

## **SHOWTIME PICTURES DEVELOPMENT COMPANY ADHERENCE AGREEMENT**

This Agreement is made between **SHOWTIME PICTURES DEVELOPMENT COMPANY** (“Employer”) and the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada, AFL-CIO (“IATSE”) (collectively the “parties”) and becomes effective on August 1, 2024.

Employer is engaged in the production of filmed dramatic episodic and mini-series television programs throughout the United States, its territories, and Canada<sup>1</sup>, for first exhibition on the Showtime Pay Television Service. The IATSE represents motion picture technicians and artisans whose services are utilized by the Employer in connection with its productions. It is the intent of the parties hereto that this Agreement establish the wages and working conditions applicable to such motion picture production technicians and artisans.

Except as modified herein, the terms and conditions of the then-current collective bargaining agreements with the IATSE identified in Attachment 1 hereto (the “Majors Agreements”), and trust documents for the plans identified in those agreements, shall apply to this Agreement.

Employer has been provided with a copy of each of the Majors Agreements.

It is agreed that 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 the Employer or by production entities which it controls, and their related or affiliated entities, for first exhibition on the Showtime Pay Television Service. The foregoing sentence is intended to address new production technologies and does not expand the coverage of this Agreement to types of programming not covered under prior agreements.

In consideration of the mutual agreements herein contained, the parties agree that the terms and conditions of the then-current Majors Agreements in Attachment 1 are modified as follows:

- (1) **Term**: This Agreement shall be generally effective as of August 1, 2024, and shall remain in full force and effect through and including July 31, 2027;
- (2) **Accountants**: Production accountants, first assistant accountants, payroll accountants and additional assistant accountants shall be included on a production-by-production basis. Employer shall be permitted to employ such classifications on a daily basis at a rate of one-quarter (1/4) of the scale weekly rate (12 hours). Wage rates for accountant classifications are set forth in Appendices A-D, and those rates

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<sup>1</sup> In recognition of the fact that the Union represents motion picture technicians and artisans in Canada, the Employer will notify the Union in advance of projects it intends to produce in Canada and will discuss its intended production plans for Canada with the appropriate Canadian affiliate(s) of the Union. Employer shall not engage in discussions with any other organization representing technical trades in Canada prior to engaging in discussions with the Union and will not authorize third parties to do so

shall increase consistent with the wage increases set forth in the applicable Majors Agreement;

- (3) **No Discrimination**: 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 characteristics, 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 the approval from the AMPTP-represented companies;

- (4) **Rest Periods**: Except where better conditions prevail under the applicable Majors Agreement: (a) there shall be a ten (10) hour daily rest period from set wrap to set call for both on and off production personnel (including employees working as distant hires); (b) for a workweek of seven consecutive days, the minimum weekend rest period after the seventh day of work shall be twelve (12) hours; (c) in the event that an employee works more than fourteen (14) hours on two (2) consecutive days, 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 of straight time, for all hours worked until the required rest period is provided;
- (5) **Production Centers**: There shall be no “Production Centers” (*i.e.*, from Articles 3(G) and (H) of the Area Standards Agreement (“ASA”)) for purposes of administering the ASA;
- (6) **Bereavement Leave**: In the event of the death of a parent, sibling, grandparent, spouse, or child of an eligible employee, such employee shall be allowed up to three (3) paid days off and his/her job shall be available upon return from bereavement leave. Employees who work fifty percent (50%) or more of the total work days of their department shall be deemed eligible for bereavement leave pay. Payment for bereavement leave may be deferred until the Employer can determine the employee’s eligibility. Bereavement pay shall be calculated on the same basis as unworked holidays;

- (7) **Voluntary Political Contributions:** The Employer agrees to deduct from each employee's gross wages at each payroll period such voluntary contributions to the IATSE Political Action Committee ("IATSE PAC") as the employee has authorized in writing to be deducted. At least once a month, the Employer will issue a single sheet for deductions payable to the IATSE PAC and remit same directly to the IATSE PAC along with the check. The Employer will provide the PAC with the following information: (1) the name of each employee for whom a deduction has been made, (2) the last four digits of the employee's social security number, and (3) the amount of the deduction. Employees who wish to cancel or modify their deductions will sign a card supplied by the Union for such purpose. The Union will be responsible for obtaining any refund from the IATSE PAC. The Union will reimburse the Employer annually for all actual costs incurred in administering this deduction and will indemnify and hold harmless the Employer from any and all liability arising from deductions provided for in this section. Administration of the foregoing may be assigned to the Employer's payroll service.
- (8) **Application of New York Wages:** For persons hired by the Employer in New York City to perform services outside of New York City, the applicable rates under the then-current New York Majors Agreements shall apply, with working conditions subject to the applicable IA/Local agreement in the geographic area of the production;
- (9) **San Francisco:** For those employees represented by Locals 16 and 784, working conditions shall be per the then-current Basic Agreement, as modified herein, wage rates shall be per Appendix E and subject to the percentage increase in the then-current Basic Agreement, and benefit contributions shall be as follows: (a) Health & Welfare is to be paid at the rate of fifteen and a half percent (15.5%) of the gross wages including vacation pay; (b) Pension is to be paid at the rate of ten and four tenths percent (10.4%) of the gross wages including vacation pay. Benefit contributions for those represented by Local 16 shall be paid to the appropriate Local 16 benefit plan (P.O. Box 888439, Los Angeles, CA 90088-8439). Health & Welfare contributions for those represented by Local 784 shall be paid to the I.A.T.S.E. National Benefit Funds. All pension contributions for those represented by Local 784 shall be remitted to the I.A.T.S.E. National Pension Fund, Plan C, except that such employees with three (3) or more years of credited service in the Local 16 Pension Trust Fund as of December 31, 2006 shall have contributions made to the Local 16 Pension Trust Fund on their behalf. Any employee who meets the above requirement shall notify the Employer of their status immediately upon being hired. All employees who meet the requirement shall be paid pension benefits at the same pension rate as Local 16;
- (10) **Chicago:** For those employees represented by Locals 476 and 769, the terms and conditions of employment shall be per Attachment 2;

- (11) **Local 798, 764, and USA 829 Benefit Contributions**: For employees represented by Locals 798, 764, and USA 829, contributions shall be made on behalf of each covered employee to the IATSE Annuity Plan or applicable Local Union plan at four percent (4%) of the employee's scale basic regular hourly rate for all hours worked or guaranteed, and the daily fringe benefit rate contributions shall increase by fifteen dollars (\$15) on August 4, 2024, by an additional fifteen dollars (\$15) on August 3, 2025 and by an additional fifteen dollars (\$15) on August 2, 2026. Each Local union shall provide notice to the Employer of any allocation adjustments;

Year One: \$158.50 per day

Year Two: \$173.50 per day

Year Three: \$188.50 per day

- (12) **Residuals**: The Employer shall continue to pay residuals pursuant to the provisions of Article XXVIII (“Release of Programs Produced Under This Agreement on Cassettes”) of the 2019-2022 Pay Television Agreement (see “Attachment 3”) and no other residual or supplemental market payments under the Majors Agreements or sideletters thereto are applicable;
- (13) **Vacation Pay/Accrual**: For employees working under the Basic Agreement or the New York Majors Agreements, vacation shall be payable at fifty percent (50%) of the amount that would otherwise be owed under the applicable Majors Agreements for seasons one and two. For employees working under the Basic Agreement or the New York Majors Agreements on the productions listed in Attachment 4, vacation shall be payable at fifty percent (50%) of the amount that would otherwise be owed under the applicable Majors Agreements;
- (14) **Screen Credits**: In lieu of the screen credits provisions in the Majors Agreements, Employer agrees to discuss any requests for joint, shared, or dual screen credit with the affected Local union, consistent with industry practices;
- (15) **ASA Wages**: Only for those applicable productions listed in Attachment 4, wage rates for employees working under the ASA on one-hour film series and one-half hour film and digital series shall lag one (1) year for the first two (2) production seasons;
- (16) To the extent that any provision of any of the agreements listed in Attachment 1 conflicts with the terms of this Agreement, this Agreement shall prevail;
- (17) The headings of sections herein are inserted only for the purpose of convenient reference, and it is recognized that they may not adequately or completely describe the contents of the provisions that they head. Such headings shall not be deemed to govern, enlarge, limit, modify or in any other manner affect the scope, meaning, or

intent of the provisions of this Agreement, nor shall they otherwise be given any legal effect.

FURTHER it is agreed that a photocopied or scanned copy of this executed Agreement shall be considered as though it is an original.

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

**SHOWTIME PICTURES  
DEVELOPMENT COMPANY**

By: DocuSigned by:  
*Michael F. Miller, Jr.*  
855F26894DA44E4...  
Michael F. Miller, Jr.  
International Vice President  
Department Director, Motion Picture and  
Television Production  
Date: 11/13/2024

By: Signed by:  
*Jennifer Silver*  
1223402C60F24A8...  
Print Name: Jennifer Silver  
Title: SVP and Assistant Secretary  
Date: 11/13/2024

**ATTACHMENT 1: LISTING OF IATSE CONTRACTS**

Theatrical and Television Motion Picture Area Standards Agreement;

Producer-IATSE and MPTAAC Basic Agreement;

Producer-IATSE and MPTAAC Videotape Electronics Supplemental Basic Agreement;

Motion Picture Studio Mechanics, Local #52, IATSE and MPTAAC Feature and Television Production Contract with Major Producers;

Supplemental Digital Production Agreement with Motion Picture Studio Mechanics, Local #52, IATSE;

Motion Picture Script Supervisors and Production Office Coordinators, Local #161, Motion Picture Theatrical and TV Series Production Agreement with Major Producers;

Supplemental Digital Production Agreement with the Major Motion Picture Producers, Local #161, IATSE and the Major Producers;

Theatrical Wardrobe Union, Local #764, IATSE and MPTAAC Feature and Television Production Agreement with the Major Motion Picture Producers;

Supplemental Digital Production Agreement, Local #764, IATSE;

Make-Up Artists and Hair Stylists, Local #798, IATSE and MPTAAC, Major Film Theatrical and Television Series Agreement;

Supplemental Digital Production Agreement, Local #798, IATSE;

United Scenic Artists - Local USA 829, IATSE and MPTAAC, Motion Picture Production Agreement with Major Producers;

United Scenic Artists Local USA-829 IATSE Major Motion Picture Agreement – Costume Department Coordinators Agreement;

**ATTACHMENT 2: CHICAGO, IL**

For those employees represented by Locals 476 and 769, working conditions shall be per the then-current Area Standards Agreement (as modified), with the following modifications:

1. Check-off: Upon receipt of signed authorization forms, the Employer agrees to withhold from each employee covered herein, the working dues assessment of 3% of gross wages and to forward the same, itemized by the employer, to the respective Local;
2. For those employees represented by Local 769, the Employer agrees to withhold the respective salary deferral (401(k) contribution) amounts from the gross wages of each eligible covered employee who provides Employer with the required written authorization for such deduction, and to submit such contributions to the IATSE Annuity Fund pursuant to the same terms contained in the rules of the IATSE Annuity Fund;
3. For Local 476, the first person hired locally in all departments shall be paid the key rate, and Electric, Rigging, and Grip shall be included in their own departments;
4. For those employees represented by Local 476, Employer shall contribute one quarter of one percent (0.25%) of the gross wages to the Local 476 Journeyman Apprenticeship Training Fund (JATF), and 50 cents (\$0.50) per hour on an after-tax basis to the IATSE Local 476 Legal & Education Fund;
5. The Employer shall ensure that all accidents and injuries will be reported to the Local as soon as practical, advising the Local of the nature of the accident and the place of hospitalization;
6. Daily fringe benefit contributions shall be \$180 per day, subject to any increases in years two and three of the then-current Area Standards Agreement. The Locals shall provide notice of benefit contribution allocations prior to the commencement of each project in its jurisdiction;
7. Wages for those employees represented by Local 769 shall be as set forth in the then-current Basic Agreement.
8. Wages for those employees represented by Local 476 shall be as set forth below, and shall be subject to the percentage increase in the then-current Area Standards Agreement:

**Local 476 Wages**

	8/4/2024		8/3/2025		8/2/2026	
	Pilots, Long-Form & 1st Season Series	2nd Year and All Other Television	Pilots, Long-Form & 1st Season Series	2nd Year and All Other Television	Pilots, Long-Form & 1st Season Series	2nd Year and All Other Television
Gaffer	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Best Boy - Electric	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Fixture Gaffer	***	***	***	***	***	***
Special Operator/Fixture Rate	***	***	***	***	***	***
Electrician	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Balloon Tech	***	***	***	***	***	***
Generator Operator	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Production Van Driver/Generator Operator	***	***	***	***	***	***
Lighting Console Programmer	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Key Grip	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Best Boy - Grip	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Dolly Grip/Crane Grip	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Crane Tech	***	***	***	***	***	***
Grip	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Scenic Artist	\$45.38	\$46.30	\$47.20	\$48.15	\$48.85	\$49.84
Set Designer	\$50.73	\$51.76	\$52.76	\$53.83	\$54.61	\$55.71
Graphic Designer	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Sculptor/Modeler	\$50.73	\$51.76	\$52.76	\$53.83	\$54.61	\$55.71
Set Decorator	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Lead Person/On-Set Dresser	\$45.38	\$46.30	\$47.20	\$48.15	\$48.85	\$49.84
Buyer/Gang Boss	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Swing Gang (Set)	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Prop Master	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Armorer	***	***	***	***	***	***
Assistant Prop Master/On-Set Props	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Prop Buyer	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Props	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Coordinator (Carpenter)	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Carpenter Foreman/Welder	\$45.38	\$46.30	\$47.20	\$48.15	\$48.85	\$49.84
Foreman/Standby Carpenter						
Gang Boss/Construction	\$43.60	\$44.50	\$45.34	\$46.28	\$46.93	\$47.90
Carpenters/Welders	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Construction Buyer/Estimator	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Tool Room Technician (TV Wage may vary depending on Employer)	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Paint Supervisor	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Painter/Plasterer Foreman	\$45.38	\$46.30	\$47.20	\$48.15	\$48.85	\$49.84
Painter/Plasterers	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Paper Hangers/Standby Painter (TV Wage may vary depending on Employer)	\$45.38	\$46.30	\$47.20	\$48.15	\$48.85	\$49.84
Labor Foreman	\$41.21	\$42.04	\$42.86	\$43.72	\$44.36	\$45.25
Laborers	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Surface Protection Foreman	\$41.21	\$42.04	\$42.86	\$43.72	\$44.36	\$45.25



Local 476 Wages	8/4/2024		8/3/2025		8/2/2026	
	Pilots, Long-Form & 1st Season Series	2nd Year and All Other Television	Pilots, Long-Form & 1st Season Series	2nd Year and All Other Television	Pilots, Long-Form & 1st Season Series	2nd Year and All Other Television
Stylist	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Script Supervisor	\$49.87	\$50.87	\$51.86	\$52.90	\$53.68	\$54.75
Sound Mixer	\$62.22	\$63.52	\$64.71	\$66.06	\$66.97	\$68.37
Sound Boom	\$46.74	\$47.68	\$48.61	\$49.59	\$50.31	\$51.33
Sound Technician	\$41.61	\$43.75	\$43.27	\$45.50	\$44.78	\$47.09
Sound Playback	\$42.86	\$42.48	\$44.57	\$44.18	\$46.13	\$45.73
Video Engineer/Computer Video Supervisor	\$62.22	\$63.52	\$64.71	\$66.06	\$66.97	\$68.37
Video Assist/Playback	\$46.74	\$47.68	\$48.61	\$49.59	\$50.31	\$51.33
Video Assist Assistant	\$42.86	\$42.48	\$44.57	\$44.18	\$46.13	\$45.73
Teleprompter	\$42.86	\$42.48	\$44.57	\$44.18	\$46.13	\$45.73
Make-up	\$57.50	\$58.68	\$59.80	\$61.03	\$61.89	\$63.17
Hairstylist	\$57.50	\$58.68	\$59.80	\$61.03	\$61.89	\$63.17
First Aid	\$41.09	\$41.91	\$42.73	\$43.59	\$44.23	\$45.12
Special Effects Coordinator	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Licensed Pyro Operator	***	***	***	***	***	***
Special Effects (Foreman)	\$44.38	\$45.29	\$46.16	\$47.10	\$47.78	\$48.75
Special Effects (Assist)	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Special Effects Welder	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Heating/Air Conditioning Operator	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Craft Service (Foreman)	\$41.21	\$42.04	\$42.86	\$43.72	\$44.36	\$45.25
Craft Service (Assist)	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Greensman Foreman	\$45.38	\$46.30	\$47.20	\$48.15	\$48.85	\$49.84
On-Set Greensman	\$42.86	\$43.75	\$44.57	\$45.50	\$46.13	\$47.09
Greensman	\$41.09	\$41.91	\$42.73	\$43.59	\$44.23	\$45.12
Studio Teacher/Welfare Worker	\$47.33	\$48.29	\$49.22	\$50.22	\$50.94	\$51.98
Production Coordinator	***	***	***	***	***	***
Assistant Production Coordinator	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Travel Coordinator	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Art Department Coordinator	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Set Dec Coordinator	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Accountant Including Payroll (Local Hire) ****	***	***	***	***	***	***
Assistant Acct Including Payroll (Local Hire) ****	***	***	***	***	***	***
Script Coordinator ****	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Writers Assistant ****	\$40.27	\$41.11	\$41.88	\$42.75	\$43.35	\$44.25
Illustrator/Storyboard Artist ****	***	***	***	***	***	***

\*\*\*\* Coverage depending on Employer  
10/29/24

### **ATTACHMENT 3**

#### **ARTICLE XXVII – RELEASE OF PROGRAMS PRODUCED UNDER THIS AGREEMENT ON CASSETTES**

(a) The provisions of this Article relate and apply only to programs produced by Employer during the term hereof and subject to this Agreement:

(1) The principal photography of which commenced on or after January 1, 2005 and which are released in the “Cassettes” market; as defined below, provided, however, that this Article shall not apply and no residuals shall be payable with respect to any program if principal photography of such program or the pilot for such program commenced prior to January 1, 2005; and

(2) Produced with employees employed by Employer under Article XI of this Agreement.<sup>2</sup> Notwithstanding the foregoing, no residuals shall be required to be paid with respect to any program on which the only employees employed under Article XI of this Agreement performed post-production (including editorial) work.

(b) The term “Cassettes” shall have the same meaning as it has under Article XXVIII(a)(3)(i) of the IATSE Basic Agreement.

(c) For sales of a covered program as defined in subparagraph (a)(1) and (2) of this Article by means of Cassettes, the following shall apply:

(1) The Employer will pay six percent (6%) of the “Employer’s gross,” as defined below (prorated, if appropriate pursuant to subparagraph o, below) from “net unit sales” in excess of 100,000 units in the aggregate. No payment shall be due on Employer’s Gross attributable to sale of the first 100,000 units.

(2) “Net unit sales” shall mean the sales of units which are released by the Employer or its distributor for sale and are not returned or released by the Employer or its distributor for rental purposes.

(3) If the Employer is the Distributor or the Distributor is owned by or affiliated with the Employer, the “Employer’s gross” derived from the distribution of such programs by Cassettes shall be twenty percent (20%) of the worldwide wholesale receipts derived by the Distributor. In such cases, if the Distributor is also the retailer, a reasonable allocation of the retail gross receipts shall be made as between the Distributor as distributor and the Distributor as retailer, and twenty percent (20%) of the former only shall be deemed to be “Employer’s Gross.” The reasonableness of such allocation shall be subject to arbitration and,

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<sup>2</sup> Employees employed under the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall not be considered “employees employed by Employer under Article XI of this Agreement” for purposes of subparagraph (a) of this Article XXVIII. Employees employed under the Local #700 Amendment Agreement shall not be considered “employees employed by Employer under this Agreement” for any purpose under this Article XXVIII.

in such arbitration, generally prevailing trade practices in the Cassette industry with respect to dealings between non-related companies shall be relevant evidence.

(4) If the Distributor is not the Employer and is not owned by or affiliated with the Employer, the "Employer's Gross" shall be one hundred percent (100%) of the fees received by the Employer from licensing the right to distribute such programs by Cassettes.

(d) The Employer's Gross shall not include:

(1) Sums realized or held by way of deposit, as security, until and unless earned, other than such sums as are non-returnable;

(2) Rebates, credits or repayments for cassettes returned (and, in this connection, the Employer shall have the right to set up a reasonable reserve for returns);

(3) Sums required to be paid or withheld as taxes, in the nature of turnover taxes, sales taxes or similar taxes based on the actual receipts of such motion picture or on any monies to be remitted to or by the Employer but there shall not be excluded from Employer's gross any net income tax, franchise tax or excess profit tax or similar tax payable by the Employer or such distributor on its net income or for the privilege of doing business;

(4) Frozen foreign currency until the Employer shall either have the right to freely use such foreign currency, or Employer has the right to transmit to the United States such foreign currency from the country or territory where it is frozen. If such currency may be utilized or transmitted as aforesaid, it shall be deemed to have been converted to United States dollars at the rate of exchange at which said currency was actually transmitted to the United States as aforesaid, or, if not actually transmitted, then at the prevailing free market rate of exchange at the time such right to use or to transmit occurs. Frozen foreign currency shall be deemed to be unblocked on the basis of "first-in, first-out" unless otherwise allocated by local foreign fiscal authorities. Allocation of such unblocked funds as between revenue which serves as the basis of determining payments hereunder and other revenue shall be on a proportional basis. subject to different earmarking by local foreign fiscal authorities.

(5) Sums paid to any advertising agency in connection with any distribution of a program by means of Cassettes.

(e) Monies payable hereunder shall be paid to the Active Employees Fund of the Motion Picture Industry Health Plan. Notwithstanding the foregoing, on an annual basis during the term of this Agreement, if the IA TSE, Basic Crafts and A M PTP agree to allocate Supplemental Markets income under the IATSE Basic Agreement to either the Motion Picture Industry Pension Plan or the Motion Picture Industry Individual Account Plan or to allocate portions thereof to one or more of the Industry Plans, monies payable hereunder shall be allocated between said Plans in the same manner.

(f) Such gross income realized in foreign currency in any reporting period required hereunder shall be deemed to be converted to United States dollars at the prevailing market rate of exchange at the close of such reporting period, except that when such gross income has actually been transmitted to the United States, it shall be deemed converted to United States dollars at the rate of exchange at which such foreign currency was actually so transmitted.

(g) Allocation of Employer's Gross

If any agreement for distribution in the Cassette market includes more than one (1) motion picture, or includes both Cassette rights and other rights, the Employer shall make a reasonable allocation for purposes of determining payments due hereunder. If the Plans contend that such allocation is not reasonable, then such claim shall be submitted to arbitration.

(h) Employer's obligation shall accrue hereunder only after "Employer's Gross" is received by the Employer. Payments of amounts accruing hereunder shall be made quarterly on the basis of quarterly statements, as hereinafter provided. Should any discounts, taxes, duties or charges be imposed in connection with the receipt or remittance of foreign funds, only so much of such funds as remain thereafter shall be included in "Employer's gross." Employer shall not be responsible for loss or diminution of foreign receipts as a result of any matter or thing not reasonably within the control of the Employer. The Plans shall be bound by any arrangement made in good faith by the Employer, or for its account, with respect to the deposit or remittance of foreign revenue. Frozen foreign receipts shall not be considered trust funds and the Employer may freely commingle the same with other funds of the Employer.

(i) If any license or outright sale of exhibition rights to the motion picture in the Cassette market includes as a part thereof any filmed commercial or advertising material, the Employer shall be permitted to allocate a reasonable amount (in accordance with then current standard charges in the industry) to such commercial or advertising material, and the amount so allocated shall not be included in Employer's gross hereunder.

(j) Such payments made hereunder to the Plans are not and shall not in any manner be construed to be wages due to any individual employer, nor in any manner be liable for or subject to the debts, contracts, liabilities or torts of any employee.

(k) Within a reasonable time after the close of the calendar or fiscal quarter, but not exceeding sixty (60) calendar days, Employer will furnish to the Health Plan written reports showing the Employer's gross received from the sale, lease, license and distribution (whether by Employer or a distributor of such motion picture) in the Cassette market. Such reports shall be furnished quarterly for each fiscal or calendar quarter of the Employer. Concurrently with the furnishing of each such report, the Employer will make the payments shown to be due by such report. All payments shall be made by check payable to the order of and delivered to the Health Plan. Each such quarterly statement shall designate the title of the motion picture involved. On request, the Employer shall make available to the Health Plan all accounting statements delivered by a distributor to the Employer, but only insofar as such statements relate to the Employer's Gross. The Health Plan shall have the right, at reasonable times, to examine the books and records of Employer insofar as they relate to the Employer's Gross. Employer shall not be required to furnish any quarterly statement hereunder with respect to any motion picture prior to Employer's receipt of any Employer's gross with respect to the motion picture, or for any quarterly period during which no Employer's Gross from the motion picture is received by the Employer.

If Employer shall fail to make any payment provided for in this Article when and as the same becomes due and payable, it shall bear interest at the rate of one percent (1%) per

month on the unpaid balance thereof commencing to accrue ten (10) business days after notice in writing to Employer from the Health Plan of such delinquency.

(l) If the Employer shall sell, assign, transfer or otherwise dispose of the distribution rights to such motion picture in the Cassette market, or shall license the distribution rights to the motion picture in such market, Employer may obtain from the buyer, licensee or distributor a separate agreement, made expressly for the benefit of the Plans, requiring such buyer, licensee or distributor to comply with the provisions of this Article XXVIII. Such agreement shall be in substantially the following form:

“The undersigned, \_\_\_ (insert name of buyer, licensee or distributor) herein for convenience referred to as the ‘Buyer,’ hereby agrees with \_\_\_ (insert name of Producer) that all motion pictures covered by this Agreement are subject to the provisions of Article XXII of the HBO Entertainment Production Agreement with the IATSE (“the OP Agreement”) relating to payments to the Motion Picture Industry Health, Pension and Individual Account Plans (“the Plans”) on release of a motion picture to the Cassette market and the said Buyer hereby agrees, expressly for the benefit of the Plans to abide by and perform the provisions of said OP Agreement and make said payments as required thereby. It is expressly understood and agreed that the rights of the Buyer to exhibit or license the exhibition of such motion picture in said Cassette market shall be subject to and conditioned upon the payment to the Plans, as provided in Article XXII of the OP Agreement, and it is agreed that said Plans shall be entitled to injunctive relief and damages against Buyer if such payments are not made.

“The undersigned agrees to keep or have access to complete records showing the income derived from the distribution of such motion picture in such Cassette market with in the entire territory for which Buyer is granted such rights and the Health Plan (acting on behalf of the Plans) shall have the right at all reasonable times to inspect such records. The undersigned shall give the Plans prompt written notice of the date on which each motion picture covered hereby is first released in the Cassette market. An inadvertent failure to comply with said requirement of notice shall not constitute a default by the undersigned hereunder, provided such default is cured promptly after notice thereof from the Plans.”

Employer agrees to give notice to the Plans within thirty (30) days of each such sale, transfer or license of the distribution rights to such motion picture for the Cassette market, with the name and address of the Buyer, assignee or distributor, and to deliver to the Plans an executed copy of each assumption agreement entered into by the Employer. An inadvertent failure on the part of the Employer to comply with any of the provisions of this subparagraph (l) shall in no event constitute a default by Employer hereunder or a breach of this Agreement, provided that such failure is cured promptly after notice thereof from the Plans.

Upon delivery of such assumption agreement, and on the condition that the Health Plan approves in writing the financial responsibility of the Buyer, Employer, or any subsequent owner obtaining the execution of such an assumption agreement, shall not be further liable to the Plans for the keeping of any such records or the payment required hereunder insofar as they relate to the exhibition of the motion picture in the Cassette market, and the Plans agree to look exclusively to the party last executing such an assumption agreement for the keeping of such records, payment and compliance with credit obligations.

(m) With respect to such motion picture, Employer agrees either to:

(1) include in any chattel mortgage, pledge or other lien or security agreement covering the motion picture a provision, made expressly for the benefit of the Plans, to the effect that the chattel mortgagee, pledgee, lien or security holder agrees that if such mortgage, pledge, lien or security agreement is foreclosed, and such mortgagee, pledgee, lien or security holder hereby obtains title to the motion picture and subsequently exhibits the motion picture in the Cassette market, then in such event, after such mortgagee, pledgee, lien or security holder has recouped its loan so secured, plus interest and all costs and expenses incident to foreclosure, such mortgagee, pledgee, lien or security holder will be bound by the provisions of this Article XXVIII with respect to payments to the Plans thereafter becoming due and payable thereunder; provided, however, that nothing herein contained shall prevent such mortgagee, pledgee, lien or security holder who has acquired title to the photoplay from thereafter making a sale of the motion picture to a third party free and clear of any limitations or obligations whatsoever. Except as otherwise provided in this subsection (m), the rights of the Plans hereunder shall be subordinate to the rights of such mortgagee, pledgee, lien or security holder; or

(2) in the alternative, be bound by the provisions of this Article XXVIII with respect to payments to the Plans, if any, due after such foreclosure shall have been made. In the event Employer elects this alternative, the provisions of subsection (1) above shall be inapplicable, and if the provisions referred to in subsection (1) above are not included in any such chattel mortgage, pledge, lien or security agreement, Employer shall be deemed to have elected the alternative provided for in this subsection (2).

In the event of a foreclosure referred to in subsection (1) above, should the Employer distribute the motion picture for such mortgagee, pledgee, lien or security holder, Employer shall be bound during the period of such distribution by the provisions of this Article XXVIII with respect to payments due hereunder, to the same extent as the mortgagee, pledgee, lien or security holder under subsection (1) above. Any such payments made by the Employer as the distributor shall be credited against any obligation of the mortgagee, pledgee, lien or security holder that may be due or become due to the Plans under subsection (1) above; it being understood that the Plans shall be entitled to such payments but once.

The foregoing provisions of this subparagraph (m) shall not apply to any motion picture subject to any security instrument in existence on the effective date of this Agreement.

(n) If, after the effective date of this Agreement, the Employer enters into a contract with a so-called "independent producer" for the production and financing of a theatrical motion picture and the distribution thereof by the Employer (such contract being hereinafter referred to as an "independent contract"), Employer will include in such independent contract an agreement

on the part of the independent producer expressly for the benefit of the Plans that the independent producer will pay, in the manner herein provided, the amounts, if any, required to be paid under the provisions of this Article XXVIII with respect to such motion picture. If such agreement on the part of the independent producer be not included in any independent contract prior to the exhibition of the motion picture in the Cassette market, the Employer shall be liable and responsible for the payments, if any, required to be made under the provisions of this Article XXVIII with respect to such motion picture. If such agreement on the part of the independent producer is included in the independent contract prior to exhibition of the motion picture in the Supplemental Markets, then the Employer shall not be liable or responsible in any manner or to any extent with respect to the motion picture under the provisions of this Article XXVIII. The Employer will notify the Health Plan of any and all such independent contracts entered into by the Employer.

(o) Notwithstanding any provision in subparagraph (c) above to the contrary, the following shall govern the computation and remittance of the “percentage payment” as that term is defined in subparagraph (c) above:

(1) Definitions. For purposes of this subparagraph (o) and for no other purpose, the following terms shall have the meanings set forth below:

(i) “Production” or “produce” shall include both production and pre-production functions, but not post-production or distribution functions.

(ii) “Prorate” or “proration” shall mean the computation of the percentage payment by multiplying six percent (6%) of “Employer’s gross” for sales of Cassettes in excess of the first one hundred thousand (100,000) units by a fraction whose numerator consists of the total below-the-line labor cost of individuals subject to Article XI of this Agreement<sup>3</sup> or hired from the jurisdiction of the union locals referred to in subparagraph q, below working on the picture (whether in production or post-production but excluding distribution – distribution, for the purposes of this Article, shall include all laboratory work other than that performed by employees charged directly to a picture) and whose denominator consists of the total below-the-line labor cost of all individuals working on the picture in job categories referred to either in this Agreement or in the other collective bargaining agreements between the Employer and the West Coast Studio Locals or between the AMPTP-represented Majors and the unions referred to in subparagraph q below (whether in production or post-production but excluding distribution – distribution, for the purposes of this Article, shall include all laboratory work other than that performed by employees charged directly to a picture).

(iii) “Individuals subject to Article XI of this Agreement” and “employees employed by Employer under Article XI of this Agreement”<sup>4</sup> include all persons

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<sup>3</sup> Individuals employed under the terms of the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall be considered “individuals subject to Article XI of this Agreement” and “employees employed by Producer under this Agreement” for purposes of subparagraph (o) only and for no other purpose. Accordingly, when Producer is entitled to prorate hereunder, the salaries of all individuals employed under the terms of the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall be included in both the numerator and the denominator of the fraction referred to in subparagraphs (o)(i)(ii) of this Article XXVIII.

<sup>4</sup> Individuals employed under the terms of the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall be considered “individuals subject to Article XI of this Agreement” and “employees employed

working on the motion picture under the terms of Article XI of this Agreement or hired from the jurisdiction of union locals referred to in subparagraph q below who are hired to perform services in Los Angeles or hired in Los Angeles to perform services at a distant location whether hired by Employer itself or employed indirectly by Employer through loan-outs, payroll companies or comparable employing agents; provided, however, that individuals not specifically charged to the motion picture or who are included in general overhead and individuals such as projectionists, drivers and publicists engaged primarily in off-location services during the production of the motion picture are not included in the terms “made with two (2) or more individuals subject to Article XI of this Agreement” or “Los Angeles production crew,” as those terms are used in subparagraph (o)(3) below and are not included in either the numerator or denominator of the proration fraction described above.

(iv) “Foreign” means any theatrical motion picture for which twenty percent (20%) or more of the shooting days or principal photography takes place in a country other than the United States, its territories or Canada.

(v) “Domestic” means any theatrical motion picture which is not foreign .

(vi) “Los Angeles production crew,” for purposes of determining whether percentage payments on domestic pictures may be prorated, shall mean persons hired from the jurisdiction of the IATSE West Coast Studio Locals\* or hired from the jurisdiction of the union locals referred to in subparagraph q. below, employed by the Employer in production.

(vii) “Entire production crew,” as such term is used herein, shall mean all individuals in job categories referred to either in this Agreement or in the other collective bargaining agreements between Employer and the West Coast Studio Locals\* or between Employer and the unions referred to in subparagraph q. below employed by the Employer on the production of the motion picture in question.

(viii) “Other collective bargaining agreements between Employer and the West Coast Studio Locals” means only those Local Agreements subject to the IATSE Basic Agreement.

(2) Foreign Pictures. Percentage payments shall be made on a prorated basis for any foreign picture made with two or more individuals subject to the Basic Agreement.

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by Producer under Article XI of this Agreement” for purposes of subparagraph (o) of this Article XXVIII only and for no other purpose. Accordingly, when Producer is entitled to prorate hereunder, the salaries of all individuals employed under the terms of the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall be included in both the numerator and the denominator of the fraction referred to in subparagraphs (o)(1)(ii) of this Article XXVIII.

\* Individuals employed under the terms of the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall be considered part of the “Los Angeles production crew” for purposes of this subparagraph (o) only and not for any other purpose.



(3) Domestic Pictures.

(i) If two (2) or more individuals subject to Article XI of this Agreement are employed on a domestic picture, it will be subject to liability for percentage payments to the extent hereinafter provided.

(ii) Except as provided in subparagraph (o)(3)(iii) below: (A) percentage payments on domestic pictures distributed in the Cassette market will be six (6%) of "Employer's gross" on sales of Cassettes in excess of one hundred thousand (100,000) units that term is defined in subparagraph (c)(3) of this Article XXVIII.

(iii) (A) Percentage payments on a domestic picture shall be made on a prorated basis if a majority of the shooting days of principal photography on the motion picture occurred outside of the following states – Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington and Wyoming. In the event that the IATSE determines that the proration formula set forth in this subsection (A) adversely affects Cassette market revenues, it shall have the right to terminate same, in which case proration on domestic pictures shall be governed by the provisions of subsection (B) below.

(B) Percentage payments on domestic pictures not covered by subsection (A) above or which commence principal photography more than one hundred twenty (120) days after the IATSE terminates the provisions of subparagraph (A) above shall be made on a prorated basis if all of the following conditions are satisfied:

(1) The Los Angeles production crew, as defined above, consists of twenty-nine (29) or fewer individuals (no more than twenty-two (22) of whom may be hired from the jurisdiction of the IATSE West Coast Studio Locals), and the salaries paid to those twenty-nine (29) or fewer individuals constitute less than fifty percent (50%) of the salaries of the entire production crew. In determining whether twenty-nine (29) or fewer individuals are employed on the picture, the following shall be excluded: make-up artists, hairdressers and costumers who are specifically required to be furnished by the Employer in accordance with the personal service contract of an actor and those individuals engaged in post-production or distribution functions, including, but not limited to, editing and looping regardless of where or when those functions are performed; and

(2) A majority of the shooting days of principal photography on the motion picture occurred outside of the following states -Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah. Washington and Wyoming.

(iv) As to any domestic picture on which the Employer intends to make percentage payments on a prorated basis, an Application to Prorate shall be delivered by the Employer to the Administrator of the Pension and Health Plans on or before the date that the first percentage payment is due to the Plans from Employer. Said Application shall contain the following information: If the right to prorate is based upon the provisions of subparagraph (o)(3)(iii)(A) above, the aggregate salaries paid to the Los Angeles production crew and the aggregate salaries paid to the entire production crew; the number of shooting days of principal photography occurring in the states listed in subparagraph (o)(3)(iii)(A) above; the total other

shooting days and the states in which said other shooting days occurred. If the right to prorate is based upon the provisions of subparagraph (o)(3)(iii)(B) above, the number of individuals on the Los Angeles production crew; the number of such individuals who were hired from the jurisdiction of the IATSE West Coast Studio Locals; the number and job classifications of those individuals excluded pursuant to the provisions of subparagraph (c)(3)(iii)(B)(1) above: the aggregate salaries paid to the Los Angeles production crew; the aggregate salaries paid to the entire production crew; the number of shooting days of principal photography occurring in the states listed in subparagraph (o)(3)(iii)(B)(2) above; the total other shooting days and the states in which said other shooting days occurred. If an Application to Prorate is submitted later than the dates specified above, it will nonetheless be deemed granted if the identified picture meets said criteria; provided. However, that, if he deems it necessary, the Administrator of the Pension and Health Plans may require Employer submitting a late Application to Prorate to allow a special audit of the percentage payments due and the Health Plan shall be reimbursed by the Employer for all reasonable fees and expenses incurred by the Health Plan in performing said audit.

(p) (1) Employer will furnish to the Health Plan written reports showing the Employer's gross received from the sale, lease, license and distribution (whether by Employer or a distributor) in the Cassette market of each motion picture subject to the provisions of this Article. In the written reports filed with the Health Plan, the Employer shall indicate whether it is prorating on each picture being reported and, if so, what proration percentage is being applied and the basis for the Employer's right to prorate – i.e., whether proration is being applied pursuant to subparagraph (o)(2) or pursuant to subparagraph (o)(3)(iii)(A) or pursuant to subparagraph (o)(3)(iii)(B), above. Such reports shall be furnished quarterly during each fiscal or calendar quarter of the Employer. Concurrently with the furnishing of each such report, the Employer will make the payments shown to be due by such report. All required payments shall be made by check payable to the order of and delivered to the Health Plan. Each such quarterly statement shall designate the title of the motion picture involved. On request, the Employer shall make available to the Health Plan all accounting statements delivered by a distributor to the Employer, but only insofar as such statements relate to the Employer's gross. The Health Plan shall have the right, at reasonable times, to examine the books and records of Employer insofar as they relate to the Employer's gross and – as to any motion picture for which Employer assumes as Buyer the obligation to make percentage payments pursuant to subparagraph (b)(II) above – the documents reflecting or effectuating the purchase; provided that, with respect to these latter documents, the Employer may require the persons examining them to execute reasonable agreements to respect their confidentiality. Employer shall not be required to furnish any quarterly statement hereunder with respect to the motion picture prior to Employer's receipt of any Employer's gross with respect to the motion picture, or for any annual period during which no Employer's gross from the motion picture is received by the Employer.

(2) For each motion picture produced by Employer on which the Employer plans to prorate (whether proration is being applied pursuant to subparagraph (o)(2) or pursuant to subparagraph (o)(3) above) for three (3) years after either the date of the first annual report showing a percentage payment on such motion picture or the receipt by the Health Plan of the Employer's written request for audit of the percentage payments due, Employer shall maintain and make available to the Health Plan and its auditors the following information: the names of the employees on the Los Angeles production crew; the names of the employees on the entire production crew; the names of all individuals subject to Article XI of this Agreement working

on the motion picture (whether in pre-production , production or post-production functions); the names of all individuals who were not subject to Article XI of this Agreement but who worked on the motion picture in job categories referred to either in this Agreement or in the other collective bargaining agreements between the Employer and the West Coast Studio Locals or between the AMPTP-represented Majors and the unions referred to in subparagraph (q) below: the total below-the-line labor costs of individuals subject to Article XI of this Agreement (whether in pre-production , production or post- production functions); and, the total below-the-line labor costs of all individuals working on the motion picture in job categories referred to either in this Agreement or in the other collective bargaining agreements between Employer and the West Coast Studio Locals or between the AMPTP-represented Majors and the unions referred to in subparagraph (q) below.

(3) As to any motion picture subject to subparagraph (c) above for which Employer assumes the obligation to make percentage payments pursuant to subparagraph 1, above, if Employer wishes to prorate its percentage payments for such motion picture, it shall obtain the records provided for in subparagraph (p)(2) above from the producer of such motion picture.

(q) The provisions of this Article XXVIII were negotiated by the AMPTP-represented Majors by the following unions for the benefit of the Plans:

International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada; Studio Transportation Drivers, Local 399 of the International Brotherhood of Teamsters; Local 40 of the International Brotherhood of Electrical Workers; Local 724 of the International Hod Carriers, Building and Common Laborers Union; Local 755 of the Operative Plasterers and Cement Masons International Association of United States and Canada; and United Association of Journeymen and Apprentices of the Plumbing and Piping Industry of United States and Canada, Local 78.

Any reference in any other collective bargaining agreement (whether with one of the above unions or any other union or guild) to a percentage payment to the Plans with respect to the exhibition of motion pictures in the Cassette market is and shall be deemed to be a reference to the percentage payment as set forth in this Article XXVIII, which amount is the only amount, in the aggregate, which the Employer and all such unions have agreed upon for the benefit of the Plans with respect to the exhibition of motion pictures produced under this Agreement in the Cassette market.

The compliance by Employer with the conditions set forth in this Article XXVIII likewise constitutes compliance as to all the unions.

(r) Notwithstanding anything herein to the contrary, the parties hereby confirm the following understanding and practices of the Employer with respect to the Cassette market provisions:

(1) Article XXVIII does not require a percentage payment to be made with respect to motion pictures on which the only employees employed under this Agreement performed post-production (including editorial) work: and

(2) Article XXVIII does not require percentage payments to be made with respect to motion pictures which are produced by a producer which is not signatory to this Agreement (and the Basic Crafts Agreements).

(3) The Cassette market provisions apply only to motion pictures “produced by Employer with employees employed under Article XI of this Agreement.”<sup>5</sup> The parties have agreed that the quoted language is satisfied only if two (2) or more employees are employed on the production under either Article XI of this Agreement or the Basic Crafts Agreements. This requirement is not satisfied if there is only one (1) employee covered under Article XI of this Agreement and one employee covered under the Basic Crafts Agreements.

(4) (i) The “Domestic Pictures” proration provision of the Cassette market clause provides that certain domestic pictures are eligible for proration of Cassette market payments if, among other requirements, the Los Angeles production crew consists of twenty-nine (29) or fewer individuals (no more than twenty-two (22) of whom may be hired from the jurisdiction of the IATSE West Coast Studio Locals). In determining whether either the “29 or fewer” or “22 or fewer” requirement has been met, employees who replace other employees are not counted. For example, suppose there are seven (7) persons on the crew who fall within the Los Angeles production crew definition, including the Director of Photography. Suppose further that the Director of Photography is replaced with another person hired from the jurisdiction of Local #600. The replacement Director of Photography would not be counted in figuring whether the “29 or fewer” or “22 or fewer” standards were met.

However, the salary paid to any replacement employee under these circumstances shall be included in both the numerator and denominator.

(ii) Similarly, individuals hired from either the jurisdiction of the IATSE West Coast Studio Local Unions or from the jurisdiction of the Basic Crafts Unions who are replaced with another individual employed under the same West Coast Studio Local Agreement or Basic Crafts Agreement, respectively, shall not be counted in determining whether a motion picture has been produced by Employer with “employees” employed under this Agreement.

For example, if the only individual hired from the jurisdiction of the West Coast Studio Local Unions and the Basic Crafts Unions on a particular production is an Art Director, and the Art Director is replaced on that production by another Art Director hired from the jurisdiction of Local #800, there will still be only one (1) employee hired from the jurisdiction of the IATSE on the production, with the result that the Cassette market clause is not applicable to that production.

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<sup>5</sup> Employees employed under the Local #600 Amendment Agreement or the Local #871 Amendment Agreement shall not be considered “employees employed under Article XI of this Agreement” for purposes of subparagraph (o)(3) of this Article XXVIII.

**ATTACHMENT 4: LIST OF LEGACY PRODUCTIONS**

**Starz**

1. Power Book IV: Force season 3
2. Black Mafia Family season 4
3. The Hunting Wives season 1
4. P-Valley season 3
5. Spartacus: House of Ashur season 1
6. Power Book III: Kanan season 5

**HBO**

1. The Gilded Age season 3
2. Welcome to Derry season 1
3. Dune season 1
4. The White Lotus season 3
5. The Last of Us season 2
6. The Righteous Gemstones season 4
7. Untitled Rachel Sennott pilot
8. The Chair Company pilot

**APPENDIX A - MINIMUM WAGE RATE SCHEDULE**

The following minimum wage rates shall be applicable to employees in the following classifications hired in Production Cities to perform work within or outside of the Production Cities.

Production Cities: Cleveland, OH; Detroit, MI; Orlando, FL; St. Louis, MO; and Washington, DC

	<b>8/4/2024</b>	<b>8/3/2025</b>	<b>8/2/2026</b>
<b>Five Day Studio On-Call Rate</b>			
Production Accountant	\$3,724.66	\$3,873.65	\$4,009.23
Production Office Coordinator	\$2,235.88	\$2,325.32	\$2,406.71
First Asst. Accountant	\$2,111.67	\$2,196.14	\$2,273.00
Asst. Production Office Coordinator	\$1,995.00	\$2,100.00	\$2,173.50
Art Department Coordinator	\$1,995.00	\$2,100.00	\$2,173.50
Asst. Art Department Coordinator (hourly)	\$32.65	\$33.96	\$35.15

<b>Six Day Location On-Call Rate</b>			
Production Accountant	\$4,842.01	\$5,035.69	\$5,211.94
Production Office Coordinator	\$2,904.64	\$3,020.83	\$3,126.56
First Asst. Accountant	\$2,745.19	\$2,855.00	\$2,954.93
Asst. Production Office Coordinator	\$2,565.00	\$2,700.00	\$2,794.50
Art Department Coordinator	\$2,565.00	\$2,700.00	\$2,794.50

<b>60 Hour Guarantee</b>			
Payroll Accountant (hourly)	\$28.50	\$30.00	\$31.05
Additional Asst. Accountant (hourly)	\$28.50	\$29.64	\$30.68

**APPENDIX B - MINIMUM WAGE RATE SCHEDULE - NON-PRODUCTION CITIES**

For those classifications that do not have a rate specified in the ASA, the following minimum wage rates shall be effective as of the dates indicated.

The listing of a classification is intended to be descriptive of work covered by this Agreement and is not a staffing requirement.

	<b>8/4/2024</b>	<b>8/3/2025</b>	<b>8/2/2026</b>
<b>Classification</b>			
Production Accountant - On Call	STN	STN	STN
Payroll Accountant (60 hr. guarantee)	\$28.50	\$30.00	\$31.05
Additional Asst. Accountant (60 hr. guarantee)	\$28.50	\$29.64	\$30.68

**APPENDIX C - NEW YORK ACCOUNTING AND PRODUCTION OFFICE SCALE RATES**

For persons hired by the Employer in New York City to perform services in New York City or hired in New York City to perform services outside of New York City, the following rates apply.

	<b>8/4/2024</b>	<b>8/3/2025</b>	<b>8/2/2026</b>
<b>Five Day Studio Rate</b>			
Production Accountant (on-call) (match LA)	\$3,778.90	\$3,930.06	\$4,067.61
1st Asst. Accountant (match LA)	\$30.61	\$31.83	\$32.94
1st Asst. Accountant (60 hr guar) (match LA)	\$2,142.70	\$2,228.10	\$2,305.80
Payroll Accountant (match Production Cities)	\$28.50	\$30.00	\$31.05
Payroll Accountant (60 hr guar) (match Production Cities)	\$1,995.00	\$2,100.00	\$2,173.50
Add'l Asst. Accountant (match Production Cities)	\$28.50	\$29.64	\$30.68
Add'l Asst. Accountant (60 hr guar) (match Production Cities)	\$1,995.00	\$2,074.80	\$2,147.60

<b>Six Day Location Rate</b>			
Production Accountant (on-call) (match LA)	\$4,912.53	\$5,109.03	\$5,287.85
1st Asst. Accountant (match LA)	\$30.61	\$31.83	\$32.94
1st Asst. Accountant (6 day scale) (match LA)	\$2,754.90	\$2,864.70	\$2,964.60
Payroll Accountant (8 hr min call 6th day) (match Production Cities)	\$28.50	\$30.00	\$31.05
Add'l Asst. Accountant (8 hr min call 6th day) (match Production Cities)	\$28.50	\$29.64	\$30.68



**APPENDIX D - LOS ANGELES ACCOUNTING AND PRODUCTION OFFICE SCALE RATES**

Rates apply to those hired in Los Angeles, CA to work in Los Angeles, CA, or hired in Los Angeles to work outside of Los Angeles.

	<b>8/4/2024</b>	<b>8/3/2025</b>	<b>8/2/2026</b>
<b>Five Day Studio Rate</b>			
Production Accountant (on-call)	\$3,778.90	\$3,930.06	\$4,067.61
1st Asst. Accountant	\$30.61	\$31.83	\$32.94
1st Asst. Accountant (60 hr guar)	\$2,142.70	\$2,228.10	\$2,305.80
Payroll Accountant	\$28.50	\$30.00	\$31.05
Payroll Accountant (60 hr guar)	\$1,995.00	\$2,100.00	\$2,173.50
Add'l Asst. Accountant	\$28.50	\$29.64	\$30.68
Add'l Asst. Accountant (60 hr guar)	\$1,995.00	\$2,074.80	\$2,147.60
Production Coordinator (on-call)	\$2,268.45	\$2,359.19	\$2,441.76
Asst. Art Dept. Coordinator	\$33.11	\$34.43	\$35.64

<b>Six Day Location Rate</b>			
Production Accountant (on-call)	\$4,912.53	\$5,109.03	\$5,287.85
1st Asst. Accountant	\$30.61	\$31.83	\$32.94
1st Asst. Accountant (6 day scale)	\$2,754.90	\$2,864.70	\$2,964.60
Payroll Accountant (8 hr min call 6th day)	\$28.50	\$30.00	\$31.05
Add'l Asst. Accountant (8 hr min call 6th day)	\$28.50	\$29.64	\$30.68
Production Coordinator (on-call)	\$2,946.93	\$3,064.81	\$3,172.08

**APPENDIX E -**  
**for those employed in the jurisdiction of Locals 16 and 784 (San Francisco, CA)**

	<b>8/4/2024</b>	<b>8/3/2025</b>	<b>8/2/2026</b>
First Technician in each Department	\$62.02	\$64.50	\$66.76
Second Technician in each Department	\$57.65	\$59.96	\$62.06
<b>Extra Help</b>			
Electricians, Property Personnel, Craft Service, Grips, Cable, Utility	\$53.37	\$55.50	\$57.44
Set Dresser	\$53.37	\$55.50	\$57.44
Sound Mixer	\$89.48	\$93.06	\$96.32
Boom	\$62.02	\$64.50	\$66.76
Video Asst. (Extra)	\$53.37	\$55.50	\$57.44
Special Effects Coordinator	\$71.87	\$74.74	\$77.36
Special Effects Foreman	\$62.02	\$64.50	\$66.76
Special Effects Technician	\$57.65	\$59.96	\$62.06
Script (STN if working multiple cameras)	\$57.65	\$59.96	\$62.06
First Aid	\$48.27	\$50.20	\$51.96
Studio Teacher	\$64.71	\$67.30	\$69.66
Head Hair	\$70.79	\$73.62	\$76.20
Key Hair	\$64.53	\$67.11	\$69.46
Extra Hair	\$62.02	\$64.50	\$66.76
Head Makeup	\$70.79	\$73.62	\$76.20
Key Makeup	\$64.53	\$67.11	\$69.46
Extra Makeup	\$62.02	\$64.50	\$66.76
Head Scenic Artist	\$61.50	\$63.96	\$66.20
Scenic Artist/Painter	\$56.50	\$58.76	\$60.82
Construction Coordinator	\$64.00	\$66.56	\$68.89
Prop Maker Foreman	\$59.49	\$61.87	\$64.04
Prop Maker Gang Boss	\$56.50	\$58.76	\$60.82
Prop Maker	\$54.94	\$57.14	\$59.14
Laborer	\$45.48	\$47.30	\$48.96
Greensman	\$57.65	\$59.96	\$62.06
Art Director	\$4,846.16	\$5,040.01	\$5,216.41
Asst. Art Director/Set Designer	\$53.37	\$55.50	\$57.44
Draftsman	\$47.09	\$48.97	\$50.68
Graphic Designer	\$56.50	\$58.76	\$60.82
Art Department Coordinator	\$47.09	\$48.97	\$50.68

Any wardrobe department position not listed which falls under the jurisdiction of the IATSE will be paid as per the Basic Agreement.