, the Employer acknowledges that this provision shall in no way constitute a waiver of any employee’s federal, state, or local statutory rights or remedies.

In recognition of the need for the IATSE and the Employer to cooperate in their efforts to promote diversity in the hiring of IATSE-represented classifications, the Employer shall be permitted to participate in the Task Force established under the IATSE Basic Agreement, subject to approval from the AMPTP-represented companies.”

5. Article XV, “Work Day, Week and Minimum Calls.”

Amend the first paragraph to read, “The minimum daily work call shall be eight (8) hours excluding meals. ~~The minimum call on a prep day involving only a production meeting and on a wrap only day shall be four (4) hours, but if the four (4) hours are exceeded, the minimum call shall be eight (8) hours excluding meals.”~~

6. Rest Periods. Article XVII “Rest Periods” and Sideletter no. 8.

- a. Add “daily” to the first sentence of the first paragraph, “There shall be a ten (10) hour daily rest period...” and make corresponding changes to Sideletter no. 8.
- b. Include the following new provision after the first sentence in the first paragraph, “For a workweek of seven consecutive days, the minimum weekend rest period after the seventh day of work shall be twelve (12) hours” and make corresponding changes to Sideletter no. 8.
- c. Amend the second paragraph to read, “In the event that an employee works more than fourteen (14) ~~sixteen (16)~~ hours on any one (1) day, the employee will be offered either, at the Company’s discretion, transportation home and back to work the next day or hotel accommodations.

In the event that an employee works more than fourteen (14) hours on two (2) consecutive days, ~~on the second such day, the employee will be offered either, at the Company’s discretion, transportation home and back to work the next day or hotel accommodations. Further, in such situations, in the event that~~ if the required rest period is invaded, the employee shall return



at his or her rate in effect at the time of dismissal, plus an additional hour at straight time, for all hours worked until the required rest period is provided. ~~This paragraph shall not apply to pilots.~~

Make corresponding changes to Sideletter no. 8.

7. Article XIX "Locations/Travel."

- a. Effective January 1, 2020, increase the living allowance referenced in subparagraph (c) of Article XIX to \$427 per week or \$61 per day; effective January 1, 2021, increase the living allowance referenced in subparagraph (c) of Article XIX to \$434 per week or \$62 per day; effective January 1, 2022, increase the living allowance referenced in subparagraph (c) of Article XIX to \$441 per week or \$63 per day.
- b. Remove reference to a flat daily allowance in paragraph (d) so that the paragraph reads, "A "Distant Hire" is a person who resides outside the geographical definition of a Nearby Hire in a given production area. Distant hires shall be provided with reasonable single occupancy hotel accommodations. For the 6th or 7th idle days, the Employer shall pay an allowance equal to four (4) hours of the scale rate, or, in the case of an on-call employee, such idle day allowance shall be paid at 1/12th of the weekly scale rate. The Employer shall make benefit contributions on behalf of each Distant Hire employee in the amount specified in Article XXII of this Agreement for each idle day. Distant Hire employees shall be paid "Portal to Portal." An eight (8) hour minimum call shall be paid to employees hired on a daily basis for unworked days while on distant location that are not the 6<sup>th</sup> or 7<sup>th</sup> idle days."

- c. Include as a new paragraph the following language,

"(l) Los Angeles Secondary Zone

There shall be a Secondary Zone consisting of an area extending ten (10) miles from the perimeter of the Los Angeles Thirty Mile Zone and including John Wayne Airport and the city of Huntington Beach in its entirety. When an employee is directed to report to a location within the Secondary Zone, the following shall apply:

- i. Employer shall notify employees not less than twenty-four hours in advance that it intends to require employees to report to a location within the Secondary Zone. Such notification shall not constitute a work call.
- ii. Mileage shall be paid from the studio or production office to and from the location within the Secondary Zone. In addition, the Employer shall pay a \$4.50 per day allowance to each employee asked to report within the Secondary Zone.



iii. Courtesy housing shall be offered to those employees who work in excess of twelve (12) hours in the Secondary Zone. In the alternative, the Employer may provide round trip transportation to home and return at the Employer's expense.

iv. Rest periods shall be calculated from the perimeter of the Los Angeles Thirty Mile Zone. A designated representative of the Employer and a designated representative of the IATSE shall determine the amount of time needed to travel between the Secondary Zone location and the perimeter of the Los Angeles Thirty Mile Zone for purposes of calculating rest periods. In the event of a dispute, the matter shall be referred to a representative of the Union and to the Labor Relations representative of the Employer for resolution.

v. Except as otherwise provided herein, all of the other provisions applicable to an employee reporting within the thirty (30) mile Los Angeles Thirty Mile Zone shall apply.

vi. The IATSE agrees to continue to grant waivers on the same basis as it has in the past for locations, such as Lake Hughes, Elizabeth Lake and the Nikken Building in Irvine, that are outside the thirty (30) mile Los Angeles Thirty Mile Zone and the Secondary Zone."

d. Create a new subparagraph (m) that reads, "In the event the Employer elects to and does hire a person in the United States to perform work outside the limits of the United States, its territories and Canada in any of the job classifications covered hereunder, such person and Employer 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 requires the Employer to contribute on behalf of such person not less than the amount of pension and health contributions that would be due to the applicable plan at the rates contained in this Agreement."

8. Article XX "Cancellation of Calls":

a. Create new subparagraph (b) and (c) with the following:

"(b) The Employer may issue a 'weather-permitting' call for snow, sleet, ice storms or hurricanes to employees prior to their dismissal for the day and to persons not on payroll up to twelve (12) hours before their call time (even if a call had previously been given). The Employer shall provide notice to the Union upon the issuance of a 'weather-permitting' call. The Employer may cancel a 'weather—permitting' call up to four (4) hours prior to the call time.

In the event a daily employee is notified not to report to work, they shall be paid four (4) hours of pay at straight time, and the Employer shall



contribute one-third (1/3) of the daily amount due under Article XXII, or, for employees receiving MPIPHP contributions, four hours of benefit contributions; however, if the notification to the daily employee is untimely, the daily employee shall be paid for an eight (8) hour minimum call.

In the event an 'on call' employee is notified not to report to work, they shall be paid one-half (1/2) of one-fifth (1/5) of their weekly rate, and the Employer shall contribute one-third (1/3) of the daily amount due under Article XXII, or, for employees receiving MPIPHP contributions, four hours of benefit contributions; however, if the notification to the 'on call' employee is untimely, or the Employer authorizes the 'on call' employee to work that day, the 'on call' employee shall be paid for the day.

The foregoing is in addition to the Employer's rights under Article XV(f) below. The Union agrees that it will not unreasonably deny a request by the Employer to issue a 'weather-permitting' call under this paragraph for other weather conditions.

"(c) Notwithstanding the above, the Employer may cancel calls due to inclement weather (snow, sleet, ice storms, hurricanes), provided that the Employer provides notice to the Union as soon as practicable. The employees must be notified of the cancellation no later than 8:00 p.m. the night before the call. This provision shall also be applicable to calls for the first day of a new workweek (e.g., Monday) so long as the Employer makes the effort to inform employees on the last day of the preceding workweek (i.e., Friday in the case of a Monday call) of the possibility that the call will be cancelled and the employee is notified of the cancellation before 8:00 p.m. on the evening prior to the call (i.e., Sunday in the case of a Monday call.) The Union agrees that it will not unreasonably deny a request by the Employer to cancel a call under this subparagraph (f) due to other weather conditions."

9. Article XXI "Holidays"

- a. Label the existing language as subparagraph (a) and amend the last sentence to read, "Daily employees will be paid for unworked holidays, provided the daily employee has worked for all the scheduled workdays in ~~their~~~~his~~~~her~~ department for two (2) ~~three~~~~(3)~~ weeks prior to the holiday and the next scheduled workday following the holiday."
- b. Create a new subparagraph (b), "For work performed in Canada, Employer may elect to observe the following Canadian holidays in lieu of the referenced holidays in this Article:
  - (i) Victoria Day in lieu of Memorial Day; and
  - (ii) Canada Day in lieu of Independence Day (July 4<sup>th</sup>);



provided that the two holidays are within the employee's period of employment and the Employer gives no less than two (2) weeks' notice to the affected employee, unless the employee has been employed fewer than two (2) weeks prior to the first of the two holidays, in which case the Employer will provide notice to the affected employee at the time of hire. When the employee has not been employed on the Canadian holiday set forth above, but is employed to work on the U.S. holiday, the employee shall be paid a premium for the corresponding U.S. holiday.

The Union will not unreasonably deny requests to exchange other Canadian holidays for those listed in this Article (such as Family Day in lieu of Presidents' Day or Easter Monday in lieu of Good Friday)."

10. Article XXII "Benefits"

- a. Effective January 1, 2019, increase the contributions referenced in subparagraph (b) of Article XXII to \$103.00 per day; effective January 1, 2020, increase the contributions referenced in subparagraph (b) of Article XXII to \$107.00 per day; effective January 1, 2021, increase the contributions referenced in subparagraph (b) of Article XXII to \$111.00 per day; and effective January 1, 2022, increase the contributions referenced in subparagraph (b) of Article XXII to \$115.00 per day.
- b. Add the following at the end of subparagraph (b): "At no point shall the contribution rates required under this subparagraph fall below the contribution rates required by the then-current Theatrical and Television Motion Picture Area Standards Agreement. Effective January 1, 2019, increase the contributions referenced in subparagraph (c) of Article XXII to \$125.50 per day; effective January 1, 2020, increase the contributions referenced in subparagraph (c) of Article XXII to \$127.50 per day; effective January 1, 2021, increase the contributions referenced in subparagraph (c) of Article XXII to \$129.50 per day; and effective January 1, 2022, increase the contributions referenced in subparagraph (c) of Article XXII to \$131.50 per day."
- c. Include benefit allocation language in subparagraph (c) for Local 16, "For Local 16 represented employees, benefits shall be paid as follows: Health & Welfare is to be paid at the rate of fifteen and a half percent (15.5%) of the gross wages including vacation pay. Said monies are to be paid directly to Local 16 Health & Welfare Trust Fund with each payroll at PO Box 398439, San Francisco CA 94139-8439. IRS#94-6138741. Pension is to be paid at the rate of ten and four tenths percent (10.4%) of the gross wages including vacation pay. Said monies are to be paid to Local 16 Pension Trust Fund with each payroll at PO Box 398439, San Francisco CA 94139-8439. IRS#94-629420."



11. Article XXVI "Safety and Health" Create a new (a), "Call sheets shall identify the name and phone number of the Employer's safety contact, which may be an individual or a department, as well as the phone number for the Employer's safety hotline."
12. Article XXIX "Wage Rates"
  - a. Delete Article XXIX (a) ("Grandfathered Series").
  - b. Create a wage schedule for San Francisco (see attached Exhibit A).
  - c. Create a wage schedule for Chicago (see attached Exhibit B).
  - d. Locations Manager and the Assistant Location Manager shall be covered as per the Area Standards Agreement, including the unpublished sideletter concerning Local 481's jurisdiction.
  - e. The parties agreed to a card check recognition process for Script Coordinators and Writers' Room Assistants in Local 871's jurisdiction. The Employers agree to provide lists of all Script Coordinators and Writers' Room Assistants employed by them within the last six months to Local 871 by no later than January 15, 2019. The list shall include the production(s) the employee worked on as well as their contact information. If the card check is completed within 90 days, and the Union prevails, the new bargaining-unit employees shall be immediately covered by the Agreement under the wages, and terms and conditions provided for in the applicable Amendment Agreement to the Basic Agreement. If the card check is not completed within 90 days, the wages, and terms and conditions of the Amendment Agreement will go into effect 30 days after the card check (provided the Union prevails). The Parties agree to sign a Neutrality Agreement, and the Employers will permit the Union access to the employees during term of the Neutrality Agreement.
  - f. The parties agreed that if a mini-series becomes a reoccurring series, first-season employees shall be paid retroactively at the appropriate first season rates for episodic series, including any adjustments to Individual Account Plan contributions or other earnings-based benefit.

The parties also agreed to include the following as official bargaining history:

"During bargaining for successors to the Union's 2015-2018 "Pay TV" collective bargaining agreements with HBO Entertainment, Showtime Pictures Development Company, and Starz Independent, LLC (collectively the "Employers"), the parties discussed the definition of "mini-series" television program as used in the agreements.

The parties agreed that a mini-series traditionally involves a standalone story that is limited in scope, has fewer installments than an episodic



series, with a storyline that is resolved within the span of the mini-series. The Employers informed the Union that the best way to determine whether they are producing a “mini-series,” as opposed to an episodic series, is for the Employers to certify to the Union that the Employers have not negotiated options for the actors for subsequent seasons. In addition, a mini-series is defined as a “multi-part, closed-end series” in the Employers’ contracts with the Screen Actors Guild and the Writers Guild of America, with rates listed under Schedule F of the Screen Actors Guild agreements.


The parties intend to treat the definition of “mini-series” in a manner that is consistent with the other guilds in the industry and the definition of “mini-series” contained in those agreements.”

- g. Delete the position of “Assistant Art Department Coordinator” from the Pay TV wage tables.
  - h. For wages not contained in the Majors’ Agreements, on January 1 of each year of the Agreement, wages shall increase by 3%, unless otherwise agreed to by the Pay Equity Joint Labor-Management Committee.
- 13. The parties agreed to the creation of a Joint Labor-Management Committee to address Pay Equity issues in the crafts covered by Locals 161 and 871. The Committee will meet within 90 days of ratification of the MOA and complete their work within one year. The Committee shall have the authority to revise the wage rates in the Agreement for the appropriate crafts. If the Parties cannot come to agreement, the affected rates will increase by 3% in each year of the Agreement.
- 14. Showtime and Starz agree to sign the sideletter between USA-829 and HBO concerning the Costume Department Coordinator classification.
- 15. Housekeeping:
  - a. Delete paragraph 2 from Sideletter No. 4 regarding the Digital Agreement.
  - b. Add a cover page and Table of Contents.
  - c. Change all references to Local 829 to “USA-829”.
  - d. Article XI, “Multi-Employer Unit.” Update reference to the “Producer-I.A.T.S.E. 2012 Basic Agreement” to “Producer-I.A.T.S.E. 2018 Basic Agreement.
  - e. Include the Accounting and Production Office Scale Rates for New York and Los Angeles.
  - f. Update local sick pay ordinance waiver language to conform to the 2018 IATSE Basic Agreement.

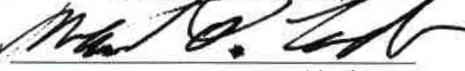


Executed in the County of Los Angeles, State of California on the date or dates set forth below.

**HBO Entertainment**

By   
Title EVP  
Date 03/27/19

**International Alliance of Theatrical Stage  
Employees, Moving Picture Technicians,  
Artists and Allied Crafts of the United  
States and Canada, AEL-CIO, CLC**

By   
Title International President  
Date 4/9/19

**Showtime Pictures Development Company**

By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

**Starz Independent, LLC**

By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_



Executed in the County of Los Angeles, State of California on the date or dates set forth below.

**HBO Entertainment**

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**International Alliance of Theatrical Stage  
Employees, Moving Picture Technicians,  
Artists and Allied Crafts of the United  
States and Canada, AFL-CIO, CLC**

By  \_\_\_\_\_

Title **International President**

Date 4/10/2019

**Showtime Pictures Development Company**

By  \_\_\_\_\_

Title EVP, BUSINESS AFFAIRS

Date 4.5.19

**Starz Independent, LLC**

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



Executed in the County of Los Angeles, State of California on the date or dates set forth below.

**HBO Entertainment**

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**International Alliance of Theatrical Stage  
Employees, Moving Picture Technicians,  
Artists and Allied Crafts of the United  
States and Canada, AFL-CIO, CLC**

By  \_\_\_\_\_

Title International President

Date 4/9/19

**Showtime Pictures Development Company**

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Starz Independent, LLC**

By  \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_