

HBO ENTERTAINMENT PRODUCTION AGREEMENT

THIS AGREEMENT is made and entered into between HBO Entertainment ("Employer") 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").

Employer is engaged in the production of filmed dramatic episodic and mini-series television programs throughout the United States for first exhibition on the Home Box Office Pay Television Service and the Cinemax Pay Television Service. The Union 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.

ARTICLE I - SCOPE AND APPLICATION

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 or by production entities which it controls for first exhibition on the Home Box Office and Cinemax Pay Television Services.¹ 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.

ARTICLE II – SUBCONTRACTING

The Employer and the Union recognize the existence of past subcontracting practices within the multi-employer bargaining unit established by the I.A.T.S.E. Basic Agreement.

The Employer, as a matter of preservation of work for employees who have historically and traditionally performed work under the crafts and classifications which are common to both this Agreement and the I.A.T.S.E. Basic Agreement, agrees that as to bargaining unit work of a type which has not heretofore been subcontracted pursuant to such Agreements, the Employer will subcontract such bargaining unit work to any other person, corporation, joint venture or entity only: (1) if the Employer first notified the Union in writing of its intention to subcontract, and (2) the direct labor costs of the person, corporation, joint venture or entity who will perform such work under said subcontract are not less than the direct labor costs set forth in this Agreement; or (3) if the Employer lacks the requisite technology, facilities or equipment to perform the work.

¹ 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.

In order to effectively enforce the provisions of this Article II, the Employer agrees that records in its possession or those to which the Employer has access pertaining to direct labor costs will be made available for inspection within twenty (20) days after a written request therefor by the Union.

A complaint by the Union of a violation of this Article II shall be subject to the Grievance Procedure set forth in Article IX of this Agreement.

ARTICLE III - RECOGNITION

The Employer recognizes the Union as the exclusive collective bargaining representative of all production technicians and artisans employed in classifications traditionally represented by the Union.² This Agreement is not applicable to office clerical employees, production assistants, guards or supervisors as defined by the National Labor Relations Act.

ARTICLE IV - UNION SECURITY

Employees covered by this Agreement, as a condition of employment, shall become and thereafter remain members in good standing of the Union on and after the thirtieth day of their employment or thirty (30) days following the execution of this Agreement, whichever is the later date. The foregoing shall be subject to and limited by applicable State law, and to the extent that any applicable State law does not permit the form of union security herein provided, then and in that event, this Agreement shall be deemed to provide for the maximum form of union security permitted by said State law. The foregoing obligation shall be deemed satisfied by membership in any local union affiliated with the Union. "Members in good standing" shall be defined, interpreted and implemented by the parties as an employee who meets the financial obligations only in accordance with the provisions of the National Labor Relations Act.

ARTICLE V - ADMINISTRATION

In order to achieve consistency and continuity in the administration of this Agreement, the Union shall designate an International Representative responsible for the administration of the Agreement. The Employer shall designate a representative responsible for the administration of the Agreement.

ARTICLE VI - ACCESS

The designated representatives of the Union, including Local Union representatives authorized by the IATSE, shall be permitted reasonable access to all production sites where persons covered by the Agreement are performing services.

² Production office coordinators, assistant production office coordinators, production accountants, first assistant accountants, payroll accountants and additional assistant accountants and art department coordinators shall be included on a production-by-production basis only.

Upon request by the Union, the Employer shall provide the Union with a complete current crew list. Upon request by the Union, the Employer shall provide the Union with a list of those employees classified as "Nearby Hires" and "Distant Hires," as those terms are defined in subparagraphs (c) and (d) of Article XIX of this Agreement.

ARTICLES VII - JOB STEWARD

The Union may appoint separate stewards for production and off production units. The identity of the designated stewards shall be made known to the production manager of each covered program. It is understood that stewards shall in no way be discriminated against for any cause whatsoever in the performance of their duties as steward.

ARTICLE VIII - NO DISCRIMINATION

The Employer and the Union agree that there shall be no discrimination against any employee or prospective employee due to race, color, creed, sex, age, physical handicap, Union membership or national origin or as otherwise provided in applicable state or federal legislation.

ARTICLE IX - GRIEVANCE PROCEDURE

Any dispute between the Union and the Employer concerning the interpretation and/or application of this Agreement, which cannot be initially resolved between the Union's designated representative including Local Union representatives authorized by the IATSE, and the program's Unit Production Manager or Producer or thereafter be resolved by the International President of the Union or his designated representative and the Employer's designated representative may be submitted to arbitration by either party for resolution. If an arbitrator cannot be mutually selected, then one shall be selected by lot from an arbitration panel obtained from 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 other party within thirty (30) calendar days following the incident giving rise to the claim or within thirty (30) calendar days after the employee or the Union had a reasonable opportunity to become aware of the incident, whichever is the later, but in no event more than one (1) year after the incident, shall be deemed to be waived.

ARTICLE X - NO STRIKE - NO LOCKOUT

During the term of this Agreement, there shall be no strikes, picketing, work stoppages or disruptive activity by the Union or by an employee, or lockout by the Employer.

ARTICLE XI - MULTI-EMPLOYER UNIT

Notwithstanding the geographical scope of this Agreement, the employees hired by the Employer to perform services in the County of Los Angeles, or hired by the Employer in the County of Los Angeles to perform services outside the County of Los Angeles shall be deemed to be within the multi-employer bargaining unit established by the Producer - I.A.T.S.E. 2012 Basic Agreement

and its successor agreement ("BA") and subject to the BA's provisions covering the Industry Experience Roster, Health, Pension and Individual Account Plans and the Contract Services Administration Trust Fund; provided, however, the wages, working conditions and other terms and conditions of this Agreement shall be fully applicable to employees covered by this Agreement.

ARTICLE XII - PREFERENCE OF EMPLOYMENT

(a) In hiring persons within the geographic area covered by Article XI hereof, the Employer will adhere to the provisions thereof; provided, however, it is agreed that individuals otherwise entitled to preference who are not willing to work for the rates and conditions established by this Agreement shall be deemed "unavailable" and the Employer may then hire from any source. Further, the Union, through its affiliated local unions within said geographic area will initiate procedures to provide the Employer on a timely basis with the names of individuals entitled to preference who will work for the minimum rates and conditions established by this Agreement.

(b) Notwithstanding the general applicability of the Industry Experience Roster, a reasonable number of employees in creative classifications who are not on the roster may be requested by the director or show runner (individual in overall charge of the development and production of the show). Such requests made by the Employer to the Union as soon as practicable but in no event later than the start of production shall not be unreasonably denied. Such employment shall be deemed qualified employment experience for placement on the Industry Experience Roster.

(c) Outside of the geographic area covered by (a) above, the Employer will give first consideration to qualified persons referred by local union affiliates of the Union in the geographic area of a covered production.

ARTICLE XIII - MINIMUM TERMS AND CONDITIONS

The wage scales and working condition provisions of this Agreement shall be minimums, and employees shall not be precluded from obtaining "better conditions" as that term is understood in the motion picture industry. Any employee enjoying such better conditions shall not have their wages or working conditions reduced as a consequence of this Agreement.

ARTICLE XIV - ASSISTANCE/INTERCHANGE

Where the grip, property and electric departments have been staffed by a department head, assistant and a journey person, they and others within said departments may assist each other in the performance of the respective duties of said departments.

ARTICLE XV - WORK DAY, WEEK AND MINIMUM CALLS

(a) The workweek shall be any five (5) or six (6) consecutive work days within seven (7) consecutive days. The minimum daily work call during pre-production and production shall be eight (8) hours excluding meals. Work time begins at the time of the call and ends at the time of dismissal. 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. The minimum call on a travel only day shall be four (4) hours and the maximum shall be eight (8) hours paid as a straight time allowance.

The regular workweek shall be defined as midnight Saturday to midnight Saturday with the exception of when the Employer notifies the Union of a change in the workweek on any particular production. The regular pay day will be the Thursday following the previous workweek, with the exception of when the Employer notifies the Union of a change of the pay day on any particular production.

(b) In situations involving a change of schedule for regularly-scheduled employees, accommodations will be made, to the extent practicable, to avoid a reduction in the number of workdays for the employee, without requiring the Employer to pay premium pay.

(c) The Employer shall give reasonable notice of a change of shift (*e.g.*, from a Monday through Friday shift to a Tuesday through Saturday shift) to regularly-scheduled employees. In the event that the employee would receive fewer than two (2) days off in the workweek as a result of the shift change, the following alternatives shall be available:

(i) As to "off production" employees:

- (A) If the Employer and the employee so agree, the employee may work at straight time without having two (2) days off;
- (B) The Employer may require employees to take an additional day off, thereby avoiding premium pay; or
- (C) The Employer must pay the employee time and one-half if it requires the employee to work on the day which would otherwise be the employee's regularly-scheduled day off.

(ii) As to "on production" employees, once during the production of a motion picture, or in the case of episodic television, once between hiatus periods (*i.e.*, between the commencement or resumption of production and a cessation of principal photography for the series for at least one (1) week), the Employer may shift the workweek for employees working on production without incurring extra costs by adding one (1) or two (2) days off consecutive with the sixth and/or seventh days off in the prior workweek and/or by shifting a workweek commencing on a Tuesday to a workweek commencing on a Monday, provided that the intervening Sunday is a day off. Otherwise, the Employer must pay the employee appropriate premium pay if it requires the employee to work on the day(s) which would otherwise be the employee's regularly-scheduled day(s) off. In addition to the shift in the workweek outlined above, the Union agrees that it will not unreasonably deny a request to shift the workweek of production employees without incurring additional costs when a production travels to a new city.

(d) The Employer shall endeavor to make reasonable accommodations for regularly-

scheduled employees on payroll who do not wish to change to a new shift that includes Saturday or Sunday as regularly-scheduled workday(s).

ARTICLE XVI - OVERTIME

(a) The first eight (8) work hours during the first five (5) days of a work week shall be at straight time. Work hours in excess of eight (8) on the first five (5) days of the work week and on a sixth work day shall be paid at time and one-half.

(b) Double time shall be paid after fourteen (14) elapsed hours on the first six (6) days of the work week and for all hours worked on a seventh day in a work week, or on a designated holiday, except as hereafter provided. For established episodic series, double time will commence after twelve (12) work hours.

(c) All time is to be computed in one-tenth (1/10) hourly units, and overtime premiums shall not be compounded.

ARTICLE XVII - REST PERIODS

There shall be a ten (10) hour rest period from set wrap to set call for both on and off production personnel, except as otherwise provided in Article XIX. If at least six (6) hours of rest have been provided, the employee shall be paid on return to work at the applicable base or overtime rate, plus an additional hour of straight time for all invaded hours or portion thereof. If less than six (6) hours of rest have been provided, then the employee shall be called back and paid the applicable base or overtime rate, plus an additional hour of straight time for all hours worked until a ten (10) hour rest period has been provided.

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 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. In the event that an employee works more than 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. This paragraph shall not apply to pilots.

ARTICLE XVIII - MEALS

(a) Meal periods shall not be less than one-half (1/2) hour nor more than one (1) hour in length. Not more than one (1) meal period shall be deducted from work time for an employee during the minimum call. (A second meal period may be deducted from work time for those employees who work in excess of the minimum call.)

(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 non-deductible breakfast in which case their first deductible meal period will be due at the same time as the meal is due for the regular crew. An employee who is provided a non-deductible breakfast shall be given a reasonable opportunity to sit down and eat without working.

(c) The first deductible meal period may be extended by twelve (12) minutes to complete a set up and a second deductible meal period may be extended by thirty (30) minutes to complete a set up and/or wrap. Extensions of the meal periods are not to be scheduled and, if exceeded, meal penalties shall relate back to the time the meal was otherwise due. Any second meal, excluding a non-deductible breakfast, may be a non-deductible walking meal, provided each employee is given a reasonable opportunity to eat and is dismissed within two (2) hours from the time the meal was otherwise due.

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

- (i) First half hour meal delay
or fraction thereof.....\$8.50
- (ii) Second and each succeeding half hour
meal delay or fraction thereof\$12.50

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.

(e) If meal penalty violations become excessive with respect to any episodic series, the following shall apply:

(i) For a first and second week in a production cycle in which more than twelve (12) meal period penalties are incurred, all subsequent meal period penalties in such work week shall be paid at \$15.00 in one-half hour increments; and

(ii) Thereafter for all subsequent weeks in a production cycle in which more than twelve (12) meal period penalties are incurred, all subsequent meal period penalties in such work week shall be paid at \$20.00 in one-half hour increments.

The foregoing penalty threshold shall be based on the penalties incurred by the majority of the production crew with a common daily work call time.

(f) Employer, at its option, may institute "French Hours" on a daily basis for "on production" employees, with the approval of a majority of the Union-represented employees, provided that it complies with the requirements set forth in Side Letter No. 7 attached hereto.

ARTICLE XIX - LOCATIONS/TRAVEL

(a) Employees shall report to work at designated local production locations within a circular thirty (30) mile zone, the radius of which is the Employer's production office, unless there are access difficulties, in which case the Employer will make appropriate transportation arrangements.

(b) Employees may be requested to report to a production location outside the thirty (30) mile zone, in which case the employee shall be paid mileage, computed from the perimeter of the distance from the thirty (30) mile zone to the reporting place and return calculated at the rate provided by the Internal Revenue Service (currently 50.5 cents per mile). Such travel time outside of the thirty (30) mile zone shall be paid as an allowance at the employee's regular hourly rate. Rest periods shall be calculated from the time an employee returns to and/or departs from the perimeter of the thirty (30) mile zone.

(c) A "Nearby Hire" is any person who resides outside sixty (60) miles of the production location and within the geographical jurisdiction of the Studio Mechanics Local Union administering the Agreement (including Camera department, Post Production and Art Department Employees). Effective January 1, 2015, Nearby Hires shall be paid a weekly living allowance of no less than \$392 per week, or \$56 per day. Effective January 1, 2017, the allowance shall be increased to \$406 per week, or \$58 per day. Effective January 1, 2018, the allowance shall be increased to \$420 per week, or \$60 per day. The Employer shall pay each employee on nearby location \$56 for each idle day in a workweek. Effective January 1, 2017, that amount will be increased to \$58 per day. Effective January 1, 2018, that amount will be increased to \$60 per day. For 6-day workweeks only, the Employer shall contribute the daily benefit plan contribution in the amount specified in Article XXII on behalf of each nearby employee for each idle seventh day. The living allowance and idle day provisions shall not apply to an employee hired in a designated Production City (Appendix A, Paragraphs 1, 2 and 3) required to report to a production location within the established production zone for each production city. Nearby Hires shall be paid "set to set."

(d) A "Distant Hire" is any 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. Effective January 1, 2015 the Employer shall pay each employee on distant location \$56 for each idle day in a workweek. The idle day pay shall be increased to \$58 per day effective January 1, 2017. Effective January 1, 2018, the idle day pay shall be increased to \$60 per day. 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 6th or 7th idle days.

(e) Effective January 1, 2015, for distant hires and nearby hires on overnight location, the Employer shall pay per diem at the following rates per day:

Breakfast	\$10.00
Lunch	\$18.00
Dinner	<u>\$28.00</u>
Total Per Diem	\$56.00

Effective January 1, 2017, for distant hires and nearby hires on overnight location, the Employer shall pay per diem at the following rates of pay:

Breakfast	\$10.00
Lunch	\$19.00
Dinner	<u>\$29.00</u>
Total Per Diem	\$58.00

Effective January 1, 2018, for distant hires and nearby hires on overnight location, the Employer shall pay per diem at the following rates of pay:

Breakfast	\$10.00
Lunch	\$20.00
Dinner	<u>\$30.00</u>
Total Per Diem	\$60.00

The per diem payment may be reduced by the above-stated amounts for each meal that is provided by the Employer.

(f) The Employer may request employees to sign a written statement attesting to their principal residency. A false statement of residency will result in immediate discharge.

(g) If the Employer replaces a Nearby Hire or a Distant Hire with a Local Hire, it shall either give two (2) weeks' notice to the Nearby or Distant Hire of the replacement or, if such Nearby Hire or Distant Hire is replaced prior to receiving two (2) weeks' notice, the Employer shall pay to any such Nearby Hire the balance of the living allowance that the Nearby Hire would have received had he continued working for the full two (2) week notice period or, in the case of a Distant Hire, shall pay to the Distant Hire the balance of the cost of housing for such Distant Hire plus per diem that the Distant Hire would have received had he continued working for the full two (2) week notice period.

(h) Employees may be provided coach class air transportation to and from an overnight location. If preapproved, the Company will reimburse all other forms of transportation to and from an overnight location.

(i) Travel time on overnight location from the housing facility to the production site will be considered as work time, except that, effective January 1, 2015, the first thirty (30) minutes of daily travel time each way from or to the housing facility shall not be deemed as work time. Effective January 1, 2016, for distant hires, travel time on overnight location from the housing facility to the production site will be considered as work time. Further, an employee shall be provided with

transportation to and from the daily production locations. Rest periods shall be calculated from time of set dismissal to set call.

(j) Travel-and-Work or Work-and-Travel

Travel time within the minimum eight (8) hour workday shall be paid for as work time and computed towards the commencement of double time (for work time after twelve (12) or fourteen (14) hours in a day), but shall not be paid for at the double time rate. If travel time occurs outside the minimum eight (8) hour workday, it shall be deemed to be work time, but shall not be used in determining the commencement of hours at which double time is paid. However, travel time occurring outside the minimum eight (8) hour workday and between the hours of 6:00 p.m. and 6:00 a.m., when sleeping accommodations are provided, shall not be deemed to be travel time or work time.

(k) Los Angeles Thirty Mile Zone

In Los Angeles, the "thirty mile zone" shall be the area within a circle thirty (30) miles in radius from Beverly Boulevard and La Cienega Boulevard, Los Angeles, California and includes Agua Dulce, Castaic (including Lake Castaic), Leo Carillo State Beach, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fair Grounds) and the Metro-Goldwyn-Mayer, Inc. Conejo Ranch property.

ARTICLE XX - CANCELLATION OF CALLS

In the event of cancellation for previously called employees, it is understood that if notification is not given by the completion of the previous day's work, then the employee shall be paid an eight (8) hour minimum call, unless the canceled call was for a travel only or wrap in which case the employee shall be paid a four (4) hour minimum call. Calls may not be cancelled for employees not on the employer's payroll at the time the call was given.

ARTICLE XXI - HOLIDAYS

The following shall be recognized as holidays: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving and Christmas Day. Holidays are to be celebrated on the day they are officially celebrated. Weekly employees shall be paid for an unworked holiday falling within their regular work week. Daily employees will be paid for unworked holidays, provided the daily employee has worked for all the scheduled workdays in his/her department for three (3) weeks prior to the holiday.³

ARTICLE XXII - BENEFITS

(a) The provisions of Article XI shall be applicable to employees hired by the Employer to perform services in the County of Los Angeles, or hired by the Employer in the County of Los

³ The holiday provisions set forth in Side Letter No. 8 shall apply in New York.

Angeles to perform services outside the County of Los Angeles. The foregoing shall include the payment of eight (8) hours of benefit contributions for each non-worked (idle) day spent on an overnight location except as provided in footnote 3 above. For non-Los Angeles based camera personnel, post-production personnel, publicists, art directors/production designers and Local 52 personnel where MPIP benefits apply and Local 161 personnel where MPIP benefits apply, contributions shall be made to the Los Angeles motion picture industry plans in the same manner and at the same contribution rates as are provided under the applicable agreements between the Union and the Alliance of Motion Picture and Television Producers ("AMPTP") for the major motion picture producers. For purposes of determining such rates and the impact thereon of prior supplemental markets contributions, the Employer shall be treated as a member of the Time-Warner family of companies and credited with such contributions as have been made by other members of that family of companies.

(b) For persons hired within the geographical jurisdiction of chartered Studio Mechanics Locals of the I.A.T.S.E., benefit contributions shall be made to the I.A.T.S.E. National Health and Welfare, I.A.T.S.E. Annuity Plan, and I.A.T.S.E. National Pension Plan as follows:

Effective January 1, 2015 - \$91.50 a day
(Health \$ _____, Annuity \$ _____, and Pension \$ _____)

Effective January 1, 2016 - \$94.00 a day
(Health \$ _____, Annuity \$ _____, and Pension \$ _____)

Effective January 1, 2017 - \$97.00 a day
(Health \$ _____, Annuity \$ _____, and Pension \$ _____)

Effective January 1, 2018 - \$100.00 a day
(Health \$ _____, Annuity \$ _____, and Pension \$ _____)

The I.A.T.S.E. may reallocate contributions at any time during the term of this Agreement, but in no event will the aggregate contribution exceed the daily maximums set forth above.

Notwithstanding the above, pension contributions for employees hired in the state of Ohio shall be made to Local 27's Pension Plan.

(c) For persons hired in the designated Production Cities listed below or elsewhere who are not otherwise covered above or within the jurisdiction of other Local Unions of the I.A.T.S.E.,⁴ having their own established benefit plans that meet the requirements of 29 U.S.C. 302, contributions shall be made to such benefit plans (or to one or more of the I.A.T.S.E. National Benefit Funds where no comparable local plan exists) at the same rate uniformly required of other contributing employers, not to exceed the following aggregate daily amount:

⁴ Including but not limited to IATSE Locals 764 and 798.

Effective January 1, 2015	-	\$122.00 a day
Effective January 1, 2017	-	\$123.25 a day
Effective January 1, 2018	-	\$124.50 a day

Each Local may designate and reallocate contributions among its own established benefit plans, but in no event will the aggregate contribution to each Local's plan exceed the maximums set forth above.

The Production Cities include:

Chicago, Illinois
 Cleveland, Ohio
 Detroit, Michigan
 District of Columbia (Washington, DC)
 Orlando, Florida
 San Francisco, California
 St. Louis, Missouri
 New York, New York

Exceptions to Production Cities benefits contributions:

- Employees represented by Locals 52 and 161 will receive the Production City benefit contribution rates as stated above when hired from outside and working outside the New York City Metropolitan Area. Such contributions shall be paid to the I.A.T.S.E. National Benefit Funds.
- Employees represented by Locals 52 and 161 working in the New York Metropolitan area, and employees represented by Locals 52 and 161 hired in the New York Metropolitan area to perform services outside such area shall have benefit contributions remitted to the Motion Picture Industry Pension and Health Plans on the same basis as provided for in their respective "Majors" agreements with the motion picture studios.

(d) The Union shall have the right to reallocate any portion of the contribution to the Motion Picture Industry Individual Account Plan provided for under the CBA so that such portion is paid into the Motion Picture Industry Pension Plan or the Motion Picture Industry Health Plan, instead of the Motion Picture Industry Individual Account Plan. The Union shall provide the Employer with at least thirty (30) days prior written notice of such reallocation.

(e) Other than persons on whose behalf benefit contributions are required to be made to the Motion Picture Industry Pension and Health Plans, contributions shall be made on behalf of each covered employee to the IATSE Annuity Plan or applicable Local Union plan as follows:

- For the term of this Agreement, four percent (4%) of the employee's scale basic regular hourly rate for all hours worked or guaranteed.

(f) The Employer will execute any documents required to constitute it an appropriate Employer contributor to any of the foregoing benefit plans.

(g) For Local 784, all pension contributions on behalf of covered personnel 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.

ARTICLE XXIII - 401(k) PLANS

If an employee covered by this Agreement is eligible to participate in an IRS Qualified 401(k) Plan sponsored by the IATSE or an IATSE Local Union, the Employer will honor the written authorization of such employee to deduct from the employee's gross wages the specified eligible amount to be remitted to such 401(k) Plan. Either the Local Union sponsoring such 401(k) Plan or the Plan Administrator shall confirm in writing that employees are eligible to participate and shall provide any other information relevant to the proper administration of authorized employee contributions to the Employer or its designated payroll service who may be assigned administrative responsibility for this provision. No Employer contribution shall be required by this section.

ARTICLE XXIV - 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.

ARTICLE XXV - 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 employee's social security number, and (3) the amount of the deduction. Employees who wish to cancel or modify their deduction 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.

ARTICLE XXVI - SAFETY AND HEALTH

(a) The Company shall take appropriate steps to distribute to all appropriate production personnel Safety and Health Bulletins promulgated by the Alliance of Motion Picture and Television Producers, Inc. and Contract Services Administration Trust Fund and secure compliance with same.

(b) Extended Workday Safety Guidelines

It shall be the responsibility of the Employer to ensure that safety standards consistent with OSHA and prevailing industry safety standards are maintained during the production and that no unsafe equipment, procedures or practices are allowed on the set or work site. Employees shall cooperate with the Employer to maintain such safety standards at all times. No employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life and limb. Employer shall refer to CSATF Safety Bulletins at the following website—<http://www.csatf.org/bulletintro.shtml> Motion Picture productions are budgeted for specified hours of production. There are cost deterrents which encourage the production to be on budget and on time. When an extended work day is necessary, the need for same should be identified as far in advance as possible so that appropriate planning may occur.

The following guidelines set forth common sense measures which should be considered when extended work days are necessitated:

(i) Sleep deprivation, which may be caused by factors other than an extended work day, should be identified by the employee. The American Automobile Association ("AAA") cautions drivers as to the following danger signs:

- ☐ Eyes closing by themselves
- ☐ Difficulty in paying attention
- ☐ Frequent yawning
- ☐ Swerving in lane

AAA warns that drivers experiencing any of these danger signs could fall asleep at any time. AAA recommends three basic solutions—sleep, exercise and caffeine. AAA urges drivers who are too drowsy to drive safely to pull off the road to a safe area, lock the doors and take a nap—even twenty minutes will help. Upon waking, the driver should get some exercise and consume caffeine for an extra boost.

(ii) Any employee who believes that he/she is too tired to drive safely should notify an authorized representative of the Employer before leaving the set. In that event, the Employer will endeavor to find alternative means of transportation or provide a hotel room or a place to rest. Such request may be made without any fear of reprisal and will not affect any future employment opportunities.

(iii) When the production company anticipates an extended work day, the employees should be encouraged to car pool.

(iv) When an extended work day is necessary, appropriate beverages and easily metabolized foods should be available.

ARTICLE XXVII - IATSE Training Trust Fund

Employer agrees to participate in the IATSE Training Trust Fund (the "Fund"), as detailed in section 8 of the August 1, 2015 MOA between the AMPTP and IATSE for the Theatrical and Television Motion Picture Area Standards Agreement (the "ASA"). Employer agrees to commence participation in the Fund effective September 1, 2015, and that its participation shall be on the same terms and conditions as agreed to in the ASA, as set forth below:

a. The Employer shall make contributions to the IATSE Training Trust Fund in the amount of ten cents (\$.10) per hour (fifteen cents (\$.15) per hour effective July 30, 2017) for each hour worked by an employee, up to the maximum of twelve (12) hours per day. Contributions for employees whose rates are subject to individual negotiation shall be made on the basis of twelve (12) hours per day.

b. Such contributions to the IATSE Training Trust Fund shall be made based on the following understanding with the IATSE (and the parties agree to recommend to the Trustees of the IATSE Training Trust Fund the adoption of the following, including amending the Trust Agreement to the extent needed):

i. Subject to administrative and overhead expenses, and except as otherwise approved by the Trustees, after August 1, 2015, the purpose of contributions made by employers in the motion picture and television industry shall be to provide safety training for employees in the motion picture and television industry.

ii. During the term of the 2015 Areas Standards Agreement, and in partnership with Contract Services Administration Training Trust Fund ("CSATTF"), the IATSE Training Trust Fund, together with the IATSE, shall use best efforts to ensure that all employees employed under this Agreement complete the A and A2 Safety Pass courses, and shall keep complete and accurate records of such training. IATSE Training Trust Fund shall enter into appropriate agreements with CSATTF to facilitate such training.

iii. The IATSE Training Trust Fund shall be operated in a non-discriminatory manner. Attendance at safety training shall be provided or sponsored by the IATSE Training Trust Fund and the selection of trainers shall be without regard to Union membership.

iv. The IATSE Training Trust Fund shall authorize the appointment of advisory committees to review and develop safety training specifically for the motion picture and television industry, subject to the final approval of the Trustees. Any such advisory committee to be comprised of an equal number of Union-appointed members and of AMPTP-appointed members in a number to be determined.

v. The IATSE Training Trust Fund commits to provide accurate and complete record-keeping accessible to employers, which may be satisfied through the use of an outside vendor. Such record-keeping shall be in accordance with regulatory requirements and shall include at a minimum: attendance sign-in sheets with printed names and signatures, completed tests based on curriculum taught, a copy of the curriculum, documentation showing the length of the training, the date and location of training and the trainer.

vi. The AMPTP shall appoint five (5) Employer Trustees to the IATSE Training Trust Fund and shall maintain the majority of the Employer-appointed Trustees at all times. There shall be no alternate Trustees.

vii. Following the appointment of the AMPTP Trustees, the parties to the ASA shall address: (a) voting processes, including use of proxies, standard unit (block) voting and deadline procedures; (b) quorum requirements of at least one (1) AMPTP-appointed employer Trustee and one other employer Trustee appointed by any other individual employer and an equal number of Union-appointed Trustees; and (c) audit and collection policies and procedures.

ARTICLE XXVIII – 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.⁵ 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:

⁵ 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.

(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, 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 IATSE, Basic Crafts and AMPTP 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 employee, 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 within 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 (1) 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 Agreement⁶ 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"⁷ include all persons 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.

⁶ 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)(1)(ii) of this Article XXVIII.

⁷ 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 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.

(iv) "Foreign" means any theatrical motion picture for which twenty percent (20%) or more of the shooting days of 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.

(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.

* 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.

(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)(11) 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 l. 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 XXVII 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."⁸ 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.

⁸ 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 XXVI.

(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.

ARTICLE XXIX - WAGE RATES

(a) Grandfathered Series

Employees employed on the HBO series "Ballers," "Veep" and "Looking" (the "Grandfathered Series") shall, for the run of the Grandfathered Series, be paid the applicable minimum wage rates as are set forth on the attached Wage Rate Appendices, with a 3% annual increase on January 1, 2015 and each January 1 thereafter, through and including January 1, 2018.

(b) New York and Los Angeles

(i) 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 applicable rates under the then current New York Majors Agreements shall apply.

(ii) For persons hired by the Employer to perform covered services in the County of Los Angeles or hired by the Employer in the County of Los Angeles to perform services outside of

the County of Los Angeles, the applicable rates under the then current IA TSE Basic Agreement shall apply.

(c) Local 600 (Camera) Employees

For employees represented by Local 600 (camera) currently paid under the rates set forth in the attached Wage Rate Appendices A and B, the differential between those rates and the applicable Local 600 (camera) Agreement rates will be phased out 25% per year, so that effective as of January 1, 2018, such employees will be paid the applicable rates under the Local 600 (camera) Agreement. The calculation of the increase necessary to reduce the differential between the rates by 25% each year shall take into account any general increases in the Long-Form camera rates and Local 600 (camera) Agreement rates negotiated by the AMPTP and the IATSE during the term of this Agreement.

(d) Outside of New York and Los Angeles

(i) To the extent that a rate for a classification is specified in the ASA, Employees not covered by the New York or Los Angeles rates shall be paid at the applicable rates under the then current ASA. This paragraph shall not apply to employees employed on the Grandfathered Series or in Chicago and San Francisco.

(ii) For those classifications that do not have a rate specified in the ASA (including but not limited to production office coordinators, assistant production office coordinators, art department coordinators), employees shall be paid the applicable minimum wage rates that are set forth on the attached Wage Rate Appendices, with a 3% increase effective January 1, 2015. Effective January 1, 2016, 2017 and 2018, the then-current rates for these positions shall increase by the same percentages as the most recent rate increase under the Los Angeles Basic Agreement (e.g., the percentage increase, if any, that becomes effective on August 1 of 2015 shall be applied to the rates under the CBAs effective January 1, 2016.)

(e) One-hour film series wage rates and one-half hour film and digital series wage rates shall lag one (1) year for the first two (2) production seasons.

(f) There are no guarantees of employment beyond one (1) day for daily employees and one (1) week for weekly employees. Wage rates for weekly employees may be prorated for the first and last weeks of employment and in connection with a production hiatus.

(g) No employee employed on a production shall suffer a reduction in his or her wage rate during the current production or the current production season as a result of the adoption of any new wage schedule.

ARTICLE XXX – SPECIALIZED WORK

(a) The Employer will not require any employee to perform any work that the employee reasonably considers to present a clear and present danger to his or her health and safety.

(b) The employees selected to perform specialized work and Employer are to negotiate and agree upon a rate in advance for such work and, if no agreement is so reached, the employee will not jeopardize working opportunities by refusing to perform such work. The employee may seek assistance from the Business Representative of the Local Union in connection with these negotiations, provided that there is no delay to the production in doing so. The Business Representative need not be present for the negotiations.

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

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

(c) The Employer will strictly conform with all recognized industry health and safety standards and all applicable health and safety rules and regulations.

(d) (i) For taking motion pictures on aerial flights or submarine diving, employee shall receive sixty dollars (\$60.00) per flight or dive but with a maximum of payment in a single shift of one hundred eighty dollars (\$180.00).

(ii) Any employee designated by Employer to work completely under water using a diving mask, air helmet or diving suit, including skin diving, will be paid a bonus of twenty-five percent (25%) the rate in effect at the time of such performance for the entire work shift, except when the total time required by the employee to perform such work, including diving, is less than one (1) hour.

(iii) Any employee designated and required by Employer to dive to the depth of fifteen (15) feet or more in water using a diving mask, air helmet or diving suit, including skin diving, will be paid an allowance of sixty dollars (\$60.00) for each dive with a maximum payment in a single shift of one hundred eighty dollars (\$180.00). Such allowance shall supersede and replace the twenty-five percent (25%) bonus referred to in subparagraph (2) above. When an employee is required to dive under water twenty (20) feet or more, he shall be accompanied by another diver.

(e) The following provisions shall be applicable to employees required to be under water when performing their work:

(i) A dressing room shall be provided.

(ii) Hot drinks or nourishment shall be available if water is cold.

(iii) A rest period of ten (10) minutes shall be allowed for each hour so worked. Not more than two (2) consecutive hours shall elapse without a rest period.

(iv) In the event safety conditions so warrant, it shall be the practice of underwater workers in the performance of such work to work jointly in pairs.

(v) Employer will provide suitable wearing apparel for abnormally cold or wet work.

(vi) When required by Employer to work in water three (3) feet or more in depth for a period of an aggregate of at least four (4) hours during any workday, employee will be paid a fifteen percent (15%) bonus above the applicable scale rate for all hours worked during the work shift.

ARTICLE XXXI – PAID SICK LEAVE

(a) The Union expressly waives, to the full extent permitted by law, application of the following to all employees employed under this Agreement: the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the Oakland Sick Leave Law (Municipal Code Section 5.92.030.); the Seattle Paid Sick and Safe Time Ordinance (Ordinance No. 123698); Chapter 18.10 of Title 18 of the Municipal Code of the City of Tacoma, Washington (enacted by Ordinance No. 28275); the City of Santa Monica California Paid Sick Leave Ordinance (Santa Monica Municipal Code Chapter 4.62.et. seq.); and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the Union and the Employer shall memorialize any such waiver for any newly-enacted law by letter agreement and that any such letter agreement shall be binding upon the parties to this Agreement. The Union also expressly waives, to the full extent permitted by law, application of the following to all employees employed under this Agreement: the New York City Earned Sick Time Act of 2013; Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 et seq.); and/or the Sick Leave for Private Employees Ordinances of Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Newark, New Jersey (City Ordinance 13-2010); Passaic, New Jersey (Ordinance No. 1998-14); Paterson, New Jersey (Paterson Code Chapter 412) and Trenton, New Jersey.

(b) California Sick Pay

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

(ii) To be eligible to accrue paid sick leave, the employee must have worked for the Employer for at least thirty (30) days in California within a one-year period, such year to be measured, as designated by the Employer, as either a calendar year or starting from the employee's anniversary date. Sick leave may be used in minimum increments of four (4) hours upon oral or written request after the eligible employee has been employed by the Employer in California for 90 days (based on days worked or guaranteed), such period to be measured, as designated by the Employer, as either a calendar year or starting from the employee's anniversary date. Reasonable advance notification of the need for sick leave is required if the use is foreseeable; otherwise, notice is required as soon as practicable. Sick days accrued on an hourly basis shall carry over to the following year of employment; however, the Employer may limit the use of such accrued sick time to no more than 24 hours or three (3) days during each year of employment as defined by the Employer in advance.

(iii) For employees employed on an hourly or daily basis, a day of sick leave pay shall be equal to eight (8) hours' pay at the employee's straight time hourly rate. If a four (4) hour increment of sick leave is taken, the employee shall be paid four (4) hours of pay at his straight time hourly rate. For weekly employees (including 'on-call' employees), a day of sick leave pay shall be equal to one-fifth (1/5th) of the employee's weekly rate under the studio minimum wage scales or one-sixth (1/6th) of the employee's weekly rate under the distant location minimum wage scales (or fifty percent (50%) thereof for a four (4) hour increment of sick leave taken). Replacements for weekly employees (including 'on-call' employees) may be hired on a pro rata basis of the weekly rate regardless of any contrary provision in this Agreement. The employee shall not be required to find a replacement as a condition of exercising his right to be paid sick leave.

(iv) Sick leave may be taken for the diagnosis, care or treatment of an existing health condition of, or preventive care for, the employee or the employee's "family member." "Family member" means any of the following: (1) a biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stand in loco parentis; (2) a biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child; (3) a spouse; (4) a registered domestic partner; (5) a grandparent; (6) a grandchild; or (7) a sibling. Sick leave may also be taken by an employee who is a victim of domestic violence, sexual assault or stalking.

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

(vi) Employer shall include in the employee's start paperwork the contact information for the designated Employer representative whom the employee may contact to confirm eligibility and the amount of accrued sick leave available. Such start paperwork shall also include information with respect to the year period (i.e., calendar year or the employee's anniversary date) that the Employer selected to measure the 30-day and 90-day eligibility periods and the cap on accrual set forth in subparagraph (b)(i) of this Article or, alternatively, if the Employer elected to

provide employees with a sick leave bank, the year period (i.e., calendar year or the employee's anniversary date) that the Employer selected for the bank of three (3) sick days as provided in subparagraph (b)(i) of this Article. Employer shall notify the West Coast office of the IATSE of the name and contact information of the Employer representative.

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

(viii) Any dispute with respect to sick leave for California employees covered under this subparagraph (b) of this Article XXXI shall be subject to the grievance and arbitration procedures provided in this Agreement.

ARTICLE XXXII - TERM AND EFFECTIVE DATE

This Agreement shall be generally effective as of January 1, 2015 and shall remain in full force and effect through and including December 31, 2018.

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

By: 

Title: International President

Print Name: Matthew D. Loeb

Date: 12/7/17

HBO ENTERTAINMENT

By: 

Title: EVP, Business & Legal Affairs

Print Name: GLENN A. WHITEHEAD

Date: 11/29/17

SIDE LETTER NO. 1

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical Stage Employees,
Moving Picture Technicians, Artists and Allied Crafts
of the United States and Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the further understandings reached at the bargaining table concerning the Agreement effective January 1, 2015. HBO Entertainment shall continue its existing established staffing practices except as hereafter provided.

The Employer may request that a Director of Photography be permitted to also function as a Camera Operator on productions where special conditions or special circumstances exist. Such request shall be made to the IATSE with notice to Local 600. No such request will be unreasonably denied.

The Employer may request that the sound crew utilized to record production dialogue consist only of the mixer and microphone boom operator, where special conditions or special circumstances exist. Such request shall be made to the IATSE with notice to the affected Local Union. No such request will be unreasonably denied.

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

SIDE LETTER NO. 2

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical Stage Employees,
Moving Picture Technicians, Artists and Allied Crafts
of the United States and Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the further understandings reached with respect to the Agreement effective January 1, 2015.

The last sentence of Article XVI(b) shall be interpreted and implemented as follows:

- (a) The term "established episodic series" shall mean one which has completed its first production cycle.
- (b) For employees on distant location on a portal-to-portal basis, the provision for double-time after fourteen (14) elapsed hours remains applicable.
- (c) The overtime provisions in Side Letter No. 8 shall apply in New York.

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

SIDE LETTER NO. 3

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the further understandings reached with respect to the Agreement effective January 1, 2015.

HBO Entertainment acknowledges that the installing, connecting, and striking of temporary electric power sources emanating from a location base camp is work within the jurisdiction of the IATSE, provided that it is understood and agreed that the foregoing does not require additional staffing.

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

SIDE LETTER NO. 4

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

This letter will confirm the matters that were agreed upon in recent negotiations between HBO Entertainment ("HBO Entertainment") and the I.A.T.S.E., and to be incorporated as part of the 2015 I.A.T.S.E.-HBO Entertainment Agreement.

1. The classification of "Aerial Balloon Operator" shall be included in all the classification schedules set forth in the 2015 I.A.T.S.E.-HBO Entertainment Agreement with wage rates "as negotiated." It is understood that HBO Entertainment has the right to continue the practice of subcontracting such work.

2. HBO Entertainment on digital production shall have the right to apply the classifications and staffing set forth in the Digital Supplemental Agreement to the Producer-I.A.T.S.E. 2009 Basic Agreement and its successor agreements; wage rates shall be as set forth in the 2015 I.A.T.S.E. - HBO Entertainment Agreement, and for classifications where no wage rate is provided in that Agreement such rates shall be negotiated by HBO Entertainment and the I.A.T.S.E. The wage rates of the appropriate Digital Supplemental Agreement shall apply when such classifications are employed.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

SIDE LETTER NO. 5

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following will serve to confirm our understanding as to the application of Article IV – Union Security of the HBO Entertainment Production Agreement effective January 1, 2015 (“Agreement”) with respect to the covered employees represented by I.A.T.S.E. Local 871.

1. All employees covered by the Agreement working in positions within the jurisdiction of Local 871 shall pay initiation fees to Local 871.
2. The initiation fees shall be paid as follows:
 - a. Within thirty (30) days of hire or within thirty (30) days from the effective date of the Agreement, whichever is the later date, an employee shall apply for membership into I.A.T.S.E. Local 871;
 - b. Upon application for membership the employee shall pay one-third (1/3) of the Local’s initiation fee;
 - c. The balance of the initiation fee shall be fully paid within nine (9) months from the date the employee is required to comply with the terms of Article IV of the Agreement;

Mr. Matthew D. Loeb, International President
Side Letter No. 5
January 1, 2015
Page 2

- d. The Employer agrees that compliance with the terms of Article IV and this Side Letter No. 5 are express conditions of continued employment of any employee in the covered bargaining unit.

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.

Very truly yours,

HBO ENTERTAINMENT

By: _____



Acknowledged and agreed on
Behalf of the I.A.T.S.E.

By: _____



SIDE LETTER NO. 6

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the further understandings reached with respect to the Agreement effective January 1, 2015.

All productions with production offices in Baltimore shall pay non-production city rates, and all productions with production offices in Washington, D.C. shall pay production city rates.

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

SIDE LETTER NO. 7

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the understandings reached at the bargaining table concerning the use of "French Hours" on production.

The IATSE agrees that the crew may work "French Hours" under the following conditions:

A majority vote held with all IATSE represented crew. Vote to be monitored by an appointed Shop Steward. The IATSE shall be notified as soon as practicable prior to the vote of the crew.

The shooting day will be 11.0 hours defined as starting at general crew call and ending at camera wrap. Hot food and assorted beverages will be made available to the crew beginning approximately four hours after general crew call. Pre-crew call employees will be provided a nondeductible meal.

In addition, IATSE represented crew would be compensated at two (2) times their basic hourly rate for all time worked after eleven (11) consecutive hours.

Further, in the event a crew member does not have an opportunity to eat a meal within ten (10) hours, he or she will be entitled to meal penalties calculated from their 6th hour of work to the wrap of camera. The calculation of these penalties will be as currently set forth in the various bargaining agreements.

All this is contingent upon a secret vote of the IATSE crew, with the majority in favor of "French Hours." The Producer and the Shop Steward shall verify the count. Once the vote has been taken and it is favorable, the Producer shall notify the IATSE West Coast office in writing of the vote tally.

Mr. Matthew D. Loeb, International President
Side Letter No. 7
January 1, 2015
Page 2

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.


Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and Agreed

Behalf of the I.A.T.S.E.

By: 
Matthew D. Loeb, President
I.A.T.S.E.

SIDE LETTER NO. 8

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the understandings reached at the bargaining table as it pertains to the working conditions in New York for all New York locals, including Local 52, Local 161, Local 600, Local 764, Local 798, Local 829, and Local 700. Except as provided below, the New York working conditions will continue to be as provided for in the collective bargaining agreement between HBO Entertainment and I.A.T.S.E. dated January 1, 2015 through December 31, 2018.

MINIMUM CALL

Employees required to work shall receive a minimum of eight (8) hours pay for each such call.

REST PERIOD

(a) (1) There shall be at least a nine (9) hour rest period between the termination of work on one work call and the commencement of the next work call. This shall be an invadable nine (9) hour turnaround period.

(2) When the Rest Period Starts and Ends

(i) For Employees Reporting to a Location in the Twenty-five (25) Mile Zone, Within the Area Bounded by 125th Street and the Battery.

In the New York metropolitan area, when an employee is required to report to a location within the 25- or 30-mile zone (as defined in Section 5(a)), and within the area bounded by 125th Street and the Battery, the rest period shall commence at the time of

Mr. Matthew D. Loeb, International President

dismissal at the location and, if called to work by the same Employer at a similar zone location the following day, end at the call time for the next day.

(ii) For Employees Reporting to a Location Within the Twenty-five (25) Mile Zone, But Outside the Area Bounded by 125th Street and the Battery:

In the New York metropolitan area, if an employee is required to report to a location within the 25- or 30-mile zone, but outside the area between 125th Street and the Battery, the rest period shall be deemed to commence at the time that results when the amount of time required for the employee to travel from such location back to either a mutually-agreed upon point in the area bounded by 125th Street and the Battery or to the perimeter of the area bounded by 125th Street and the Battery is added to the employee's dismissal time.

If the employee reports to a location within the 25- or 30-mile zone, but outside the area between 125th Street and the Battery for the same Employer on the following day, then the rest period ends when the amount of time required for the employee to travel from either a mutually-agreed upon point in the area bounded by 125th and the Battery or from the area bounded by 125th Street and the Battery to the location is subtracted from the employee's call time.

For example, suppose an employee is required to report to Newark. The employee is dismissed from work at 9:00 p.m. Suppose the agreed-upon travel time from Newark to reach the perimeter of the area between 125th Street and the Battery is one-half hour. The employee's rest period begins at 9:30 p.m. Suppose the employee is required to report to Newark for the same Employer the following day at 7:00 a.m. The employee's rest period ends at 6:30 a.m.

(iii) For Employees Reporting to a Studio

In the New York metropolitan area, when an employee is required to report to a studio located within the 25- or 30- mile zone (as defined in Section 5(a)), the rest period shall commence at the time of dismissal at the studio and, if called to work at the studio by the same Employer the following day, end at the call time for the next day.

(iv) For Employees Reporting to Work on Nearby Locations

In the New York metropolitan area, if an employee is required to report to a location outside the 25- or 30-mile zone, then the rest period shall be deemed to commence at the time that results when the amount of time required for the employee to travel from the location to either a mutually-agreed upon point in the area bounded by 125th Street and the Mr. Matthew D. Loeb, International President

Battery or to the perimeter of the area bounded by 125th Street and the Battery is added to the employee's dismissal time and ends when the amount of time required for the employee to travel from a mutually-agreed upon point in the area bounded by 125th Street and the Battery or from the perimeter of the area bounded by 125th Street and the Battery to the location is subtracted from the employee's call time, if called to work by the same Employer at a nearby location on the following day.

For example, an employee is required to report for work to Princeton, N.J. The employee is dismissed from work at 8:00 p.m. Suppose the agreed-upon travel time from Princeton to the perimeter of the area bounded by 125th Street and the Battery is one and one-half (1½) hours. The employee's rest period begins at 9:30 p.m. Suppose the employee is required to report to Princeton the following day at 8:00 a.m. The employee's rest period ends at 6:30 a.m.

(v) A designated representative of the Employer and a designated representative of the Union shall determine the amount of time needed to travel between the location and either the mutually-agreed upon point within the area bounded by 125th Street and the Battery or the perimeter of the area bounded by 125th Street and the Battery. In the event of a dispute, the matter shall be referred to the employees' bargaining representative and to the Labor Relations representative of the Employer for resolution.

(3) The penalty for invasion of the rest period (i.e., for allowing less than the nine (9) hour rest period between the termination of work on one call and the commencement of work on the next call) shall be a payment for invaded hours only at an additional straight time.

(b) (1) The following shall apply to employees working on theatrical motion pictures shooting within a fifty (50) mile radius of Columbus Circle: Any employee who is required to work more than fourteen (14) consecutive hours, including meal periods (i.e., fourteen (14) elapsed hours) from the time of reporting and who does not receive a ten (10) hour rest period thereafter shall be paid, when he resumes work, two and one-half times (2½) the employee's regular basic hourly rate for all such hours worked in excess of fourteen (14) until the employee receives a ten (10) hour rest period.

(2) The following shall apply to employees working on theatrical motion pictures shooting outside a fifty (50) mile radius from Columbus Circle or on any television motion pictures: Any employee who is required to work more than fourteen (14) consecutive hours, including meal periods (i.e., fourteen (14) elapsed hours) from the time of reporting and who does not receive a ten (10) hour rest period thereafter shall continue to be paid, when he resumes work, at the rate in effect for such employee at the end of the first call for all such hours worked in excess of fourteen (14) until the employee receives a ten (10) hour rest period.

Mr. Matthew D. Loeb, International President
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January 1, 2015
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REPORT TO LOCATIONS

The following shall apply in the New York metropolitan area:

(a) The Twenty-five (25) Mile Zone

Any location within a radius of twenty-five (25) miles of Columbus Circle (the "twenty-five (25) mile report-to zone"), other than Sandy Hook, New Jersey, shall be a report-to location without any travel payment requirement. In addition, the Union shall not unreasonably refuse to grant waivers to expand the report-to zone to within a thirty (30) mile radius of Columbus Circle. When an employee reports for work within the twenty-five (25) or thirty (30) mile report-to zone (whether at a studio or a location), the employee's call time shall commence at the studio or location and shall end when dismissed at such studio or location.

(b) Nearby Locations

Any employee who is required to report to a nearby location (*i.e.*, a location other than a distant (overnight) location which is outside the 25- or 30-mile report-to zone) shall be paid mileage based on thirty cents (\$.30) per mile computed from the perimeter of the area bounded by 125th Street and the Battery to such location and return from such location to the perimeter of such area. In that case, the employee's work time shall commence at the time which results when the amount of time needed to travel to the location either from a mutually-agreed upon point in the area bounded by 125th and the Battery or from the perimeter of the area bounded by 125th Street and the Battery is added to the call time and shall end at the time which results when the amount of time needed to travel from the location to either such mutually-agreed upon point or to the perimeter of the area bounded by 125th Street and the Battery is added to the dismissal time.

(c) A designated representative of the Company and a designated representative of the Union shall determine the amount of time needed to travel between the location and either the mutually-agreed upon point or the perimeter of the area bounded by 125th Street and the Battery. In the event of a dispute, the matter shall be referred to the Business Representative of the Union and to the Labor Relations representative of the Producer for resolution.

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MEALS ON LOCATION

(a) Employees on location out of town shall be allowed the sum of \$4.50 for breakfast, \$6.50 for lunch, and \$9.00 for dinner, plus first class hotel accommodations, if available.

(b) Meal allowances shall not be required if a meal appropriate to the time of day is provided by the Employer.

TRANSPORTATION, TRAVEL TIME AND IDLE DAYS

Effective January 1, 2015:

(a) First class transportation shall be furnished by the Employer to and from location with lower berth accommodations whenever possible and all regular meals while traveling. Travel by tourist accommodations in a plane of a regularly-scheduled commercial airline shall be deemed "first class" transportation for this purpose.

(b) For any day of the week (including holidays) on which an employee travels only, the employee shall receive an allowance of four (4) hours of pay at straight time or pay for time actually traveled, whichever is greater, but in no event more than eight (8) hours of pay at straight time.

(c) When an employee has worked during the day and is required to travel in excess of the regular eight (8) hour work schedule, he shall be paid for the hours spent in travel at the rate of time and one-half (1½), except that such travel time paid shall not exceed four (4) hours at time and one-half (1½) during each twenty-four (24) hour period running from 8:30 a.m. to 8:30 a.m.

(d) Employees who work on production locations and who are required by the Employer to be lodged overnight away from home shall receive four (4) hours' pay at scale plus eight (8) hours of pension and health contributions for unworked sixth and/or seventh days. The parties confirm that the four (4) hours of pay shall not be considered work time.

TERMINATION OF SERVICES

(a) When an employee is hired at the daily rate, he shall be notified prior to 3:00 p.m. by the Employer if his work is to terminate at the end of that particular day. (It shall be the responsibility of the heads of department of Local #52 to ask for this information and, in the event of failure to do so, the following sentence will not apply.) In the event that such notice is not given, it shall be construed that the employee is to report for work the following day.

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(b) When the services of a daily employee are terminated, he shall be paid all monies due him under the Agreement, in cash or by check, within seven (7) calendar days after termination.

WORKING IN HIGHER CLASSIFICATION

(a) If two (2) or more hours of the workday are worked pursuant to a designated supervisor's authorization in a higher classification than the classification under which the employee is called for work, the higher rate shall prevail for the entire workday. The employee reverts to his regular classification the next day unless notified to the contrary.

(b) Each production unit shall be manned by heads of departments.

HOLIDAYS

(a) The following holidays shall be recognized for employees employed under the provisions of Part A of this Agreement: New Year's Day, President's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas Day. Any holiday designated by federal statute shall be considered to fall on the day so designated except that any holiday falling on a Saturday, whether designated by federal statute or not, shall, for the purpose of this Agreement, be celebrated on the previous Friday, and any holiday falling on a Sunday, whether designated by federal statute or not, shall, for the purpose of this Agreement, be celebrated on the following Monday. All work performed on a holiday shall be paid in accordance with the provisions for work on an employee's seventh day of work within a workweek as set forth in Section 21(c) below.

(b) Except as otherwise provided in this Agreement, each employee employed under Part A of this Agreement shall be entitled to an unworked holiday pay benefit as payment for holidays not worked, which shall be computed based on 3.719% of the employee's annual straight time work earnings. Any amounts paid by the Employer for such unworked holidays shall be offset against the 3.719% payment due, it being understood that the right of offset against unworked holiday pay provided hereunder shall be neither greater than nor less than the right of offset provided to the Employer under the Producer – IATSE West Coast Studio Local Agreements. Payment for unworked holidays shall be made in a lump sum in a separate check issued either at the end of the television season or upon completion of a theatrical production.

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Notwithstanding the foregoing paragraph:

(1) There shall be no unworked holiday pay for long-form television productions or pilots.

(2) For any one-hour episodic series other than a "new" one-hour episodic series (*i.e.*, one that started on or after May 16, 2006), unworked holiday pay shall be paid as provided in this Section 11(b) (*i.e.*, at 3.719% of the employee's annual straight time work earnings). Unworked holiday pay for new one-hour series shall be governed by the provisions of the Sideletter to the Local 52 Agreement re: "Special Conditions for New One-Hour Episodic Television Series, the Production of Which Commences On or After May 16, 2006."

HAZARDOUS WORK AND INSURANCE

(a) In the event that any employee covered by this Agreement is assigned to work involving aerial flights, any underwater work, work in mine shafts, work above the first floor outside or on top of buildings in those areas not normally open to public use, demolition or explosive work, work on top of moving vehicles where protective metal railings are not provided, work in or upon outrigger affixed to moving vehicles or work while riding in speeding racing cars or moving motorcycles, he shall, for the duration of such assignment, be covered by a personal accident insurance policy, insuring against death and/or dismemberment, in the amount of two hundred thousand dollars (\$200,000) and providing for a weekly indemnity of three hundred dollars (\$300.00) in the event of total disability, as such term is commonly understood in the insurance field, for a period of fifty-two (52) weeks.

(b) Said benefits resulting from the policy mentioned in subsection (a) above shall be payable to the beneficiary designated by the employee, failing which such indemnity shall be payable to the estate of the deceased.

(c) No employee shall be required to jeopardize his working opportunities by having to perform work that is considered hazardous.

SAFETY, MEDICAL AND SANITARY CONDITIONS

(a) All platforms for electrical appliances, lamps, *etc.*, shall be constructed and equipped with the necessary safety devices, *viz*, guard rails, walking planks, light planks secured and tied to insure safety of equipment and operation of same. Ladders shall be provided or erected when necessary for access to and from platforms. There shall be a minimum of one (1) operator for each portable generator of over 5,000 watts. More than one (1) electrician is required if a 5 kilowatt light or larger is moved, unless a change in the light and associated equipment substantially reduces present weight.

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When, during shooting, a manually counterweighted crane is being used as a moving dolly on which a camera is mounted, a minimum of three (3) grips shall be required to operate the equipment.

(b) The Employer will observe and obey all safety regulations as required under applicable federal, state and municipal statutes. The employees shall cooperate in observing said safety regulations.

(c) The Employer shall, as concerns each location where shooting is to take place, ascertain the locations of the nearest hospital and medical practitioner and advise the shop stewards who represent Local #52 members of same. The Employer shall, in case of accident or need of medical attention, cooperate fully in notifying said hospital or medical practitioner so that immediate assistance and first aid may be given to the injured employee.

(d) The Employer shall see that each set or location is supplied with pure drinking water and make available adequate toilet facilities for the employees covered by this Agreement.

The Employer will endeavor, where practicable, to supply hot water for washing on locations; this provision shall not be subject to grievance and arbitration.

(e) The Employer shall ensure, having due regard for safety and fatigue, that an aerial lift operator is given reasonable breaks not less frequently than every four (4) hours.

REGULAR WORK SCHEDULE

(a) The standard day's work (inclusive of work on the sixth and seventh days of a workweek and holidays) for all employees working on a daily or weekly basis shall consist of any eight (8) hours.

(b) The regular workweek shall consist of any five (5) consecutive days out of any seven (7) consecutive days, commencing with the first of such five (5) days.

(c) One time during the production of a motion picture (except in the case of episodic television), the Employer may shift the workweek, without incurring added costs, by adding one (1) or two (2) days off consecutive with the sixth and/or seventh days off of the prior workweek and/or by shifting a workweek commencing on Tuesday to a workweek commencing on Monday, provided that the intervening Sunday is a day off. In the case of employees working in

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episodic television, the Employer may exercise the foregoing rights once between hiatus periods (*i.e.*, between the commencement or resumption of production and a cessation of principal photography for the series for at least one week).

If the Employer otherwise shifts the workweek such that the new workweek invades the preceding workweek, the Employer shall pay the premium for the sixth and/or seventh day worked of the preceding workweek.

Employees shall be advised of any shifts in the workweek prior to the commencement of that workweek. In no case may Employer shift the workweek for the sole purpose of avoiding payment for an unworked holiday.

The parties clarify that this subparagraph (c) allows a "round trip" shift in the workweek, without the Employer incurring any additional costs, provided that the Employer returns to a Monday-Friday workweek, and, provided further, that in the event the shift back is from a Wednesday through Sunday workweek to a Monday through Friday workweek, the intervening Sunday must be a day off in order for the switch to occur without the payment of a premium.

The parties hereby clarify that the foregoing "workweek" provisions permit the Employer to designate a workweek for any employee which differs from the workweek applicable to the main unit (such as, but not limited to, designating a different workweek for second units, construction and swing gangs).

(d) (1) Notification of Call

All members of the crew shall be notified of the time of their next day's call prior to their dismissal on the previous work day. However, the provisions of Section 9(a) (termination of an employee hired at the daily rate) shall remain in full force and effect.

(2) Cancellation of Call

Local #52 agrees that it will not unreasonably deny a request by the Employer to cancel calls due to inclement weather (snow, sleet, ice storms, hurricanes) for those employees working within a fifty (50) mile radius of Columbus Circle. The employee must be notified of the cancellation no later than 6:00 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 an 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

Mr. Matthew D. Loeb, International President
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employee is notified of the cancellation before 6:00 p.m. on the evening prior to the call (*i.e.*, Sunday in the case of a Monday call).

(e) A work day starting on one calendar day and running into the next calendar day shall be credited to the first calendar day, except that an employee whose work shift overlaps into a holiday or from a holiday into the next day shall be paid double time for those hours worked on the calendar holiday.

OVERTIME

(a) Television Motion Pictures

All time worked in excess of eight (8) hours, but less than twelve (12) hours worked, shall be paid at one and one-half times the employee's regular basic hourly rate. All time worked in excess of twelve (12) hours worked shall be paid at double the employee's regular basic hourly rate.

(b) Sixth and Seventh Day Worked

Time and one-half shall be paid for the employee's sixth day of work within a workweek. Double time shall be paid for the employee's seventh day of work within a workweek.

In the event that any daily employee who is not on a regularly-scheduled workweek works six (6) days, starting with the first day worked, within a seven (7) day consecutive period, he shall be paid time and one-half for the sixth day worked.

All work performed on the sixth consecutive workday in excess of twelve (12) hours worked shall be paid at double the employee's regular basic hourly rate. On theatrical motion pictures within fifty (50) miles of Columbus Circle only, all work performed in excess of fourteen (14) hours worked shall be paid at two and one-half times the employee's regular basic hourly rate.

All work performed on the seventh consecutive workday in excess of fourteen (14) hours worked shall be paid at two and one-half times the employee's regular basic hourly rate.

By way of example, Employee "A" works Monday through Friday, then works Saturday and Sunday. He is paid time and one-half for Saturday and double time for Sunday.

Mr. Matthew D. Loeb, International President

Employee "B" works Monday through Friday, is off Saturday, then works on Sunday. He is paid time and one-half for Sunday.

Employee "C" does not work for the Producer Monday through Friday, even though the rest of the crew works Monday through Friday. Employee "C" works only Saturday and Sunday. He is paid straight time, because they are his first two days of work.

- (c) Overtime shall be payable in one-tenth (1/10) hour units.

MEAL PERIODS

(a) Meal periods shall be not less than one-half (½) hour nor more than one (1) hour in length. Not more than one meal period shall be deducted from work time for an employee during the minimum call. A second meal period may be deducted from work time for those employees who work in excess of the minimum call. The minimum guarantee of work time after an evening meal shall be one and one-half (1½) hours. This guarantee does not apply when such meal is supplied at the Producer's expense.

(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 for the same employee shall commence within six (6) hours after the end of the preceding meal period. A twelve (12) minute grace period may be called for production efficiency prior to imposition of any meal penalty. Such grace period shall not be scheduled nor automatic nor is it intended for everyday use. The twelve (12) minute grace period may not be utilized when the meal period has been extended as permitted by subparagraph (c) below. An employee's first meal period shall commence no earlier than two (2) hours after such employee reports for work, except as provided in subparagraph (d) below.

The Employers and the IATSE agree that they will work with the DGA and/or production executives on the East Coast in an effort to ensure that meal periods are called at the contractually-prescribed time for employees working on television motion pictures in a studio.

(c) The meal interval may be extended one-half (½) hour without penalty when used for wrapping up (one (1) hour for television) or to complete the camera take(s) in progress, until print quality is achieved. Such extension shall not be scheduled nor automatic.

(d) If any member of the company after commencement of work time is given a reasonable hot breakfast, without deducting the time spent in eating (30 minutes) from work time, then the first meal may be six (6) hours after such breakfast. The parties hereby confirm that the reference to "a reasonable hot breakfast" means a meal appropriate to the time of day.

(e) When an employee is working without direct employer supervision and is given the prerogative to arrange his/her meal periods, the employee shall be charged with the responsibility of taking proper meal period(s).

(f) The meal penalty for delayed meals shall be computed as follows:

On television motion pictures (other than television motion pictures shooting in a studio):

First one-half ($\frac{1}{2}$) hour meal delay or fraction thereof..... \$6.50
Second one-half ($\frac{1}{2}$) hour meal delay or fraction thereof.....\$7.50
Third one-half ($\frac{1}{2}$) hour meal delay or fraction thereof.....\$17.50
Fourth and each succeeding one-half hour meal delay or fraction thereof One (1) hour of pay at the prevailing rate.

On television motion pictures shooting in a studio:

First one-half ($\frac{1}{2}$) hour meal delay or fraction thereof..... \$7.50
Second one-half ($\frac{1}{2}$) hour meal delay or fraction thereof.....\$8.50
Third one-half ($\frac{1}{2}$) hour meal delay or fraction thereof.....\$18.50
Fourth and each succeeding one-half hour meal delay or fraction thereof One (1) hour of pay at the prevailing rate.

Such allowances shall be in addition to the compensation for work time during the delay and shall not be applied as part of any guarantee.

(g) As an alternative to the foregoing provisions of this Section as they relate to "on production" employees, the Employer, at its option, may institute "French hours" on a daily basis for "on production" employees, with the approval of a majority of the IATSE-represented crew.

Mr. Matthew D. Loeb, International President
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An employee's consent to the use of a "French hours" meal system shall not be a condition of employment.

In addition, the parties agree to the following clarifications:

(1) A meal need not be provided to employees working at a studio. For these purposes, a "studio" shall be defined as any facility having a certificate of occupancy for use as a studio as well as any facility which operated as a studio prior to May 16, 1998, irrespective of whether it has a certificate of occupancy or not.

(2) Subpart (e) of this Section 22 is clarified so that self-directed employees will not receive meals nor meal penalties.

LOCAL 52 EMPLOYEES ONLY

Section 23 of the Local 52 Agreement shall be applicable to Local 52-represented employees working under this side letter. Section 23 of the Local 52 Agreement provides:

"With respect to any shooting location in Harriman Park, New York that is within the New York City Zone (as defined in Section 1(d) above), the Employer may request a waiver to apply the working terms and conditions set forth in Sections 1(d) and 21(a)(2) herein. The Union shall not unreasonably withhold such a waiver."

Would you please acknowledge the foregoing understanding on behalf of the IATSE at the place provided below and return a copy of this letter to me.


Very truly yours,

Acknowledged and Agreed

HBO ENTERTAINMENT

Behalf of the I.A.T.S.E.

By: 

By: 
Matthew D. Loeb, President
I.A.T.S.E.

SIDE LETTER NO. 9

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the understandings reached at the bargaining table concerning the wage rates for new pilots produced in Los Angeles.

The IATSE agrees that for all new pilots produced in Los Angeles, the then-current Made for Television Long-Form ("MOW") wage rates shall apply.

If the pilot is aired or broadcast, all IATSE covered employees shall receive a retroactive payment equal to the difference between the MOW wage rates and the HBO wage rates in effect at the time the work on the pilot was performed.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

SIDE LETTER NO. 10

January 1, 2015

Matthew D. Loeb
International President
International Alliance of Theatrical
Stage Employees, Moving Picture
Technicians, Artists and Allied
Crafts of the United States and
Canada, AFL-CIO, CLC
207 West 25th Street, 4th Floor
New York, NY 10001

Re: HBO Entertainment

Dear President Loeb:

The following is intended to memorialize the understandings reached at the bargaining table concerning programs produced for new media.

If the Employer produces a program intended for initial exhibition in new media, the Employer agrees to notify the Union in advance and, upon request, to negotiate an agreement covering the production.

Very truly yours,

HBO ENTERTAINMENT

By: 

Acknowledged and agreed on
behalf of the I.A.T.S.E.

By: 

APPENDIX "A"

MINIMUM WAGE RATE SCHEDULE

1. PRODUCTION CITIES

- (a) For persons hired in the Production Cities, other than those covered by the Basic Agreement, the Area Standards Agreement and the NY Majors Agreements, listed in (c) to perform services in said cities or hired in said cities to perform services outside of said cities in the following Production Cities, the minimum wage rates during the term of this Agreement shall be the then current minimum wage rates applicable to all pre-production and production job classifications covered by the Long Form Television side letter to the BA.¹
- (b) The following minimum wage rates shall be applicable to employees in the following classifications within the scope of (a) above.

Five Day Studio On-Call Rate

	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Production Accountant	\$2,667.89	\$2,747.92	\$2,830.36	\$2,915.27
Production Office Coordinator	\$1,601.52	\$1,649.56	\$1,699.05	\$1,750.02
First Asst. Accountant	\$1,512.53	\$1,557.91	\$1,604.65	\$1,652.79
Asst. Production Office Coordinator	\$960.93	\$989.76	\$1,019.45	\$1,050.03
Art Department Coordinator	\$960.93	\$989.76	\$1,019.45	\$1,050.03
Asst. Art Department Coordinator (hourly)	\$23.38	\$24.08	\$24.80	\$25.55

¹ (a) Dolly Grips hired on a weekly basis may be paid at the same rate as a Best-Boy Grip employed on a weekly basis.

(b) Swing Gang members hired on a weekly basis shall be paid the same rate as a Craft Service person employed on a weekly basis.

(c) Key Costumer and Costumer shall receive the following wages, effective:

Key Costumer:

Jan. 1, 2015 – Weekly \$1,204.21; Weekly Hourly \$30.12; Daily \$279.08; Daily Hourly \$34.88
Jan. 1, 2016 – Weekly \$1,240.34; Weekly Hourly \$31.02; Daily \$287.45; Daily Hourly \$35.92
Jan. 1, 2017 – Weekly \$1,277.55; Weekly Hourly \$31.95; Daily \$296.07; Daily Hourly \$37.00
Jan. 1, 2018 – Weekly \$1,315.88; Weekly Hourly \$32.91; Daily \$304.96; Daily Hourly \$38.11

Costumer:

Jan. 1, 2015 – Weekly \$1,097.94; Weekly Hourly \$27.45; Daily \$254.48; Daily Hourly \$31.81
Jan. 1, 2016 – Weekly \$1,130.88; Weekly Hourly \$28.27; Daily \$262.12; Daily Hourly \$32.76
Jan. 1, 2017 – Weekly \$1,164.80; Weekly Hourly \$29.12; Daily \$296.98; Daily Hourly \$33.74
Jan. 1, 2018 – Weekly \$1,199.75; Weekly Hourly \$29.99; Daily \$278.08; Daily Hourly \$34.76

Marine Coordinator	As Nego.	As Nego.	As Nego.	As Nego.
Boat Handler	As Nego.	As Nego.	As Nego.	As Nego.
On-Set Picture Boats	As Nego.	As Nego.	As Nego.	As Nego.

Six Day Location On-Call Rate

	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Production Accountant	\$3468.23	\$3572.27	\$3679.44	\$3789.82
Production Office Coordinator	\$2080.53	\$2142.94	\$2207.23	\$2273.45
First Asst. Accountant	\$1966.32	\$2025.31	\$2086.07	\$2148.65
Asst. Production Office Coordinator	\$1249.17	\$1286.65	\$1325.25	\$1365.01
Art Department Coordinator	\$1249.17	\$1286.65	\$1325.25	\$1365.01
Asst. Art Department Coordinator (hourly)	\$23.38	\$24.08	\$24.80	\$25.55
Marine Coordinator	As Nego.	As Nego.	As Nego.	As Nego.
Boat Handler	As Nego.	As Nego.	As Nego.	As Nego.
On-Set Picture Boats	As Nego.	As Nego.	As Nego.	As Nego.

60 Hour Guarantee

	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Payroll Accountant (hourly)	\$18	\$18.54	\$19.10	\$19.67
Additional Asst. Accountant (hourly)	\$15	\$15.45	\$15.91	\$16.39

(c) The Production Cities covered by this Section 1 are Chicago, Illinois; Cleveland, Ohio; Detroit, Michigan; Orlando, Florida; San Francisco, California; St. Louis, Missouri; and Washington, D.C.

APPENDIX "B"

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

For persons hired at all other locations to perform services outside of the Production Cities, the following minimum wage rates will be effective as of the dates indicated:

<u>CLASSIFICATION¹</u>	<u>January 1, 2015</u>		<u>January 1, 2016</u>		<u>January 1, 2017</u>		<u>January 1, 2018</u>	
	<u>Daily</u>	<u>Hourly</u>	<u>Daily</u>	<u>Hourly</u>	<u>Daily</u>	<u>Hourly</u>	<u>Daily</u>	<u>Hourly</u>
2 nd AC		\$26.49		\$27.29		\$28.10		\$28.95
Film Loader		\$25.50		\$26.27		\$27.06		\$27.87
Construction Coord. – On Call	\$465.55		\$479.52		\$493.90		\$508.72	
Construction Labor		\$25.50		\$26.27		\$27.06		\$27.87
Key Grip		\$33.90		\$34.91		\$35.96		\$37.04
Best Boy Grip		\$29.63		\$30.52		\$31.44		\$32.38
Company Grip		\$25.50		\$26.72		\$27.06		\$27.87
Dolly Grip		\$29.63		\$30.52		\$31.44		\$32.38
Crafts Service		\$25.50		\$26.72		\$27.06		\$27.87
Production Painter (Foreman)		\$36.42		\$37.51		\$38.64		\$39.80
Set Painter		\$30.52		\$31.43		\$32.38		\$33.35
Gaffer		\$33.98		\$35.00		\$36.05		\$37.13
Best Boy Electric		\$29.63		\$30.52		\$31.44		\$32.38
Lamp Operator		\$25.50		\$26.27		\$27.06		\$27.87
Lighting Technician		\$25.50		\$26.27		\$27.06		\$27.87
Rigging Gaffer		\$29.63		\$30.52		\$31.44		\$32.38
Special Effects		\$33.90		\$34.91		\$35.96		\$37.04
Asst. Special Effects		\$25.50		\$26.27		\$27.06		\$27.87
	<u>January 1, 2015</u>		<u>January 1, 2016</u>		<u>January 1, 2017</u>		<u>January 1, 2018</u>	

¹ The listing of a classification is intended to be descriptive of work covered by this Agreement and is not a staffing requirement. For classifications not covered by Appendix B, the rates specified in Paragraph 1 of Appendix A shall be applicable.

[illegible]

Local 600
In Corridor
Production and Non-Production City
PAY TV Scales

Established Series

IN CORRIDOR - PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Director of Photography	\$104.30	\$105.08	\$106.47	\$113.97
Camera Operator	\$61.42	\$67.07	\$71.94	\$89.14
1st Camera Assistant	\$46.71	\$48.87	\$50.91	\$58.72
2nd Camera Assistant	\$40.79	\$41.55	\$42.45	\$46.50
Still Photographer	\$53.04	\$56.49	\$59.58	\$70.93
Loader	\$35.12	\$35.57	\$36.19	\$39.18

IN CORRIDOR - NON-PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
2nd Camera Assistant	\$29.93	\$33.41	\$36.35	\$46.50
Loader	\$27.53	\$29.88	\$31.92	\$39.18

New One-Hour Series & Pilots

IN CORRIDOR - PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Director of Photography	\$98.21	\$98.95	\$100.26	\$107.32
Camera Operator	\$59.43	\$63.53	\$67.17	\$80.43
1st Camera Assistant	\$45.42	\$46.58	\$47.82	\$53.10
2nd Camera Assistant	\$40.38	\$40.82	\$41.47	\$44.70
Still Photographer	\$51.44	\$53.65	\$55.76	\$63.95
Loader	\$34.94	\$35.26	\$35.77	\$38.41

IN CORRIDOR - NON-PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
2nd Camera Assistant	\$29.52	\$32.68	\$35.36	\$44.70
Loader	\$27.36	\$29.57	\$31.50	\$38.41

Local 600
Out of Corridor
Production and Non-Production City
PAY TV Scales

Established Series

OUT OF CORRIDOR - PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Director of Photography	\$100.17	\$100.92	\$102.26	\$109.47
Camera Operator	\$51.86	\$54.84	\$57.56	\$67.67
Portrait Photographer	\$47.69	\$51.72	\$55.22	\$67.67
Still Photographer	\$45.70	\$48.17	\$50.44	\$58.98
Technician	\$46.76	\$48.97	\$51.04	\$58.98
1st Camera Assistant	\$44.58	\$45.09	\$45.82	\$49.44
2nd Camera Assistant	\$40.58	\$41.18	\$41.95	\$45.60
Loader	\$35.12	\$35.57	\$36.19	\$39.18

OUT OF CORRIDOR - NON-PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
2nd Camera Assistant	\$29.72	\$33.04	\$35.85	\$45.60
Loader	\$27.53	\$29.88	\$31.92	\$39.18

New One-Hour Series & Pilots

OUT OF CORRIDOR - PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Director of Photography	\$98.21	\$98.70	\$99.82	\$106.28
Camera Operator	\$51.56	\$54.15	\$56.56	\$65.70
Portrait Photographer	\$47.39	\$51.03	\$54.22	\$65.70
Still Photographer	\$45.43	\$47.57	\$49.58	\$57.26
Technician	\$46.50	\$48.37	\$50.18	\$57.26
1st Camera Assistant	\$44.36	\$44.58	\$45.09	\$48.00
2nd Camera Assistant	\$40.38	\$40.72	\$41.28	\$44.27
Loader	\$34.94	\$35.17	\$35.61	\$38.04

OUT OF CORRIDOR - NON-PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
2nd Camera Assistant	\$29.52	\$32.57	\$35.17	\$44.27
Loader	\$27.36	\$29.48	\$31.34	\$38.04

Local 600
Out of Corridor
Production and Non-Production City
PAY TV Scales
WEEKLY GUARANTEE
(per hour)

Established Series

OUT OF CORRIDOR - PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Director of Photography	\$87.92	\$88.92	\$90.36	\$97.50
Camera Operator	\$45.64	\$48.84	\$51.68	\$62.01
Portrait Photographer	\$42.04	\$46.14	\$49.66	\$62.01
Still Photographer	\$40.37	\$43.17	\$45.66	\$54.71
Technician	\$41.57	\$44.36	\$46.84	\$55.92
1st Camera Assistant	\$39.68	\$41.00	\$42.32	\$47.68
2nd Camera Assistant	\$36.18	\$37.53	\$38.85	\$44.09
Loader	\$31.61	\$32.94	\$34.22	\$39.18

New One-Hour Series & Pilots

OUT OF CORRIDOR - PRODUCTION CITY RATES	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017	Jan. 1, 2018
Director of Photography	\$87.48	\$87.92	\$88.92	\$94.66
Camera Operator	\$45.36	\$48.21	\$50.77	\$60.20
Portrait Photographer	\$41.76	\$45.51	\$48.75	\$60.20
Still Photographer	\$40.13	\$42.61	\$44.85	\$53.12
Technician	\$41.32	\$43.78	\$46.01	\$54.29
1st Camera Assistant	\$39.47	\$40.51	\$41.62	\$46.29
2nd Camera Assistant	\$35.98	\$37.07	\$38.19	\$42.81
Loader	\$31.44	\$32.54	\$33.64	\$38.04